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ARTS AND INDUSTRY

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Television Digest

with **ELECTRONICS REPORTS**

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JAN 3 1955 **SUMMARY-INDEX OF THE WEEK'S NEWS—January 1, 1955**

34,000,000 TV SETS NOW, and there's another great year ahead, with production & sales expected at 6-7,000,000, & more than \$1 billion telecasting business (p. 1).

DuMONT CURTAILS TO "MAIN LINE" NETWORK, reducing AT&T interconnections, cutting back staff, banking on emergence of more stations for full-scale revival (p. 3).

AMs ADD UP TO 2782 AT YEAR'S END, 138 more authorized during 1954; new AM-FM Directory also shows 583 FM grantees, down from last year's 602 (p. 5).

PHOENIX'S 4th VHF & PASCO UHF SATELLITE, plus limited operation of uhf KCEB, Tulsa, bring year-end total to 426 stations on air (p. 5).

FIRST STATION TO HIT FULL 1000-kw is uhf WBRE-TV, Wilkes-Barre; second is WILK-TV, Wilkes-Barre, striving for boost to megawatt on New Year's Day (p. 6).

MORE UHF STATIONS SHIFTING to lower channels; Fairbanks CP granted, while Albany battle goes to hearing and Flint grant is challenged (p. 7).

TRADE RIDING HIGH INTO 1955, with TV output near 1950 record and retail sales close to 7,000,000 in 1954; prospects for future are encouraging (p. 11).

INCREASE IN IMPORTS OF RADIOS & PARTS have a lot of U. S. manufacturers uneasy about potential competition from abroad; will seek tariff hike (p. 12).

COLOR-EQUIPPED STATIONS increasing rapidly, all CBS-TV & NBC-TV basics carrying network feeds, many equipping themselves for local color (p. 10).

NEW TV MODELS INTRODUCED by Admiral, DuMont, GE, Magnavox, Motorola, Trav-Ler, Westinghouse; Crosley cuts price of 10 "Super V" models (pp. 13-14).

MOTOROLA SIGNS PATENT LICENSE RENEWAL as RCA settles FM suit out of court with Maj. Armstrong's widow; status of other patent cases (p. 15).

NETWORK BILLINGS HIT ALL-TIME HIGH in Nov., according to PIB, which shows ABC, CBS & NBC set TV sales marks; 1954 billings to reach \$320,000,000 (p. 16).

YOU CAN EXPECT ANOTHER GREAT TV YEAR: TV enters its 9th year -- dating its commercial beginnings from the 16 stations on the air in 1947 and mere trickle of 178,571 receiving sets produced that year -- with some 34,000,000 sets in the hands of the American public. That's about 7,000,000 more than a year ago, and the prospect is that another 6-7,000,000 will be made and sold in 1955.

The New Year starts with 426 stations on the air and several dozen more being built, up 101 from year ago, with probability that 50-75 more will start in 1955.

Telecasting has ended a \$900,000,000 advertising year -- and there's good reason to expect the 1955 figure will go well over \$1 billion for time, talent and all other costs, thus representing more than 10% of the national advertising budget.

TV receivers, parts & service accounted for something like \$2 billion of the gross national product in the year just ended, should do as well or better in 1955, depending on consumer demand and the price structure. Product of whole electronics industry, of which TV is the keystone, is variously estimated up to \$10 billion.

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There you have a quick glimpse of the fabulous TV industry in general. But what about particular aspects? What's in store for 1955? Here are summaries of the best thinking of Television Digest's editorial staff on major trends & developments as we launch 11th volume in 10th year since publication of Vol. 1:1 on Sept. 1, 1945:

Telecasting: 101 stations went on the air in the U.S. in 1954 (25 of them uhf), latest being satellite in Pasco, Wash. (see p. 5). There are currently 179 CPs outstanding, and it's our guess that more than half of these will never be built -- unless uhf fortunes take a turn for the better. There are 175 new-station applications pending. It will be surprising if new starters in 1955 total as many as 100. Incidentally, Canada now has 24 stations, 15 of which started in 1954, and will very likely add this year the 7 holding CPs and possibly a handful more.

Film: More live network shows are preparing to switch to film, though it's noteworthy that of ARB's "Top 10" for Dec. (p. 9) only 4 were filmed. Biggest film

news in 1955 will be wide-scale increase in top shows syndicated to topnotch stations for placement in prime hours -- the first emergence of long-heralded "film networks." Even DuMont Network may turn to teletranscription mainly (see p. 3). The trend is toward consolidations among top producers & syndicators, making for group of select "majors" as in the motion picture industry. Good feature films will command big prices, leading movie majors to re-examine their policy of withholding backlogs from TV. Relaxation of major producers' stiff-backed opposition to release of old films may be triggered not only by high prices but by fact that imminence of color reduces value of oldies; that General Teleradio's "Million Dollar Movie" package, bought from Bank of America, is clicking around country; that Walt Disney is releasing his features on his ABC-TV Disneyland show; that Republic has released a batch of 27 high-budget films made in the '40s. Video tape recording will emerge from the lab in 1955, but practical use of it will be limited to on-the-job field-testing by NBC.

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UHF: 1954 was a tough year, 31 outlets having quit operating, all of them for economic reasons. Three resumed operation, but year ended with fewer uhf on the air (121) than when it began despite fact 25 started. Uhf woes won't end in 1955 and there will be more mortalities, but a few more established stations in good markets should turn the profit corner. Great boost to uhf will come from big-interest operations like Storer's in Portland, Ore. & Miami, CBS's in Milwaukee, NBC's in 2 as yet undisclosed cities. Some uhf may switch to satellite or quasi-satellite operation. Some well-heeled operators will go to maximum 1000-kw power., Uhf operators will continue to clamor for de-intermixture in selected areas, but may not get any further with FCC this year than last -- albeit pressures from Congress will increase for a rejuggle of allocations to protect uhf areas from vhf or else switch uhf to vhf.

UHF Receivers: Approximately 1,250,000 uhf-equipped sets were produced in 1954, about 17% of total output, compared with 1,460,000 in 1953 (20%). Together with 2,190,000 field conversions in 1953 and estimated 1,300,000 in 1954, the uhf-equipped sets now total around 6,000,000. Several new developments in uhf tuner design, leading to better and cheaper tuners, can be expected in 1955, with probable reduction of price differential between vhf-only & vhf-uhf sets and resultant increase in "circulation". How great the increase is, will determine to large extent the success of uhf stations in 1955.

Color: Majority of TV homes will be within reception range of network colorcasts in 1955, and a sizeable percentage of TV homes will be in range of locally-originated color, live & film. Network color originations will increase, including feeds from west coast and some "spectacular" remotes. Rate of set production and sales may remain disappointingly low this year, probably well under the 200,000-to-400,000 predicted by industry leaders -- barring some now-unforeseen technical and production developments making possible prices under \$500. Quality and simplicity of color sets will improve steadily and significantly, with greater brightness, stability, registration, resolution, contrast, etc. No important change in picture size (21 & 22-in.) can be expected. Important developments are likely in studio equipment, possibly including emergence of the single-tube camera chain. Color film producers will start coming into their own as stations with film cameras begin to demand their product.

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Govt. Regulation (FCC): Chairman McConnaughey, his confirmation held up in last Congress, will be renominated by President Eisenhower and confirmed by Senate after minor objections & delays. Comr. Hennock is unlikely to be reappointed, and there's good chance of another woman Democrat getting her place in June. "Protest" provision of Communications Act will be modified by Congress -- at least, legislative wheels to that end will start rolling. FCC will have to spend a lot of time in court defending decisions in TV cases; it will win most court decisions, as in past. FCC will continue the "free enterprise" philosophy expressed by McConnaughey and others, with less and less actual interference with station operations. There will be some exceptions, such as inquiries into "overcommercialization" which will be more persuasive than dictatorial. Effort will continue to streamline FCC procedures, cut down on paper work required of stations.

Govt. Regulation (Congress): Investigation fever will continue to run high despite change in control of Congress. Senate Commerce Committee under new chairman, Sen. Magnuson (D-Wash.), will probably continue network-uhf probe begun by Bricker (R-Ohio), but with change in emphasis because of diminished influence of the investigation's GOP counsel, ex-FCC Comr. Robert F. Jones. Some of Potter subcommittee's recommendations may be revived -- cutting excise taxes on uhf-equipped sets, and an ad hoc committee to study uhf & allocation problems. Sen. Kilgore (D-W.Va.) will run into jurisdictional dispute between his Judiciary Committee's proposed TV-radio monopoly probe and Commerce Committee's inquiry -- and scope of Judiciary probe will be narrowed or the 2 investigations will be "combined" under aegis of Commerce Committee. House Commerce Committee, under new chairman Rep. Priest (D-Tenn.), will be more active in TV-radio matters than was its predecessor. But best bet still is that no far-reaching TV legislation will be passed during the 1955 session.

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Subscription TV: Start of rule-making on pay-as-you-look in next few weeks is virtually certain. FCC is likely to couch its proposal in exceedingly general terms, throwing whole matter open to comments, picking the industry's brains. Oral hearings are possible some time this year -- but they're not likely to be nearly so protracted as were the color hearings. Commission will look to Congress for guidance on basic question -- "to pay or not to pay." Decision this year is improbable.

Boosters & Satellites: Commission will finalize current proposal to allow 100-watt satellites, probably also start rule-making on low-power boosters. After satellite proposal is finalized, installation of satellites will be gradual -- slower than many expect, because costs will be greater than many think.

Microwave-Cable Facilities: FCC will liberalize conditions under which TV stations may build own microwaves, resulting in booming construction of many individual links. AT&T will offer "utility grade" of interconnection service for new small-station towns, at considerably lower cost than present service. Compared with past years, AT&T will extend service to relatively few new areas, having completed most of its basic network.

Educational Stations: The infant educational TV took its first steps in 1954 and 10 stations went on the air, one going off; total at year's end was 11 and at best another 15 will start in 1955. Slowly and not-too-surely, educational TV may eventually find its niche and achieve stability -- but it's still subject to the caprices of the political winds, particularly in state legislatures, which usually hold pursestrings too tightly to permit real growth.

Community Antennas: They'll continue growing, but at somewhat slower rate, while potential operators keep close eye on boosters and satellites, sweating out caprices of state utilities commissions and battling excise taxes.

Trade Developments: See Trade News section (pp. 11-12).

DuMONT CURTAILS TO 'MAIN LINE' NETWORK: Can the DuMont Network survive the loss of its main fiscal prop, the highly profitable WDTV, Pittsburgh (Ch. 2) which has been sold to Westinghouse (Vol. 10:49) for the unprecedented sum of \$9,750,000?

Dr. Allen B. DuMont thinks that it can -- and the explanation of this week's drastic curtailment of AT&T interconnections and severe cutbacks in staff is that it's "merely a temporary tightening of our belts."

Also hinted is a new "technological development," unexplained but presumably having to do with teletranscriptions; this would seem to indicate plans to expand in film fields, though it's denied there's any intention of becoming a film syndicate.

Though the network has never made money despite increased billings, and has been supported largely by the 3 DuMont-owned stations (other 2 are in N.Y. and Washington), its operators are still convinced there's an economic basis for a fourth national network, as in radio. This is a point of dispute along Madison Avenue's advertising row because of the high cost of telecasting time.

Moreover, it requires at least 4 stations in a market to justify a competitive structure and, as of now, as DuMont director Ted Bergmann points out, only 14 of the

top 148 markets have as many as 4 stations. Worse than that, 27 markets have only 3 stations, 55 have only two, 39 have only one, 13 have none. Small-market stations, still relatively few, aren't as much in demand by the national advertiser.

As and when more stations are built, as and when uhf wins its rightful place in the TV sun, another network ought to be able to get along -- and DuMont appears to be banking on just that. Whether new construction or the juggling of channel assignments by Washington brings it about, this is the cue to DuMont's thinking:

"In 1954," said Bergmann recently before an advertisers' convention, "the fourth vhf station started telecasting in such important markets as Detroit, Minneapolis and Denver, and 1955 shows promise of increased numbers of stations in cities like Boston, Pittsburgh, Toledo, St. Louis, New Orleans and many others. In addition, some inadequately covered markets are now being opened up by outside stations -- KOVR in Stockton, Cal., for example, is covering the San Francisco area, and plans are afoot to cover Pittsburgh from Steubenville, Ohio."

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Whatever its hopes and plans -- and the next few months should prove or disprove its theories -- the facts about this week's DuMont actions are these:

Whereas the network has been engaging AT&T lines as far west as Kansas City and south to Atlanta on the customary contract basis of \$39.50 per mile per month, 8 hours per day minimum, interconnecting up to 188 stations, spending about \$175,000 a month, it will now contract only for a "main line" hookup of these cities: New York, Philadelphia, Baltimore, Washington, York, Harrisburg, Altoona, Johnstown, Columbus, Pittsburgh, Cincinnati, Cleveland, Youngstown, Windsor (Detroit) and Chicago. That means 15 stations plus some off-the-air feeds to other affiliates from these stations.

The rest of DuMont's 213 affiliates will be served, as many already are, by teletranscriptions as ordered by the sponsor. If an advertiser wants a bigger live network and station time can be cleared, AT&T lines will be ordered on so-called "occasional basis," for which the AT&T rate is \$1.15 per mile per hour. That's how Bishop Sheen, for example, can be continued live to some 70 stations; how occasional sports events, in which DuMont has specialized, can be continued. Only last week it interconnected 187 stations for pro grid championship from Cleveland; it's also carrying Shrine's annual East-West football game from San Francisco New Year's Day and big Pro Bowl game from Los Angeles Jan. 16.

It's estimated that line costs are being cut to about \$70,000-\$80,000 per month -- more than halved. Besides that, staff cutbacks will be considerable -- notably engineering, production & office employes.

Fact is that DuMont Network has never utilized all its 8 hours per day on the whole 188-station hookup. It has been feeding out only 20-22 hours of programs per week, clearing time for all of them on only its own 3 stations, for most of them on such major affiliates as Chicago's WGN-TV and Baltimore's WAAM. Varying hours were taken by other stations, especially those also having affiliations with another network or networks. This scant budget of shows is being further reduced by loss of the American Chicle-Geritol co-sponsorship of "Rocky King, Detective" and by cancellation of Consolidated Cosmetics Co.'s "They Stand Accused." These losses doubtless hastened the decision to curtail.

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DuMont has had plenty of offers to buy both New York & Washington stations, but won't consider their sale -- yet. There's also talk, which DuMont spokesmen insist is merely talk, that Paramount Pictures might be willing to liquidate its 25.5% interest in DuMont (which enjoys a flourishing TV set, tube and electronics manufacturing business) if the network and its 2 remaining stations are turned over to it. Paramount already has a TV station in Los Angeles, KTLA, which operates quite successfully as an independent.

Entirely rejected is the suggestion that the new Vitapix-Guild film syndicate combine might merge with DuMont. Guild Films' Reub Kaufman is known to hanker after DuMont's splendid New York studios, and for a while Bergmann considered joining his 2 stations in the Vitapix plan calling for fixed time clearances for its films.

Dr. DuMont pioneered network TV, as he did the set & tube field, only to see more aggressive later comers like CBS & ABC come along and forge ahead of his network. Yet he's obdurate in wanting to be identified with the telecasting side of the business, rather than manufacture alone. And he believes time is on his side as TV surges to No. 1 advertising medium and as demand for more facilities is created. His present purpose seems to be to sweat out as much time as cheaply as possible.

AMs MULTIPLY, TOO—2782 AT YEAR'S END: TV's tremendous commercial upsurge during 1954 did not prevent AM from increasing its ranks also -- in fact, there were more new radio stations authorized during year (exactly 138) than there were new TV starters (101). This surprising fact is disclosed in a statistical recapitulation of our 1955 AM-FM Directory, which comes off presses in about 2 weeks. The oft-predicted decline of AMs simply hasn't happened -- and FM's drop has been slight.

Actual figures are these: Total AMs authorized at end of 1954 were 2782, of which 2662 were licensed and on the air and 120 still CPs. On same 1953 date, total was 2644, of which 2514 were licensed and on the air and 130 were CPs. Thus there hasn't been a year since the wartime freeze ended that AM didn't add to its ranks: At end of 1952, total was 2516; 1951, 2410; 1950, 2351; 1949, 2246; 1948, 2131; 1947, 1961; 1946, 1579; 1945, 1056. Most of the newcomers are local or daytime stations.

FM grantees totaled 583 at end of 1954, of which 549 were on air. Year ago total was 602, with 550 on air. During last year, 37 FM licenses and 2 CPs were dropped. At end of year, only 11 applications for new FM stations were pending.

The 1955 AM-FM Directory (loose-leaf & punched for binding, carrying no ads, cost per extra copy \$7.50) also lists all applications for new AM stations pending as of Dec. 31. These totaled 174, as against 207 year before. Dropped during 1954 were 9 AM licenses, 13 CPs.

Canada's radio stations increased to 197 from 191 during year, Mexico's to 443 from 420; Cuba's to 135 from 121 -- all listed with addresses, facilities, etc.

TWO MORE STARTERS MAKE ON-AIR TOTAL 426: Phoenix's 4th vhf station and the Yakima uhf satellite in Pasco, Wash. got going this week -- these and the announced resumption of Tulsa's KCEB (Ch. 23) on limited basis bringing year-end total to 426 on air (121 uhf). At press time, FCC had not yet been notified that oilman Elfred Beck's uhf, which got permission to suspend for 6 months due to economic troubles (Vol. 10:49), was back in operation but he writes us: "We are at present continuing operations on a limited film schedule and present plans are to continue with this limited operation until reorganization plans are completed." Week's new starters:

KTVK, Phoenix, Ariz. (Ch. 3) began test patterns Dec. 24, plans commercial debut Jan. 15 as independent. It has 25-kw RCA transmitter with 100-kw visual ERP, 125-ft. Allison tower with 6-bay antenna on 2655-ft. Salt River Mt. Ex-Senator, now Gov. Ernest W. McFarland owns 40%, heading group which includes v.p.-gen. mgr. Ralph A. Watkins, 20%; Leon M. Nowell, 20%; Ed Cooper, 20%. Sean Dillon, ex-ABC, is operations & program mgr.; James E. Overpeck, sales mgr.; Robert Latham, chief engineer; Ray Gallagher, senior producer. Base rate is \$300. Rep is Weed.

KEPR-TV, Pasco, Wash. (Ch. 19), first satellite to be authorized by FCC, began operation Dec. 28, feeding Kennewick-Pasco-Richland area with programs from Yakima's KIMA-TV (Ch. 29). It uses 1-kw GE transmitter, 300-ft. Fisher tower with 5-bay helical antenna on 1730-ft. Badger Mt. M. Dow Lambert, ex-KING-TV, Seattle, is in charge of the operation, which is manned by himself and one other engineer. KIMA-TV has increased base hour from \$200 to \$300 for combined operation. Rep is Weed.

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Note: Danville, Va.'s only TV station, WBTM-TV (Ch. 24) announced this week "heavy financial losses and a lack of advertising revenue" would force it off air on Dec. 31. Following announcement, a community-wide "save our station" movement was organized, according to v.p.-gen. mgr. Edward G. Gardner Jr., aimed at guaranteeing station enough advertising contracts to insure operation for next 12 months. As we went to press, station's future was still in balance, pending tally of new contracts.

Personal Notes:

Walter Craig, who resigned as v.p. of Benton & Bowles in Jan. 1952 to become v.p. & adv. director of Pharmaceuticals Inc., handling Serutan, Geritol, R.D.X. & Hi-V Orange Juice accounts, joins William H. Weintraub & Co. Jan. 18 as TV-radio v.p.; at Benton & Bowles, he directed the Procter & Gamble, General Foods, Best Foods, Crosley, Prudential, among other accounts; v.p. Wm. Weintraub Jr. and TV-radio v.p. Harry Trenner reported resigning, with Elkin Kaufman to become pres. and Wm. Weintraub Sr. chairman . . . Tom Slater, ex-v.p. & TV-radio director, Ruthrauff & Ryan, joins Fuller & Smith & Ross as director of TV-radio section of film-radio-TV dept. in Cleveland, with David G. Adams, ex-director of the dept., heading new film-visual communications section . . . Adolph J. Toigo elected pres. of Lennen & Newell, succeeding late H. W. Newell; Toigo is succeeded as exec. v.p. by Thomas C. Butcher, senior v.p. . . . Mike Shapiro, recently with Avery-Knodel's Chicago office and ex-asst. mgr. of KDUB-TV, Lubbock, Tex., on Jan. 1 becomes commercial mgr. of WFAA-TV, Dallas, succeeding Terry Lee, who becomes v.p. & gen. mgr. of Hoffman Radio's KOVR, Stockton, Cal. . . . John H. Smith Jr. resigns as mgr. of NARTB public affairs to join Chrysler Corp., Detroit, as supervisor of new public relations projects . . . Paul Jensen promoted to program director of KOLN-TV, Lincoln, Neb., succeeding Wm. E. Lucas; Wm. Hemke replaces Jansen as production director . . . George Flax, ex-WTTG, named Washington editor of *TV Program Week*, new weekly magazine to be published by Curtis Circulation Co., first issue due about Jan. 10 . . . Jack Gillman named mgr. of Chicago edition of *TV Guide Magazine*, succeeded as Detroit mgr. by Kenneth Armstrong, ex-Philadelphia; Ben Miller, from Washington-Baltimore edition, named Texas mgr., Houston . . . Bill Lucas named program director of KTIV, Sioux City, Ia. with Max Schindler, production director . . . Peter K. Onnigian named chief engineer of upcoming KBET-TV, Sacramento, Cal. (Ch. 10), due in Feb. . . . Hazel Markel, newscaster & Washington columnist, appointed associate producer in charge of TV-radio activities for Theodore Granik's *American Forum* and *Youth Wants to Know* . . . Frederick Crawford named v.p. in charge of marketing surveys and TV-radio sales promotion, John Shrager Inc., N. Y. . . . Jane Daly, TV-radio director of Earle Ludgin & Co., Chicago, elected v.p. . . . Wm. Hollenbeck quits as program director of KOVR, Stockton, to become studio mgr., KFSD-TV, San Diego . . . Edward F. Glacken, ex-WBOC-TV, Salisbury, Md., joins new WFMZ-TV, Allentown, Pa., as director of program operations . . . George J. Kapel, recently gen. mgr. of U of Missouri's commercial KOMU-TV, Columbia, Mo., named sales mgr. of upcoming new KBET-TV, Sacramento, Cal. . . . Lee Savin, ex-exec. v.p. of UTP, assumes similar position with Gross-Krasne Inc. . . . Charlie Stone promoted from sales v.p. to v.p. in charge of WMBR-TV, Jacksonville; radio sales mgr. Dave Booher also promoted to v.p.; both report to pres. Glenn Marshall Jr. . . . Kenneth H. Baker, who left NARTB as research director several years ago to set up Standard Audit & Measurement Services Inc., joins Market Research Corp. of America as v.p. in charge of research studies.

Washington law partners Norman E. Jorgensen & Seymour Krieger have applied for their third radio CP, station to be built in Herkimer, N. Y. (1-kw daytime, 1420 kc). Each holds 40%, Louis Adelman, Trans-World Productions Inc., New York TV film producer, holding 20%. They also hold 42% each of Broadcasting Inc., which operates WSBB, New Smyrna Beach, Fla. (250-watts, 1230 kc), and is building WLCO, Eustis, Fla. (250-watts, 1240 kc).

Senator Assis Chateaubriand, the Brazilian TV-radio station and newspaper owner, arrived in N. Y. this week.

FIRST MILLION-WATT TV transmissions began at 3:15 a.m. Dec. 31 from NBC-basic WBRE-TV, Wilkes-Barre, Pa. (Ch. 28), and second station to achieve 1-megawatt was planning to go to full power next day—ABC-basic WILK-TV (Ch. 34), also in Wilkes-Barre. WBRE-TV achieved the full 1000-kw power after completing antenna installation and de-icing operations on afternoon of Dec. 30. WBRE-TV's installation is RCA 25-kw transmitter with new 46-gain antenna. WILK-TV is using GE 45-kw transmitter, 25-gain helical antenna (Vol. 10:50-52).

"Mt. Higby mystery" (Vol. 10:51) was still unsolved this week, but best guessing was that NBC is the unidentified lessee of 3-acre tract on high point at Middletown, Conn., about halfway between Hartford & New Haven, and will soon seek uhf channel for new 1000-kw uhf station there. NBC engineers meanwhile have completed uhf survey of San Francisco area. Network's uhf plans are expected to be made known momentarily.

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Only shipments reported this week were GE 50-kw amplifier to WCPO-TV, Cincinnati (Ch. 9), 12-bay batwing antenna to U of Illinois' upcoming WTLC, Champaign-Urbana (Ch. 10) and all remaining transmitter parts for WILK-TV's boost to 1000-kw. From principals of upcoming TV stations, these are latest reports:

WCBI-TV, Columbus, Miss. (Ch. 4), previously reporting "early 1955" target, now is negotiating for 500-ft. tower which it hopes to have ready by May 1, according to gen. mgr. Bob McRaney. RCA 5-kw transmitter is on hand, but antenna has not yet been ordered. Station plans to ask for site change to Hwy. 12, four mi. NNE of city at new location of radio WCBI. Signed as CBS affiliate under new Extended Market Plan, it also seeks other network affiliation. Owner Birney Imes Jr., who turned in Ch. 28 CP last May, publishes *Columbus Commercial Dispatch* and controls WCBI and 5 other Miss. radio stations. Base rate not set. Rep will be McGillvra.

KCOR-TV, San Antonio, Tex. (Ch. 41), which recently asked for Ch. 14 allocation, now doesn't expect to get on air with test patterns until mid-March, plans mid-April programming, reports chief engineer Marvin L. Fiedler. Delivery date hasn't been set for 1-kw RCA transmitter, nor has work begun on Emsco 406-ft. tower and RCA antenna. It plans to be all-Spanish outlet, using films and kines from Mexico and other Latin-American countries, as well as U. S. Nathan Safir, from radio KCOR, will be gen. mgr. Base hour will be \$250. Rep will be Richard O'Connell.

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CBOFT, Ottawa, Ont. (Ch. 9), first Canadian TV with 5-letter call (and first such in North America without hyphen), won't be on air until next summer due to equipment delays. CBC will operate it as French-language outlet, using same studios and same transmitter setup as companion CBOT (Ch. 4), which will switch to all-English. Initial CBOFT programming will be network only. In Montreal, CBC setup is similar, with CBFT (Ch. 2) as French-language, CBMT (Ch. 6) English.

KDRO-TV, Sedalia, Mo. (Ch. 6) this week asked FCC permission to leave air Dec. 31—then changed mind and told Commission it will reduce programming to 2 hours daily beginning Jan. 1. Non-interconnected non-network station is undergoing financial reorganization, according to spokesman for owner Milton Hinlein.

WGBS-TV call letters are now being used by Storer's Ch. 23 Miami outlet, telecasting from temporary Ft. Lauderdale location formerly occupied by WFTL-TV, whose physical facilities and channel WGBS-TV has taken over (Vol. 10:47, 51).

SHIFTS OF UHF stations downward in frequency, requested more and more often nowadays, aren't what FCC would like—but it continues to authorize them because it's apparent that alternative is even greater uhf mortality.

FCC's concern about trend is based on fear that paucity of stations on higher channels will discourage receiver and transmitter makers from improving equipment—leading to general abandonment of large chunk of TV spectrum.

Three more uhf CPs have been turned in, meanwhile: WJOL-TV, Joliet, Ill. (Ch. 48); WJLB-TV, Detroit (Ch. 50); WSBM-TV, Saginaw, Mich. (Ch. 51).

Taking cue from FCC's action in granting WMGT, Adams, Mass. shift from Ch. 73 to Ch. 19, giving it "show cause" order insuring that station would get the channel, other stations are making similar requests. WLOK-TV, Lima, O. (Ch. 73), soon to become WIMA-TV following sale (Vol. 10:52), has asked shift of educational Ch. 14 from Oxford, O. WWLP, Springfield, Mass. (Ch. 61), wants to go to Ch. 22, submitting channel-shifting plan involving substitution of Ch. 36 for Ch. 22 in Providence and Ch. 38 for Ch. 50 in Boston, deletion of Ch. 36 from Northampton, addition of Ch. 61 to Easthampton.

A geographical and channel shift is requested by WKST-TV, New Castle, Pa. (Ch. 45). Having lost \$70,000 to date, it told FCC it believes it can make out in Youngstown, get a network affiliation there. It asks permission to move to Youngstown with Ch. 45 transmitter, shifting Youngstown's Ch. 73 to New Castle.

Search for vhf channels continues, too. E. Anthony & Sons, one-time holder of CPs for WBOS-TV, Boston (Ch. 50) and WTEV-TV, New Bedford (Ch. 28), petitioned for allocation of Ch. 6 to Nashaquitsa, Mass.

Meanwhile, Commission granted one of its now-infrequent CPs, giving Ch. 11 to Northern TV Inc., Fairbanks, Alaska (A. G. Hiebert, pres., principal stockholder). One initial decision was rendered, examiner Charles Frederick choosing Beachview Broadcasting Corp. over WAVY, for Norfolk's Ch. 10. He found the 2 generally equal, but

frowned upon action of 50 WAVY stockholders in giving control of their stock (37.4%) to 11 voting trustees. Pres. and 77.77% stockholder of Beachview is optometrist Dudley Cooper; secy. and 10% stockholder is Irvin M. Kipnes, one-time reporter (including stint on *Broadcasting-Telecasting Magazine*) and ex-mgr. of radio WCAV, Norfolk, and other stations. Pres. of WAVY group is Hunter C. Phelan (food store chain); v.p. is Carl J. Burkland, former mgr. of WTOF, Washington, ex-gen. sales mgr. of CBS Spot Sales.

Battle between WTRI and WROW-TV, Albany, N. Y. (Vol. 10:51), will be settled by hearings, FCC decided this week, setting en banc oral argument for Jan. 24, with evidentiary hearing before an examiner to come later. Commission turned down WTRI's request that sale of WROW-TV to Lowell Thomas group be held up.

Oral argument will be on whether Thomas group's ownership of WROW-TV would violate rules on station ownership by network personnel and whether affiliation arrangement between WROW-TV and CBS violates anti-trust laws. Hearings will be on allegations of "secret agreement" on affiliation between the two, possibly also on matters considered in oral argument.

Fight over grant of Ch. 12, Flint, to Detroit's WJR, hasn't let up, either. Defeated applicants WFDF, Flint (Bitner) and Butterfield Theatres filed joint petition for further hearing, charging that grantee WJRT has completely changed plans from those it advanced during hearing—moved site 44 mi., renting studios rather than building, affiliating with CBS rather than DuMont, changing stock ownership, changing program plans, etc.

On allocations front, off-air WTOV-TV, Norfolk (Ch. 27), seeking assignment of Ch. 13 to area, challenged propagation data of WAAM, Baltimore (Vol. 10:51), stating that it wasn't timely filed, is incorrect and based on insufficient measurements. Even if data were correct, WCOV-TV said, FCC should stick to its 170-mi. co-channel separation in Zone I because of need for more stations there.

Midnight Sun Bestg. Co.'s \$100,000 purchase of KFIA, Anchorage (Ch. 2) and CP for KFIF, Fairbanks (Ch. 2) from Richard R. Rollins, in deal whereby Rollins retains approximately 19% (Vol. 10:47), was approved by FCC this week. Midnight operates 4 Alaskan radio stations, has as majority owner Lathrop Co., operator of theatres in Anchorage and Fairbanks. Other transactions approved: (1) Transfer of WAYS-TV, Charlotte, N. C. (Ch. 36), to local advertising man Hugh Deadwyler for token \$4; radio WAYS is not involved (Vol. 10:51). Sellers are G. W. Dowdy, B. T. Whitmire, J. Horton Doughton & Harold H. Thoms, latter also owning uhf WISE-TV, Asheville. (2) Transfer of CP for KBAY-TV, San Francisco (Ch. 20) from Lawrence Harvey to Bay Television, in which Dr. & Mrs. Leonard Averett are equal partners (Vol. 10:45). Averetts are to contribute \$200,000 each to partnership.

KNUZ-TV, Houston (Ch. 39), which went off air last June after 8 months deficit operation (Vol. 10:27), filed this week for extension of CP for 6-12 months while it considers plan to return to air from studios of radio KNUZ. Letter with application revealed uhf station had lost total of \$300,000, at rate of \$18,000-\$40,000 a month.

Talk of moving all or some vhf stations into uhf, because of military requirements, is discounted by FCC chairman George McConaughy, who also views with skepticism the reverse—getting more vhf from the military.

Edward Lamb hearing will resume Jan. 18, by agreement between counsel for Lamb and FCC broadcast bureau, instead of Jan. 4 as previously announced.

"TV Assignment Rules & Policies" is title of paper to be delivered Feb. 1 by FCC Broadcast Bureau chief Curtis Plummer, during Jan. 31-Feb. 4 AIEE meeting in New York's Statler and Governor Clinton Hotels. Other papers same day, in addition to several on color (Vol. 10:52): "UHF Wave Propagation," by Robert P. Wake-man, DuMont; "Performance of Sectionalized Broadcasting Towers," by consulting engineer Carl E. Smith, Daniel B. Hutton, FCC & Wm. G. Hutton, Goodyear Aircraft Corp.; "TV Receiver Signal Overload," by C. Masucci, CBS-Columbia.

Network service was extended by AT&T to 4 stations over Xmas week end: WFIE, Evansville, Ind.; WEHT, Henderson, Ky.; WBTW, Florence, S. C.; WSFA-TV, Montgomery, Ala. WWTV, Cadillac, Mich., is now getting network service via its own 3-hop private microwave from Kalamazoo. Next on AT&T's hookup list are WEAT-TV, W. Palm Beach; KLRJ, Henderson, Nev.; KEYD-TV, Minneapolis.

R. W. Miller, asst. operations director of AT&T long lines dept., promoted to asst. v.p. in charge of new group to promote use of all long-distance services. Beverly H. Swango replaces Miller. John C. Marsh is promoted to asst. v.p. in charge of personnel for new group; Wm. J. Whittaker succeeds Marsh as asst. treas.

FCC meeting on pay-as-you-look TV will probably come week of Jan. 10, starting wheels moving toward rule-making on subject. Previously, Jan. 3 had been set for meeting, but too few commissioners are expected to be in town then.

Station Accounts: Spot TV billings in 7 categories—detergents, toilet soaps, shortenings, margarines, dentifrices, home permanents, shampoos—exceeded spot radio by nearly 5-to-1 in third quarter 1954, overturning radio's slight lead over TV in third quarter 1953, according to report this week of N. C. Rorabaugh Co., 347 Madison Ave., N. Y. Spot TV expenditures in those categories in third quarter totaled \$6,385,654 vs. radio's \$1,476,796; in same 1953 quarter spot TV totaled \$2,963,951 vs. radio's \$3,105,566. For 15-month period from July 1, 1953 to Sept. 30, 1954, TV billings were \$25,033,198 vs. radio's \$11,632,460 in those categories . . . National Biscuit Co. to sponsor weekly 30-min. filmed *Sky King* in about 25 markets starting in Jan., thru McCann-Erickson . . . White King Soap Co., Los Angeles, for its new "D" detergent, to use heavy TV spot campaign in all major western markets starting in Feb., thru Jim Morgan Co., Hollywood . . . Carter Products (Carter's liver pills) to use 125 TV markets in 13-week spot campaign starting Jan. 3, thru Ted Bates . . . National Brush Co., Aurora, Ill., to introduce its new "Sno-Chaser" snow removal brush for motorists, uses one-min. spots in several stations across nation only on snowy days, thru Charles O. Puffer Co., Chicago . . . Producers Livestock Marketing Assn., Salt Lake City, pleased by results of 4-month spot campaign in Utah this year to promote lamb consumption, expands budget for bigger promotion in 1955 . . . Among other advertisers currently reported using or preparing to use TV: Ore-Ida Potato Products, Ontario, Ore. (frozen potato products), thru Sidney Garfield & Assoc., San Francisco; Bissell Carpet Sweeper Co., Grand Rapids, Mich., thru N. W. Ayer & Son, Chicago; Botany Mills, Passaic, N. J. (Botany lanolin cosmetics), thru Hirshon-Garfield, N. Y.; Autoyre Co., Oakville, Conn. (bathroom-kitchen closet accessories), thru Ben Sackheim, N. Y.; Lux Clock Mfg. Co., Waterbury, Conn., thru Edward Graceman & Assoc., Hartford; O'Donnell-Usen Fisheries Corp., Boston (Taste O'Sea fish), thru Arnold & Co., Boston; Hanover House, N. Y. (publishers), thru Lewin, Williams & Saylor, N. Y.; Harper Products, N. Y. (Appedrin weight reducer), thru Duane Jones Co., N. Y.; Pez Haas Inc., N. Y. (PEZ candy with own dispensing unit), thru Wesley Assoc., N. Y.; Porter-Cable-Machine Co., Syracuse (saws, sanders, planes).

Network Accounts: Changing concept of network sponsorships, in which rival companies sponsor same program, may be heralded by announcement that 3 soap companies have bought 15-min. segments of NBC-TV's *Ding Dong School* (Mon.-thru-Fri. 10-10:30 a.m.)—albeit for non-competing products. The companies are Procter & Gamble, for its pin curlers; Colgate, for toothpaste; Manhattan Soap Co., for its Sweetheart soap. It's a by-product of the ever-increasing diversification of many large corporations, of course, but it's inspiring what *Variety's* George Rosen calls "some unprecedented shenanigans" in sponsorship concepts. Only a year ago, writes Rosen, anyone who suggested such affinities would be "railroaded out of the business so fast that he wouldn't know what had happened to him" . . . H. J. Heinz Co. to sponsor *Captain Gallant of the Foreign Legion* on NBC-TV starting Feb. 13, Sun. 5:30-6 p.m., thru Maxon Inc.; Hallmark will cut back its current 5-6 p.m. *Hallmark Hall of Fame* drama to 5-5:30 . . . Brillo to sponsor *Star Tonight* on ABC-TV starting Feb. 3, Thu. 9-9:30 p.m., thru J. Walter Thompson . . . Revlon to sponsor *Pantomime Quiz* on ABC-TV starting Jan. 2, Sun. 9:30-10 p.m., as replacement for *What's Going On?*, thru Sullivan, Stauffer, Colwell & Bayles . . . Bristol-Myers to replace Parker Pen Co. as alt. sponsor (with Singer Sewing Machines) of *Four Star Playhouse* on CBS-TV starting Jan. 30, Sun. 9:30-10 p.m., thru Doherty, Clifford, Steers & Shenfield . . . Plymouth to sponsor Mon. & Wed. segments of *Camel News Caravan* (to be renamed *Plymouth News Caravan* for those days) on NBC-TV starting in Jan., Mon.-thru-Fri. 7:45-8 p.m., thru N. W. Ayer . . . DuMont Labs sponsors East-West football game from San Francisco New Year's Day on DuMont starting at 4:45 p.m., thru Campbell-Ewald . . . Bissell Carpet Sweeper Co. buys 4 part. a week on NBC-TV's *Today* and *Home* starting Jan. 3, thru N. W. Ayer . . . Dutch Masters Cigars and TV Guide sponsor programs before and after Orange Bowl on CBS-TV New Year's Day, thru Erwin, Wasey & Co. . . Philip Morris, which recently got Procter & Gamble as alt. sponsor for *I Love Lucy* (Vol. 10:46), seeks alt. sponsor for *Public Defender* on CBS-TV Thu. 10-10:30 p.m. . . ABC-TV to present weekly country-&-western show from Springfield, Mo., starting Jan. 22, Sat. 9-10 p.m.

Rate increases: WXEL, Cleveland, has raised base hour from \$1250 to \$1700, min. \$300 to \$375; KSD-TV, St. Louis, adds new 6:30-10:30 p.m. daily Class AA \$1200 hour, \$200 min., Class A remains \$1000; KENS-TV, San Antonio, adds 7-9:30 p.m. Mon.-Sat. & 6-9:30 p.m. Sun. Class AA \$700 hour, \$140 min., Class A remains \$600; KWTW, Oklahoma City, adds 7-10 p.m. daily Class AA \$700 hour, \$140 min. Class A hour drops from \$600 to \$560, min. \$120 to \$112; WKZO-TV, Kalamazoo, raises base hour from \$800 to \$900, min. \$150 to \$170; KTNT-TV, Tacoma, Wash., from \$625 to \$700 & \$135 to \$150; KOIN-TV, Portland, Ore., from \$600 to \$700 & \$120 to \$140; WOAI-TV, San Antonio, from \$600 to \$700 & \$110 to \$140; KXLY-TV, Spokane, from \$400 to \$490 & \$80 to \$95; KATV, Pine Bluff-Little Rock, from \$350 to \$450 & \$70 to \$90; KJEO, Fresno, from \$350 to \$450 & \$70 to \$90; WKNB-TV, New Britain-Hartford, from \$350 to \$400; WKJG-TV, Fort Wayne, Ind., from \$300 to \$350, min. \$60 to \$70; share-time KMBY-TV, Monterey, Cal. & KSBW-TV, Salinas, from \$200 to \$300 & \$40 to \$60; WWTW, Cadillac, Mich. from \$200 to \$250, 20 sec. \$40 to \$50; KWFT-TV, Wichita Falls, \$200 to \$250, min. \$40 to \$50; KTVE, Longview, Tex., from \$150 to \$175; KRLD-TV, Dallas, from \$850 to \$950 & \$175 to \$190; WOW-TV, Omaha, from \$700 to \$800 & \$140 to \$160; WKNX-TV, Saginaw, Mich., from \$250 to \$300 & \$50 to \$60; KIMA-TV, Yakima, Wash. (which now has satellite KEPR-TV,

Pasco) from \$200 to \$300 & \$40 to \$60 for combined operation. Effective Feb. 1: WFIL-TV, Philadelphia, raises base hour from \$2000 to \$2400, min. \$375 to \$450; WSYR-TV, Syracuse, from \$660 to \$800 & \$132 to \$150; WTVD, Durham, N. C. from \$300 to \$350 & \$60 to \$70.

CKLW-TV, Windsor, Ont. (Ch. 9), opposite Detroit, has one rate for CBC network & Canadian accounts and separate rate for U. S. business, reports station rep Adam J. Young Jr. The \$450 base hour reported as revised rate (Vol. 10:49) applies to Canadian business. All U. S. business "which represents the greater portion of station's dollar volume" is based on \$1100 base rate reported when station began operation last Sept. 16.

NBC will televise and broadcast both the announcement of Academy Awards movie nominations Feb. 12 and the "Oscar" presentation ceremony itself in March under 6-year contract signed this week with Academy of Motion Picture Arts & Sciences, Oldsmobile again sponsoring.

NBC's WRCA-TV, New York, hikes cut-in rates on *Today* from \$350 to \$425 as of Jan. 3.

Alexander W. Dannenbaum, ex-pres. of WDAS, Philadelphia and father of Alexander W. Dannenbaum Jr., sales mgr. of WPTZ, died Dec. 28.

Arthur W. Kelly, 64, onetime United Artists exec. v.p., lately in TV film production, died in Nice, France, Dec. 26.

Telecasting Notes: "A staggering \$80,000,000 — about double the record figure of 1954—has been budgeted by telefilm producers in Hollywood for 1955," reports Dec. 29 *Variety* on basis of survey of all Hollywood TV film producers. These conclusions are reported: Some 111 series are definitely planned for 1955, compared to 64 last year; 60 of the 111 are pre-sponsored, 35 are being produced for syndication—as compared to 34 pre-sponsored and 23 for syndication last year . . . While the giants are growing larger, there's still "ample room for more of the smaller companies lensing one or 2 sponsored series," article notes, pointing out there are 51 Hollywood TV "filmeries" with production definitely set, as compared to 34 a year ago . . . No. 1 in TV film field this year and last is Ziv, which estimates \$9,500,000 in 1955 production vs. \$5,000,000 in 1954; No. 2 is MCA's Revue Productions, with \$6,000,000 planned; then McCadden Productions (Burns & Allen), "which shot into the big leagues in one season," with more than \$5,000,000 scheduled. Other ranking companies are Desilu, planning nearly \$5,000,000, Gross-Krasne with \$4,500,000, Columbia Pictures' Screen Gems with \$4,200,000 . . . TV as employment source for Hollywood actors now ranks neck-and-neck with theatrical movies, Screen Actors Guild reports. Survey by the 8000-member Guild showed TV films now provide 46% of employment of actors earning up to \$7500 a year, while theatrical films provide 54% . . . Ziv TV finally has "the home we needed," as chairman Frederic Ziv puts it—the big American National Studios, once home of Eagle-Lion and Pathe, purchased this week for sum in excess of \$1,400,000. It covers 6 acres with completely equipped sound stages, more than doubling Ziv's present facilities. It will be used for all production henceforth. Property is being taken over 100%, sellers including Bob Hope, Ed Pauley, Dan Reeves, Fred Levy, Ed Matz, Bernard Prokter. Heading new "one roof" facilities is Ziv's West Coast v.p., Maurice Unger . . . Guild Films pres. Reub Kaufman, reporting his company did \$5,000,000 in billings in 1954, says 8 series are to be filmed in 1955, totaling 234 half hours, 273 fifteen-minute programs. To be shot in Hollywood: *Life with Elizabeth*, *Liberace*, *Confidential File*, *Frankie Laine*, *Florian Zambach*, *Connie Haines*; in N. Y., *The Goldbergs*, *It's Fun to Reduce* . . . General Teleradio's WOR-TV reports it hit black for first time in 1954, most of profit having been made last 16 weeks and much of it attributable to *Million Dollar Movie* series; v.p. Gordon Gray also says radio WOR billings in 1954 topped 1953 by 16.8% . . . WKY-TV, Oklahoma City, has received copyright on its on-the-air and advertising identification which promotes its colorcasts—an artist's palette with brushes and daubs of color . . . As Xmas gift to sponsors and timebuyers, and in lieu of greeting cards, Calgary's CHCT-TV sent them shares of bona fide Calgary oil stock.

Newcomers to ARB's top-10 for Dec.: *Disneyland* (ABC) No. 9, and *George Gobel Show* (NBC) No. 10. Rating-wise, *Dragnet* (NBC) is No. 1, *You Bet Your Life* (NBC) No. 2, *Jackie Gleason Show* (CBS) No. 3, *I Love Lucy* (CBS) No. 4, *Toast of the Town* (CBS) No. 5—though *Toast of the Town* ranked first in number of viewers reached . . . Nielsen ratings for 2 weeks ended Nov. 27 put top 5 in this order: *Jackie Gleason Show*, *Toast of the Town*, *I Love Lucy*, *Buick-Berle Show* (NBC), *Disneyland*.

Knight Newspapers Inc. bought *Charlotte* (N. C.) *Observer* for \$7,000,000 this week in deal involving no TV-radio properties. Elsewhere, Knight owns 45% of WAKR-TV, Akron (Ch. 49); 27.7% of CP for WIND-TV, Chicago (Ch. 20); part of Ch. 7 application for Miami. Other Jack Knight newspapers: *Akron Beacon-Journal*, *Chicago Daily News*, *Detroit Free Press*, *Miami Herald*.

TV in 1955 will "crash the \$1 billion barrier," says Oliver Treyz, pres. of Television Bureau of Advertising, in year-end statement verifying our recent guesstimate (Vol. 10:48) of \$900,000,000 as the advertisers' 1954 investment in TV. He points out that network billings are up 40%, national spot billings "similarly up," whereas 11-month PIB figures show slight decline in magazine advertising billings and Media Records reported small decline in newspaper lineage in first 11 months of 1954. This means, he adds, that "although TV is behind direct mail, and newspapers out-bill TV by more than 2-to-1, the gap is closing. In fact, only TV is gaining." Also predicting records is Richard P. Doherty, consultant, ex-NARTB economics chief, who in Jan. *Television Age* estimates TV's revenues (not including time, talent & other costs) at \$615,000,000 to \$630,000,000 in 1954 and predicts more than \$800,000,000 in 1955.

Beer & wine advertisers sponsored only 2% of all radio programs, 3% of TV, in year ending Aug. 31, NARTB told House Commerce Committee in final report answering its request in connection with Bryson bill (HR-1227) which would outlaw such commercials (Vol. 10:42). Of actual commercial time, NARTB said, beer-wine commercials took only .21% of radio, .31% of TV. Dollar-wise, expenditures for beer-wine commercials were \$34,000,000. NARTB survey included data from 2139 radio stations (76.5% of all), 205 TV stations (92.3%). Beer-wine sponsors bought 17.88% of all sports programs; next highest were music and news, with 1.95% each. NARTB pres. Harold E. Fellows reiterated contention that Bryson bill is unconstitutional and that industry has been successful in self-regulation.

Legal slap on the wrist was administered to CBS-TV's *Strike It Rich* by N. Y. City Magistrate Samuel H. Ohringer Nov. 28 when he found show guilty of soliciting funds from studio audience without license from Welfare Dept. (Vol. 10:10). He also ruled local authorities had no jurisdiction over relationship between show and its sponsors or nationwide TV audience—and said he would have dismissed the charge if program were not presented before studio audience. In 16-p. opinion, magistrate said matter was "a very close question of law" and that no fine was called for. Producer Walt Frammer and city welfare commissioner Henry L. McCarthy both expressed gratification with decision, Frammer declaring show would continue, but without studio audience participation, and that he would nevertheless appeal the ruling.

Latest community antenna starter is Durango TV Network, Durango, Colo., operated by John Morrissey, brother of consulting engineer Thomas Morrissey, and backed by Denver banker George Rock. Installation employs signal of KOB-TV, Albuquerque, 169 mi. away. Company plans systems for other communities in area. Another system in prospect is for Bend, Ore., franchise being sought by Louis H. Peacock, of Donovan Construction Co., St. Louis.

How to act, what to wear and other pointers for those about to appear on TV for first time are explained clearly and with good humor—accompanied by delightfully funny illustrations—in new booklet, *So You're Going to Be on WOI-TV*, issued by the Iowa State College commercial station. Booklet also describes how TV works in general, and WOI-TV in particular, copies available from station.

FCC's 20th annual report, covering activities ending June 30, was released this week, accompanied by 35-p. document giving biographical data on employees hired during year. Latter is supplement to data submitted last year on all employees, pursuant to new amendment to Communications Act.

Financial & Trade Notes: According to *U. S. News & World Report*, the bull market which broke all records this year brought an increase of 47.4% in prices of TV stocks, 55.2% in electrical equipment stocks, 34% in motion picture stocks between Jan. 7 and Dec. 16, 1954. Here's quick rundown of financial data on some of the major companies in TV-radio-electronics, as reported by United Business Service, Boston:

	Earnings		Recent Price	Divs. 12 Mos.	Current Yield	*P/E Ratio
	Est. 1954	1953				
Admiral	\$3.25	\$3.48	29	\$1.00	3.4%	8.9
CBS	4.75	3.80	80	1.90+	2.4	16.8
DuMont	0.50	0.60	15	Nil	Nil	30.0
GE	2.25	1.92	45	1.60	3.6	20.0
IT&T	2.95	3.12	24	1.00	4.2	8.1
Motorola	3.60	3.66	51	1.50	2.9	14.2
Philco	1.75	3.43	37	1.60	4.3	21.1
RCA	2.60	2.27	37	1.35	3.6	14.2
Sylvania	3.00	3.10	48	2.00	4.2	15.0
Westingh'se	5.25	4.53	76	2.50	3.3	14.5
Zenith	8.50	11.44	90	3.00	3.3	10.6

* Price-earnings ratios based on 1954 estimates.

Raytheon's net profit for 6 months ended Nov. 30 totaled \$2,396,000 (96¢ a share), 46% higher than the \$1,639,000 (64¢) earned in same 1953 period. Sales for the 1954 period were \$93,007,000 vs. \$81,212,000 preceding year. For 3 months ended Nov. 30, sales of \$48,300,000 and profit of 52¢ a share were indicated, compared to \$43,900,000 and 29¢ a year ago. Pres. Charles F. Adams Jr. attributed improvement in sales to continuing high volume of govt. orders, improved market for TV sets, tubes and components, steadily increasing demand for transistors and diodes. He added that govt. billings in first half of fiscal year were approximately 60% of total, compared with 70% in previous periods, and Nov. 30 backlog of govt. orders was \$117,000,000 vs. \$150,000,000 at end of previous fiscal year and \$185,000,000 Nov. 30, 1953.

International Resistance Co., which operates on annual accounting basis for ten 5-week periods, reports earnings after taxes for 3-period June 28-Oct. 24 amounted to \$245,242 as against \$123,080 for 5-period Jan. 1-June 27. Income for June 28-Oct. 24 period was \$4,176,135 vs. \$5,813,243 for 5-period Jan. 1-June 27. Final 2 periods of 1954, states pres. Charles Weyl, "will conform generally to the June 28-Oct. 24 periods." IRC last Oct. 24 purchased Van Dyke Instruments Inc., maker of precision potentiometers required for guided missiles, automation, etc., is operating it as a wholly owned subsidiary.

Trav-Ler Radio's 1954 sales reached new high of about \$16,000,000, compared to \$14,700,000 in 1953, pres. Joe Friedman told meeting of distributors and dealers. Earnings won't equal 1953's \$412,275 (54¢ a share) but will be high enough to cover 30¢ dividend payment, he said.

Dividends: Motorola, 37½¢ payable Jan. 14 to stockholders of record Dec. 31; Audio Devices, 5% stock payable Jan. 21 to holders Jan. 6; General Instrument Co., 12½¢ Jan. 15 to holders Jan. 7.

CBS Foundation Inc.'s plan for making grants to privately-endowed educational institutions, based on a formula whereby contributions are made in the names of its executives who meet certain standards, has met good reaction in business and educational circles, indicating possibility others may follow suit. Foundation's first contribution was \$32,000 to 14 colleges & universities on behalf of 16 executives (Vol. 10:52), and similar contribution is planned in 1955.

Color Trends & Briefs: Most authoritative report available on network affiliates' ability to rebroadcast network color feeds and originate own slide, film and live color will be included as a new feature in *TV Factbook No. 20*, due off presses later this month.

Based on information supplied by networks and equipment manufacturers, it will give network-by-network and station-by-station tabulation showing whether or not stations are now able to handle network or local color—plus target dates for local color for these not now using slide, film or live equipment. Compilation gives this lineup:

NBC-TV—All 53 basic affiliates are equipped to carry network color, 14 have slide & film equipment, 7 have live cameras. Sixteen basics plan to get slide & film gear this year, 12 live cameras. Of interconnected affiliates individually available, 41 can carry network color, 5 have slide & film gear, none live cameras. Eight more plan to be ready with slide & film this year, while 2 plan to acquire cameras.

CBS-TV—Equipped for network color are 48 basic required affiliates, while 6 are shown with slide & film equipment, 4 with live cameras. Sixteen basics are due to get slide & film gear this year, 2 live cameras. Of supplementary interconnected affiliates, 37 can carry network color, none are shown with slide, film or live color installations. Nine are due for slide & film this year, 3 live cameras.

DuMont—Total of 81 affiliates (most shared with NBC-TV or CBS-TV) able to take network color, 16 of these also ready with slide & film equipment.

ABC-TV supplied no report on status of its affiliates.

AT&T reports that it re-engineered and re-equipped over 47,000 channel miles of facilities during 1954, to bring color to 139 stations in 101 cities. As of Jan. 1, 1955, AT&T served 260 stations in 234 cities with monochrome.

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Color set production won't go beyond 50,000 in 1955, says Dr. Allen B. DuMont, who takes issue with forecasts ranging up to 300,000 by other industry leaders. In year-end statement, he commented: "The development of the right color tubes; the refinement in receiver circuits; the necessary reduction in manufacturing costs; the large scale presentation of color programs in all markets—all of these things are taking time. Eventually, yes, TV will be both a color and a black-&-white medium. However, in 1955 it looks about 99% black-&-white." DuMont Labs tube div. mgr. F. P. Rice, reporting limited production of rectangular color tubes is scheduled for latter 1955, also thinks "average estimates of approximately 250,000 color sets seems to be very high."

Color TV will cut into other media's take of ad budgets, according to 68% of the 5000 members of *Tide Magazine's* "leadership panel" of marketing executives. Only 8% feel it will increase use of other media, while 24% say it won't affect them. What can other media do about it? Executives generally say "improve," "use more color," "make a pitch for smaller advertisers who can't afford color TV."

Rumors that CBS and NBC would reduce or quit color-casting were denied vehemently by spokesmen of both, NBC going so far as to issue statement by pres. Sylvester L. Weaver that "public interest has been highly encouraging and we look forward to continued advances and expansion in color programming during 1955."

Jan. 3 week network color schedules: CBS-TV—Jan. 5, *Best of Broadway*, "Arsenic & Old Lace," 10-11 p.m.; Jan. 8, *My Favorite Husband*, 9:30-10 p.m. NBC-TV—Jan. 5, *Norby* premiere, 7-7:30 p.m.

Recognizing color's commercial infancy, AT&T again notified FCC that it will continue "experimental" rates for color network facilities—asking extension to May 31.

AS 1955 BEGINS—TV-RADIO TRADE RIDES HIGH: The year's TV production hovered close to 1950's record 7,463,800 as we went to press. With one week yet to be reported, the preliminary RETMA estimate, subject to revision, showed 7,305,000 TVs turned out, exceeding the 7,214,827 produced in all of 1953. Output for week ended Dec. 24, normally a low-production holiday week, totaled 151,285. Radio production that week was 239,168 (109,472 auto), for 51-week 10,210,000 total vs. 13,000,000 in 1953.

And 1954 has been TV's biggest retail sales year, irrespective of whether it was first or second best production year. Several weeks ago retail sales passed 1953 high of 6,400,000, and are expected to total between 6,800,000 & 7,000,000 for the full year. This means about 35,000,000 sets sold to the public in TV's 8 commercial years from 1947-54, of which perhaps 1,000,000 have been scrapped.

Inventories at year's end are estimated about 2,200,000, compared to about 2,000,000 at start of year. Whether this represents a potential danger to trade, as has been suggested by some industry leaders (Vol. 10:49-50), is open to the normal differences of opinion which exist in TV no less than in other industries.

* * * *

What does 1955 hold for trade? From where we sit, it looks like 6-6,300,000 black-&-white sets should be produced and marketed in 1955 -- down somewhat from the 1954 level -- but total dollar volume from TV alone shouldn't be far off estimated \$2 billion in 1954 if sales of high-priced color receivers come anywhere near the 200-300,000 predicted by industry leaders. This, of course, is pegged to highly optimistic forecasts of consumer purchasing power and employment in 1955.

With TVs now in about 70% of nation's 47,000,000 household units, trade just can't realistically expect many more fat years in initial sales -- at least not until color really gets going. Consequently, we look for replacement and multiple sales to a family to assume greater importance than ever this year -- and this inevitably means far keener competition and bigger promotions to induce families to trade in their old sets or buy second sets for use in other rooms.

Prices this spring should remain firm or even dip slightly lower on leader models. But if market holds up reasonably well, look for some price hikes by fall. The models introduced thus far this winter (for details of those introduced this week, see p. 13) are firm-to-lower in the majority of cases.

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Accent will continue to be on 21-in. overwhelmingly as most popular size, with 24-in. creeping up slowly at expense of 17-in. Several companies have added 24-in. to their lines for first time this winter; still others have expanded their offering of 24-in. RCA and Philco, among the major manufacturers whose actions and comments are watched closely by trade for future trends, have expressed themselves as pleased with sales of big-ticket 24-in. in a \$300-plus market.

RCA's Frank Folsom says it has sold entire output of 24-in. full-door mahogany and walnut console at \$500, the highest price in RCA line. And he says total unit production in that model is "more than you think." Philco's James H. Carmine says "Miss America" 24-in. console at \$360 is currently by far best console seller.

Color's impact remains conjectural. Best that can be seen in admittedly hazy crystal ball is that color will exert a greater influence on 1955 market than in 1954 -- but scarcely enough to make many prospective TV customers pay the price or induce set owners to trade in good-working black-&-white receivers for it. Folsom, for one, says there will be a "substantial market" this year for RCA's \$895 color set among the "Cadillac" and "Miami" carriage trade as a starter.

The 1954 servicing bill was impressive, and 1955 should be slightly higher. Overall, it was about \$1.7 billion, and RCA corporate executive v.p. Charles Odorizzi

estimates it will reach annual gross of \$2.7 billion in 3 years (Vol. 10:48). Some 88,000,000 TV-radio replacement receiving tubes had estimated retail value in 1954 of \$260,000,000; 5,500,000 TV replacement picture tubes had retail value of about \$210,000,000; and components, antennas & accessories added up to \$400,000,000.

Radio production and sales appear to have fallen off to about 10,500,000 in 1954 -- and the prospect is that 1955 should see about same volume. At factory value this would mean about \$225,000,000. In 1953 it was \$300,000,000 for 13,000,000 sets.

MANUFACTURERS UNEASY AS IMPORTS GO UP: Increase in imports of radios and parts -- and heavy promotion of foreign items -- have a lot of U.S. receiver and parts makers uneasy about what future may hold in potential competition from abroad. Although imports thus far have been confined to radio receivers & components, they're asking themselves, logically enough, can TV be far behind?

Concern with what future may bring, more than any present inroads, impelled RETMA to resolve at recent convention to fight for restoration of import duty to 35% from current 12½% (Vol. 10:47). While admitting nobody's being put out of business by current level of imports, parts makers particularly want protection for future.

RETMA is currently surveying its membership to determine exactly how much competition really exists, as first step before petitioning Congress and the Tariff Commission for an increase in duty. Tariff laws provide that substantial injury to an industry must be proven before duties on individual commodities can be increased. It's frankly doubted that the industry, having just ended highest TV sales year in history and a good if unspectacular radio year, can prove very extensive injury now.

Plea for tariff hike will also cite fact that West Germany and Britain, where most serious competition originates, have far lower labor costs than U.S. RETMA is also expected to contend that U.S. Govt. funds have directly subsidized exporters.

James D. Secrest, RETMA exec. v.p., characterized goal thus: "We're trying to put out the flame while it's still just a small brush fire. We don't know if or when it will erupt into a four-alarm blaze."

Commerce Dept. classifies electronics imports as "TV Apparatus and Parts" (Schedule A-7090680) and "Radio Apparatus and Parts" (Schedule A-7090660). They include receivers and components, though in practice virtually no TV receivers have been imported. Combined imports of such electronics items in first 8 months of 1954 totaled \$1,814,515, composed of \$1,465,220 radio, \$349,295 TV -- mainly components in case of TV and obviously a bagatelle when stacked against U.S. industry's factory value (1953) of \$1.235 billion TV, \$299,236,000 radio. In 1953, imports totaled some \$3,334,558, compared to \$6,330,885 in 1952. No breakdown by units is provided.

Electronics exports by U.S. in first 9 months of 1954 were \$192,177,193. In 1953, they were \$247,839,764 and in 1952 were \$210,000,000. TV-radio sets are substantial but by no means dominant items among these exports.

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West German radios and British TV-radio and high fidelity components provide keenest competition in U.S., Commerce reports. German exports to U.S. totaled some \$300,920 in first 8 months, compared to only \$109,058 for all of 1953 and \$95,420 in 1952. Leading German radios in U.S. are Telefunken (distributed by American Elite Inc., N.Y.); Grundig (by Majestic Radio); Siemens and Metz. To this list should be added Philips of Eindhoven, the Dutch radio distributed in U.S. by North American Philips. Philips is particularly strong in South America (Vol. 10:12). In recent months, German firms have been signing U.S. distributors, many of them retailers.

German radios are well-constructed and many of them admittedly have tonal qualities superior to same-priced U.S. sets. German radios for sale in U.S., however, usually have high price tags by American standards. For example, the least expensive Grundig AM-FM radio sells for \$70; similar American sets start at \$40.

British electronics exports to U.S., chiefly components, totaled \$607,331 in first 8 months, compared to \$463,006 in 1953 and \$789,541 in 1952. Among popular British items are Wharfedale speakers, Garrard record changers, Leak amplifiers.

Topics & Trends of TV Trade: Industry-wide price cuts in long-playing records are regarded as certain in wake of RCA Victor's surprising, heavily-publicized announcement of reductions of up to 30% in price of 10 & 12-in. LP records, along with revision of dealer discounts, effective Jan. 3.

Within 48 hours of RCA's announcement, which hit record industry like a bombshell, Columbia Records—regarded 1-2 with Victor in industry—cancelled its 5-month price guarantee to dealers on LP records, announced only week before. M-G-M Records and London Records cut prices to meet RCA's reductions. Several other major manufacturers indicated they would also cut prices in week or so. RCA made these changes:

All 12-in. LPs were cut to \$3.98 from \$5.95, \$4.85 & \$4.19, depending on whether they were classical, semi-classical or popular; 10-in. LPs were cut to \$2.98 from \$4.95, \$3.85, \$3.15 & \$2.99; double extended play 45rpm's were set at \$2.98 from \$3.85, \$2.99, \$2.98 & \$2.94; 45rpm singles were cut to 89¢ from \$1.16 & \$1; single extended plays were set at \$1.49 from \$1.58 & \$1.47. Price of 78rpm was increased from 89¢ to 98¢, as consequence of drastically diminished production and sales.

Of equal importance to trade is radical revision of discount structure. Dealer gross margin on all 45 & 78rpm records will be spread from current 38% to 42%. On LPs it will remain 38% and traditional dealer return privilege will be eliminated. Returns continue at 5% for 78s & 45s.

RCA pres. Frank Folsom, who made cuts after recent cross-country visit to distributors & dealers, said Victor action hits hard at mail order business in records. Trade sources commented that discount houses would also suffer as result of big price slashes. Discount houses sell records average 25% below regular retail outlets.

Folsom said new plan was developed because of his belief that record industry "is on the threshold of its greatest period of expansion." Record sales in 1954 are estimated by authoritative trade sources at about 230,000,000 units, with retail value of \$275,000,000. Folsom foresees a 15% increase in record sales in 1955. He commented:

"Today there are more than 25,000,000 turntables—many of them equipped to handle the 3 phonograph speeds—compared with only 16,000,000 phonographs at the end of World War II. About 20,000,000 record players of all types are expected to be produced and sold in the next 5 years. Renewed popularity of the phonograph is expected to continue to increase the number of machines in use and this, of course, will mean greater sales of records."

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Motorola introduced new line of 26 TV models to distributors Dec. 29 at Chicago's Edgewater Beach Hotel—only major manufacturer to show full new line at mid-winter. Most models contain new "Five Star" chassis for improved fringe area reception. Prices, which are unchanged from old line, range from \$140 for 17-in. ebony metal table model to \$410 for 24-in. blonde console. Line:

Table Models: 17-in. ebony metal \$140; 17-in. blonde \$150 & \$170; 17-in. mahogany \$160; 21-in. ebony metal \$160; 21-in. blonde \$170, \$210 & \$240; 21-in. mahogany \$200 & \$230; 24-in. mahogany 250; 24-in. blonde \$260.

Consoles: 21-in. walnut or maple \$200; 21-in. blonde \$210, \$280, \$310 & \$340; 21-in. mahogany \$270, \$300 & \$330; 24-in. mahogany \$350 & \$400; 24-in. blonde \$360 & \$410.

Also introduced were 4 new auto radios at \$40, \$47, \$55 & \$60, and a plated circuit table radio at \$15 & \$17.

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Crosley cut price of 10 "Super V" 17 and 21-in. table models by \$20 each in move which gen. mgr. Leonard F. Cramer attributed to "volume production." New prices range from \$130 for 17-in. to \$190 for 21-in.

Westinghouse added 24 new TV models to line, unveiled them in closed-circuit telecast Dec. 29 to dealers in 28 cities. One 24-in. table model and three 24-in. consoles were carried over. Richard L. Sandefur, national sales mgr., explained that while prices are set nationally, distributors in each market area would be empowered to "adjust" prices slightly according to local conditions, similar to policy announced recently by GE for certain kitchen appliances. New models are 17-in. brown metal table \$150; 17-in. black, maroon & green metal table \$170; 21-in. brown metal table \$180; 21-in. mahogany metal table \$200; 21-in. blonde metal table \$210; 21-in. de luxe mahogany metal table \$230; 21-in. de luxe blonde metal table \$240; 21-in. custom mahogany table \$260; 21-in. custom blonde table \$270; 21-in. open-face mahogany console \$230 & \$260; 21-in. open-face blonde console \$240 & \$270; 21-in. open-face de luxe mahogany console \$300 & \$330; 21-in. open-face de luxe blonde console \$310 & \$340; 21-in. 3-way mahogany combination \$370; 21-in. 3-way blonde combination \$380; 24-in. 3-way mahogany combination \$470; 24-in. 3-way blonde combination \$480. Also added were 8 new radios ranging from table model at \$20 to 5-tube portable radio-phonograph at \$100. Carried over were 11 radios and radio-phonographs.

GE adds 17 models to current TV line at Chicago's Merchandise Mart Jan. 3. Of the new models, 10 are "Pacer" receivers with prices ranging from \$130 to \$250. Seven are "Ultra-Vision" models from \$260 to \$370. Four of latter series follow "Lo-Boy" design introduced last year by GE, in which picture is close to floor. All have 41-mc IF. New models: (Pacer) 17-in. metal table \$130; 17-in. metal & mahogany table \$150; 21-in. metal table \$160; 21-in. metal & mahogany table \$180; 21-in. mahogany table \$200; 21-in. blonde oak table \$210; 21-in. open-face metal & mahogany console \$200 & \$220; 21-in. open-face metal & blonde oak console \$230; 21-in. open-face mahogany console \$250. (Ultra-Vision) 21-in. mahogany console \$260; 21-in. open-face mahogany console \$300; 21-in. open-face blonde korina console \$320; 21-in. Lo-Boy open-face mahogany console \$300; 21-in. Lo-Boy open-face blonde korina console \$320; 21-in. Lo-Boy full-door mahogany console \$350; 21-in. Lo-Boy full-door blonde oak console \$370. Optional uhf tuners are \$30 extra on Pacer models, \$40 on Ultra-Vision.

Admiral has added 8 new TV models, including five 24-in. sets with 335-sq. in., 90-degree tubes. Optional with new 24-in. table models is matching console base with tapered ebony legs. New models: 17-in. ebony metal table \$130; Paris, 21-in. open-face mahogany console \$200; Versailles, 21-in. open-face blonde console \$210; Honduras, 24-in. ebony metal table \$230; Copacabana, 24-in. mahogany table \$240; Haiti, 24-in. blonde table \$250; London, 24-in. open-face mahogany console \$280; Madrid, 24-in. open-face blonde console \$290. Optional uhf tuner is \$50 extra. Also added was a high-fidelity mahogany phono console at \$250, blonde \$260. At week's end, Admiral raised price of 21-in. ebony metal table from \$150 to \$160.

Magnavox has added Telerama 141, a 21-in. de luxe mahogany table at \$235, oak \$240; New Yorker 151, a 21-in. open-face console in 3 colors at \$250; Video Theatre 152, a 21-in. de luxe open-face console in mahogany at \$280, oak or cherry \$290; Magnarama 24, a 24-in. table model in blonde, cordovan & sand, at \$250. All new models have high-fidelity sound.

Stewart-Warner, going out of TV-radio field, its service and some of distribution facilities being taken over by Hoffman Radio (Vol. 10:51-52), has sold some of its factory inventory to Macy's, N. Y., which will shortly break big promotion. Said to be involved are 2500 TVs, 5000 radios.

DuMont re-entered radio production after 3-year absence with announcement this week that own AM-only radios would be included as optional equipment at \$30 extra in 3 new "wide horizon" TV models to be introduced Jan. 3 at Chicago marts. Sales mgr. Dan Halpin said radio production would be in limited quantities on experimental basis at first. The radio chassis are housed in TV cabinets but operate independently, using only the speaker in common with TV chassis. New TV models are Trevor, 21-in. walnut table at \$220, mahogany \$230, blonde \$240; Kendall, 21-in. open-face mahogany console \$320, blonde \$330; Lancaster, 21-in. open-face mahogany console \$330, blonde \$340.

Picture tube sales in first 10 months totaled 7,746,240, valued at \$161,520,089, compared to 8,501,455 worth \$203,127,855 in first 10 months of 1953, reports RETMA. Oct. sales hit new monthly record of 1,269,674, valued at \$26,597,702, compared to 1,149,791 at \$23,892,469 in Sept. and 948,593 at \$23,994,184 in Oct. 1953. Receiving tube sales in first 10 months totaled 308,398,701, valued at \$220,988,119, compared to 382,080,558 at \$263,328,699 in same 1953 period. Oct. sales were 42,347,794 at \$29,228,992 vs. 40,966,063 at \$28,953,592 in Sept. and 34,928,108 at \$25,393,879 in Oct. 1953. [Note: Tabulation of picture and receiving tube sales, 1947-54, with breakdowns by initial equipment, renewal, export, govt. & factory value, will be included in upcoming spring edition of *TV Factbook*, off presses about mid-Jan.]

GE tube dept. mgr. J. Milton Lang figures 5,500,000 new picture tubes will be required as replacements in 1955—about one in every 6 sets. That would be highest replacement ratio yet, having been one in 7 in 1954. In addition, he estimates the industry will make about 6,000,000 tubes for new sets, so that 1955 total will run 11,500,000, or about 500,000 ahead of record 1953. Industry-wide, including receiving industrial & military types, the electronic tube business will enjoy total volume of about \$650,000,000 in 1955, in Lang's opinion.

TV set sales by Canadian factories totaled 530,350 at average price of \$348 in first 11 months of 1954, when production was 499,928, reports Canadian RTMA. Projected production estimate is for 224,640 more sets in Dec.-Feb. period. Inventory at end of Nov. was 38,411, compared to 36,318 at end of Oct. and 49,165 at end of Sept. Montreal area led in sales with 148,081; Toronto second, 93,544; Prairies, 58,911; British Columbia, 52,457; other Ontario, 46,528; Ottawa & eastern Ontario, 34,645; Hamilton-Niagara, 30,811; Quebec City area, 29,400; Maritime Provinces, 19,721; other Quebec provincial areas 1920.

Trav-Ler Radio introduced new line of 22 TVs, 40 radios at distributor-dealer meeting in Chicago this week. TV prices range from 17-in. table model at \$130 to 21-in. TV-radio-phono combination at \$400, company's first combination. A 24-in. table model was reduced from \$300 to \$200. Pres. Joe Friedman disclosed company plans to enter Canadian TV market in 1955, is currently negotiating for plant in central Canada.

Definition of high-fidelity is sought by RETMA in letters this week to its high-fidelity equipment members asking them to write their own definitions in 50 words or less. Initiated by Joseph N. Benjamin, Pilot Radio v.p., move is designed to clarify existing confusion on what the term includes, for benefit of industry and consumers. Letters will be discussed at meeting of RETMA high-fidelity section during Los Angeles Audio Fair in Feb.

Radio shipments to dealers, excluding auto radios, totaled 4,416,783 in first 10 months of 1954, according to RETMA state-by-state report released this week and available from RETMA to members on request. Oct. shipments were 639,624, compared to 722,161 in 5-week Sept.

Trade Personals: Clifford J. Hunt, gen. mgr. of Stromberg-Carlson TV-radio div., elected v.p. in charge; Anthony G. Schifino elected v.p. of sound div.; Arthur J. Fink, gen. credit mgr., named asst. treas.; John H. Voss elected v.p. of telephone div.; Philip J. Lucier named asst. treas. & mgr. of telephone finance dept. . . . M. C. Thomsen resigns as exec. v.p. of Wilcox-Gay Corp. (Majestic Radio) . . . Frank M. Folsom, RCA pres., along with Rear Adm. Richard E. Byrd, named recipients of 1955 good citizenship award, Philadelphia chapter, Sons of the American Revolution . . . Robert A. Seidel, RCA executive v.p., consumer products, named co-chairman of Radio-TV-Phono div., Father's Day Council . . . Dr. Donald B. Sinclair, chief engineer of General Radio Co., Cambridge, Mass., elected a v.p. . . . Harvey E. Weimer, ex-Kroger Co., Cincinnati, named mgr. of Crosley-Bendix market research, reporting to marketing director A. E. Cascino; Russell E. Mings named asst. mgr. of market research . . . Curtis L. Peterson promoted to Raytheon TV-radio adv. mgr., Cliff Knoble named merchandising mgr. . . . Arthur H. Schneider, Commonwealth Edison, elected pres. of Chicago Electric Assn. . . . Bernard Rafkin appointed supervisor of sales research, Sylvania TV-radio div., N. Y., reporting to sales research director Frank W. Mansfield . . . Richard Reyburn, ex-Capehart-Farnsworth, joins Kay Lab, San Diego, as chief of tests; Earl Cunningham, ex-Consolidated Vultee, placed in charge of TV camera development . . . Harry C. Huebner, ex-Harry Alter Co., Chicago (Crosley-Bendix), named merchandising v.p. of Polk Bros., big Chicago retail appliance chain . . . John E. Hogg, ex-GE, named instrumentation field sales mgr., Ampex Corp., Redwood City, Cal. (audio equipment) . . . Bernard Klein named exec. secy., Audio Components Distributors Assn., Los Angeles . . . C. O. Wavvig, chairman of Globe-Union Inc., elected pres. of Milwaukee Automotive & Electronic Parts Mfg. Co. . . . Edward S. Miller named gen. mgr. of Sherwood Electronic Labs, Chicago, in charge of high-fidelity equipment . . . Edward M. Cappucci, gen. mgr. of Radio Merchandise Sales Inc. (antennas), assumes additional duties of sales director . . . Wm. Platt named sales v.p. of Winston Electronics, Philadelphia (Win-tronix TV test equipment).

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DISTRIBUTOR NOTES: Admiral establishes factory branch at 45 W. Main St., Spokane (Herman S. Albert, mgr.), replacing Salisbury Distributors Inc. . . . Sylvania: Stratton-Warren Hardware Co., Memphis . . . Gould-Farmer Co., Syracuse (GE) elects Charles H. Wittenburg pres., succeeding Earland M. Farmer, who moves up to chairman . . . Southern Wholesalers, Washington (RCA), promotes Ralph M. Lane to gen. mgr. . . . Raymond Rosen & Co., Philadelphia (RCA), promotes Larry Crevey to asst. sales mgr. . . . GE Supply Co., Buffalo, names Ezra F. Howington TV-radio sales mgr. . . . Graybar, Richmond (Crosley), promotes C. R. Hunsicker to district appliance sales mgr. . . . CBS-Columbia Distributors Inc., N. Y., promotes Milton Marcus to sales mgr. . . . RCA Victor Distributing Co., Buffalo, appoints Irving E. Henseler sales mgr. of Rochester office.

Puritan Electronics Corp., Hawthorne, N. J., is new picture tube manufacturer which began operation this week. Plant has 30,000-sq. ft., will eventually turn out 2500-3000 tubes per week, said pres. Thomas Stave.

Sears, Roebuck spring catalog, out this week, has TV-radio receiver prices average 5½% under year ago, as part of overall decline in consumer goods prices.

Sir Alexander Aikman has retired as chairman of Electric & Musical Industries Ltd. (EMI), succeeded by J. F. Lockwood.

Electronics Reports: Factory sales of electronic products in 1955 should reach \$6.1 billion in 1955, compared with an estimated \$5.8 billion in 1954. That's authoritative forecast of Commerce Dept.'s electronics experts, whose predictions in past have often been quite accurate. It's contained in year-end review by Commerce Secy. Sinclair Weeks, who predicts 1955 will see moderate rise in business activity, high employment and increase in living standards.

Electronics forecasts were prepared by Commerce Dept.'s Business & Defense Services Administration (BDSA) Electronics Div., headed by Donald S. Parris. At factory level, the predicted \$6.1 billion output would approach 1953's record high electronics production of \$6.3 billion, when military expenditures were at peak levels. Products included in estimate are TV-radio receivers, broadcast & communications equipment, tubes & components, and military equipment such as radar, sonar and guided missile systems.

Breaking down forecast, Commerce Dept. estimates 1955 color TV receiver factory sales at about \$150,000,000 (or 300,000 sets at \$500 each), and black-&-white sales at "almost \$1 billion" (or about 6,500,000 sets at current average price of around \$150). There was no breakdown as between military and civilian production, but most estimates place military electronics procurement at annual rate of around \$2.5 billion for both 1954 & 1955. Commerce Dept. estimate differs from RETMA's slightly lower one (Vol. 10:51) in that Commerce includes factory value of all components, while RETMA considers only replacement components.

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What happens to the electronics industry in the event of an enemy attack? The ability of electronic and other vital plants to spring back into production, with continuity of management, administration and technical know-how, could mean the difference between victory and defeat. Commerce Dept.'s Business & Defense Services Administration (BDSA) is waging all-out campaign to emphasize the immediate need for individual company planning—and making available knowledge and experience accumulated in this field by both Govt. and industry. Electronics Div. of BDSA has already met individually with top officers of 25 leading electronics firms to discuss industrial defense plans, and is appealing to other companies in the industry to meet with it for discussions on comprehensive plans to insure continuity of management and rapid resumption of vital production in the event of attack. Corporate defense planning is outlined in new booklet, "Job for Management," published by BDSA and available from Electronics Div., BDSA, Commerce Dept., Washington 25, D. C.

"Unit Territory Plan—to Serve the Jobber Better" is new report based on 18-month study by RETMA jobber relations committee under J. A. (Shine) Milling, exec. v.p., Howard W. Sams & Co., designed to improve distribution of electronic parts through more efficient utilization of manufacturers' representatives. Copies of report are available to all members of industry, whether or not RETMA members, from RETMA, 777 14th St. N.W., Washington 5, D. C.

Carrier Corp., air conditioner manufacturer, enters electronics field through affiliate Cambridge Corp., which begins electronic equipment production this month in new 60,000-sq. ft. plant in Lowell, Mass.

"TV telephone," which enables telephone callers to see one another, was one of prize exhibits at recent communications conference in Hull, England.

Transistor the size of match-head is now being produced by CBS-Hytron for use in hearing aids.

Lowest-priced transistor hearing aid yet: Zenith's tiny 3-transistor model 75-X, at \$75.

MOTOROLA renewed patent license agreement with RCA Dec. 30, effective for 5 years—and that appears to leave Admiral & Philco the only majors still unsigned, except of course for litigating Zenith. At press time, Dec. 31, RCA declined to reveal names of companies that have or have not renewed but checkups to date have indicated most have signed. There was even possibility Admiral & Philco would renew at last minute.

The late Maj. Edwin H. Armstrong's infringement suit against RCA & NBC, involving FM patents, was dismissed by stipulation this week on motion of plaintiff in Federal Judge Paul Leahy's court in Wilmington. Judge Philip J. McCook, former N. Y. state supreme court justice, acted as arbitrator and fixed amount of settlement at approximately \$1,000,000. Mrs. Armstrong, as executrix of the estate of the late inventor, was said to have insisted personally on the out-of-court settlement; she was Gen. Sarnoff's secretary in the early days of RCA.

Other Armstrong patent infringement suits against Motorola, Wells-Gardner, Radio Craftsman & Sentinel have been ordered to trial before Federal Judge Igoe in Chicago court Jan. 13.

On other patent fronts, Judge Knox in Federal court for N. Y. southern district still had under advisement as of Dec. 30 RCA's motion to change venue of Dept. of Justice's anti-trust suit to Wilmington (Vol. 10:47-48), and Judge Leahy in Wilmington on Jan. 4 is to set trial date in RCA-Zenith suit.

Combination TV-radio-tape recorder may be in works by Raytheon. Dec. *Wireless World* (London) notes that "the corporation is contemplating developing several new receivers which will incorporate tape recorders and is, therefore, interested in contacting [British] manufacturers who would be willing to supply the basic tape recording chassis without the loudspeaker and other sound reproducing equipment."

TV is helping to solve one of most distressing problems of the auto age—finding a place to park. In Oakland, Cal., Downtown Merchants Assn. has installed RCA "TV Eye" industrial TV camera atop light pole overlooking its 225-300-ft. parking lot. It automatically scans entire parking area, enabling attendant in booth to spot vacant spaces by looking on screen of 21-in. set.

Navy's new super-carrier *Forrestal* uses TV to keep ship's officers in visual contact with all parts of ship. Fixed TV cameras on flight deck and other key stations flash pictures to screens in below-decks control centers. Ship is also equipped with underwater TV cameras which can be swung over side to inspect hull in case of battle damage.

Raytheon has issued new 12-p. brochure describing its basic KTR-100 color TV microwave relay equipment, which carries video & audio simultaneously. It's bulletin 3-110, available from Dept. 6130, Raytheon, 100 River St., Waltham 54, Mass.

New 9x12-ft. projection unit of Fleetwood Corp., Toledo (Vol. 10:49) will be demonstrated Jan. 6-7 in Room 5A1070, Pentagon, open to public. It's Model FL-1001, sells for \$2350, is designed for closed-circuit or off-air.

Size of cigar box, newly designed DuMont "Tel-Eye" industrial TV camera measures 10x6 $\frac{3}{4}$ x4 $\frac{3}{4}$, weighs 8 $\frac{1}{2}$ lbs., and is priced at \$975.

Thomas R. Jones, pres. of Daystrom Inc., Poughkeepsie, N. Y., elected a director of Weston Electrical Instrument Corp., Newark.

Norman E. Carlson named industrial sales mgr., Fireye div., Electronics Corp. of America.

Clevite Corp., Cleveland electronic products and bearing manufacturer, names Willard W. Brown marketing v.p.

NARTB
Network TV-Radio Billings

November 1954 and January-November 1954
(For October report, see *Television Digest*, Vol. 10:49)
(For preceding years, see *TV Factbook No. 19*, p. 15)

THREE NETWORKS achieved new records in TV billings in Nov., according to monthly Publishers Information Bureau tabulations—CBS-TV jumping to \$14,218,622, NBC-TV to \$12,391,828, ABC-TV to \$4,134,103. Month's total for all networks reached new high of \$32,141,881 (compared to \$23,573,056 in Nov. 1953) to bring 11-month total to \$286,648,222, which compares with \$202,904,049 in same 1953 period. It's clear now that figure for whole year will be around \$320,000,000.

Network radio billings, now running about one-third TV, held fairly firm during Nov., compared with recent months, but \$11,348,785 aggregate total was considerably under the \$13,666,932 for Nov. 1953. For 11 months, radio aggregate was \$126,379,619 vs. \$146,349,762 for same 1953 period. CBS continued to maintain lead in radio, as in TV. The PIB figures:

NETWORK TELEVISION

	November 1954	November 1953	Jan.-Nov. 1954	Jan.-Nov. 1953
CBS	\$14,218,622	\$ 9,756,593	\$131,217,799	\$ 87,084,930
NBC	12,391,823	9,629,279	113,025,674	86,570,999
ABC	4,134,103	2,396,203	30,718,266	18,490,818
DuMont	1,397,328	1,790,981	11,686,483	10,757,302
Total	\$32,141,881	\$23,573,056	\$286,648,222	\$202,904,049

NETWORK RADIO

	November 1954	November 1953	Jan.-Nov. 1954	Jan.-Nov. 1953
CBS	\$ 4,397,245	\$ 5,404,281	\$49,971,925	\$56,826,894
NBC	2,926,816	3,374,112	31,036,583	41,520,106
ABC	2,484,201	2,798,532	26,688,385	26,971,954
MBS	1,540,523	2,090,007	18,682,726	21,030,808
Total	\$11,348,785	\$13,666,932	\$126,379,619	\$146,349,762

NETWORK TELEVISION—January-November 1954

	ABC	CBS	DuMont	NBC	Total
Jan.	\$ 2,780,574	\$10,713,329	\$1,445,608	\$10,116,937	\$25,056,448
Feb.	2,502,372	9,965,481	1,108,157	9,368,148	22,944,158
Mar.	2,640,699	11,379,631	1,205,526	10,981,690	26,207,546
Apr.	2,554,484	10,921,640	1,068,374	10,802,535	25,347,033
May	2,411,656	11,488,168	988,350	11,033,987	25,922,161
June	2,317,879	11,448,180	778,920	9,990,729	24,535,708
July	2,310,281	11,861,534	623,455	8,149,533	22,944,803
Aug.	2,514,815	12,275,908	820,633	8,057,484	23,668,840
Sept.	2,660,601	12,936,020*	802,721	9,780,712*	26,180,054*
Oct.	3,890,802	14,009,286*	1,447,411*	12,352,091*	31,699,590*
Nov.	4,134,103	14,218,622	1,397,328	12,391,828	32,141,881
Tot.	\$30,718,266	\$131,217,799	\$11,686,483	\$113,025,674	\$286,648,222

NETWORK RADIO—January-November 1954

	ABC	CBS	MBS	NBC	Total
Jan.	\$ 2,830,654	\$ 5,166,174	\$1,896,925	\$ 3,391,873	\$13,285,626
Feb.	2,494,737	4,749,512	1,783,452	3,176,849	12,204,550
Mar.	2,764,547	5,456,351	2,034,961	3,639,278	13,895,137
Apr.	2,367,636	5,044,943	1,891,998	2,962,839	12,267,416
May	2,307,029	5,116,152	1,908,198	2,780,725	12,112,104
June	2,405,994	4,181,677	1,558,196	2,618,614	10,764,481
July	2,098,823	3,821,234*	1,481,767	2,127,192	9,529,016*
Aug.	2,160,025	3,844,135*	1,491,503*	2,075,531	9,571,194*
Sept.	2,267,810	4,055,869	1,523,161	2,598,635	10,445,475
Oct.	2,506,929*	4,138,633*	1,572,042*	2,738,231*	10,955,835*
Nov.	2,484,201	4,397,245	1,540,523	2,926,816	11,348,785
Tot.	\$26,688,385	\$49,971,925	\$18,682,726	\$31,036,583	\$126,379,619

* Revised as of Dec. 30, 1954.

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

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We will index and bind, between embossed hard book covers, a limited quantity of all 1954 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 only until Jan. 10. Price: \$25 per volume.

TV cameras won't be permitted at any House committee hearings, incoming Speaker of House Sam Rayburn (D-Tex.) said Dec. 28, immediately stirring protests from industry. Rayburn made similar ruling during 82nd Congress (Vol. 8:9), but Speaker Martin (R-Mass.) held during 83rd Congress that it was up to House committees to determine whether they would permit televising of their hearings. Senate in past has left matter to discretion of individual committees. Following Rayburn's latest statement, NARTB pres. Harold Fellows wired him asking meeting to discuss matter, adding that broadcasters "have earned and deserve an acknowledged position with all other media in coverage of the public sessions of our legislative bodies." NARTB's freedom of information committee, under Edgar Kobak, WTWA, Thomson, Ga., meanwhile sent letters to chairmen of Senate & House Rules Committees requesting early conferences to establish rights of TV-radio in covering legislative hearings. Richard L. Harkness, executive committee chairman of Radio & TV Correspondents Assn. (Congressional galleries) also said his group would take up matter with Rayburn on his return to Washington.

Amplifying his "minimum controls" philosophy, FCC chairman George McConaughy stated, in speech before Southern California Broadcasters Assn. in Los Angeles Dec. 30: "Dangerous thinking by wild-eyed theorists was the order of the day in the 1930's. These theorists descended upon Washington with the basic ideas and ideals that the only salvation for this country was for the Federal Govt. to assume a leading role—yes, I might add a commanding role, in controlling and regulating the operations of all business enterprises . . . I favor as few Govt. controls as possible consistent with the public interest and other considerations required by the Communications Act." An ardent Ohio State U football fan, McConaughy went to Rose Bowl game.

Vote on 1955 football TV plans will be taken next week as more than 1200 representatives of universities and colleges convene in New York for NCAA convention. Delegates will hear report and recommendations by NCAA's TV committee, under Harvey Cassell, U of Washington, which is expected to endorse nationwide telecasts again, but with some changes and "liberalization." This year, TV committee will present 5 alternative TV plans, but is expected to recommend only one.

All 3 DuMont-owned stations operated in the black during 1954, reports gen. mgr. Donald McGannon in year-end statement. Average billings ran 16% ahead of 1953 with "comparable composite increases in profit." Last report on WDTV, Pittsburgh, whose sale to Westinghouse for \$9,750,000 pends FCC approval, showed 1954 profit before taxes in accounting period to Oct. 10 was \$2,439,000 on revenue of \$4,153,000, with similar high returns for 1953 & 1952 (see Vol. 10:50, p. 9).

No major RCA-NBC staff changes are contemplated at Jan. 7 board meeting, according to latest advices—and we were wrong last week in reporting probable shifting of RCA staff v.p. Mannie Sacks, to new duties at NBC-TV. He will continue with parent RCA organization, continuing also as gen. mgr. of RCA Victor Records Div. and as an NBC v.p. paying special attention to talent.

NBC is releasing 30-40 TV engineers and technicians in N. Y. as of Dec. 31, mainly men of low seniority, due to curtailment of certain technical operations. There's no plan, though, to cut back colorcasting schedules during 1955, as rumored. DuMont Network also is dropping about 50 engineers and about 25 in program dept. (see p. 3).

Power increases: WJAR-TV, Providence (Ch. 10) to 316-kw ERP; WKRC-TV, Cincinnati (Ch. 12) to 316-kw; WDAK-TV, Columbus, Ga. (Ch. 28) to 234-kw.

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Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS—January 8, 1955

NBC BUYS NEW BRITAIN-HARTFORD UHF, plans super-power basic affiliate at Mt. Higby; Hearst buys WTVW, Milwaukee (Ch. 12) for \$2,000,000 (p. 1).

COLOR INTEREST AT MARTS at low ebb, RCA the sole exception, as industry seeks reasons for doldrums and the public's puzzling reaction (p. 2).

MAGNUSON PROPOSES EXTENSION of TV network-uhf investigation started by Bricker, as Kilgore & Chernoff prepare for more talks on "monopoly" probe (p. 5).

TV RATE STRUCTURE SETTLING DOWN as only 96 stations report increases during last half year, as shown by rate digests in TV Factbook No. 20 (p. 5).

4 UHF STATIONS LEAVE AIR in mixed markets; first station to radiate 1,000,000 watts gives enthusiastic report on coverage & shadow fill-in (p. 6).

EDWARD LAMB HEARING hits critical point, as FCC counsel Walter Powell resigns and Lamb moves for close of hearing and favorable decision (p. 7).

THEATRE OWNERS attack Zenith petition, urge rule-making rather than immediate commercialization of pay-as-you-look TV (p. 10).

TOLEDO "INTERIM CP" DEAL collapses, one initial decision issued, Providence's WPRO-TV gets FCC go-ahead, Zone I height compromise seen (p. 10).

FACTORY VALUE & TV MARKUPS DROP sharply in 1954, average price of TV set down to \$145 from \$170 in 1953. TV-radio sales: \$2.65 billion (p. 12).

SECOND-SET & REPLACEMENT MARKET drives mapped by trade for 1955; Philca returns to production of 17-in. sets as first step (p. 12).

PHILCO DEFENDS DISTRIBUTOR FRANCHISE agreements against Justice Dept. charges that they violate anti-trust laws (p. 14).

FIRM-TO-LOWER TV PRICE TRENDS reflected in introduction of more new models by big and small manufacturers at Chicago marts and elsewhere (p. 14).

9 BIG COMPANIES, ALL IN TV-RADIO, "rated" by Farber Magazine for management and labor, community & stockholder relations (p. 15).

TWO ALASKA STATIONS AIM for Feb. debuts; new stations planned within month in Tampa, Lexington, Ky., Dathan, Ala. & Jefferson City, Mo. (p. 11).

CHANGING NETWORK AFFILIATIONS & PATTERNS pointed up by FCC-approved sale of WDTV and CBS shifts in Phoenix, Albany, possibly Kansas City (p. 16).

CONTINUED NATIONAL FOOTBALL TV contracts certain—but on more liberal basis as result of Big Ten walkout threat at NCAA convention (p. 16).

NBC BUYS UHF STATION IN CONNECTICUT: NBC's first venture into uhf on its own will be in the thickly populated Connecticut River Valley -- a 1000-kw station atop Mt. Higby, in Middletown, some 12 mi. south of Hartford on the way to New Haven, about 23 mi. farther southeast. This week, it purchased WKNB-TV (Ch. 30), licensed to New Britain but with main studios in Hartford. As soon as FCC approves takeover, RCA will install 1-megawatt transmitter covering both cities and a wide countryside.

This latest testimonial of belief in uhf, with new station due to become a basic NBC outlet, unravels the "mystery of Mt. Higby" recently reported in these columns (Vol. 10:50-51 & 11-1). It sets in motion a train of developments that not only augur well for the future of uhf but indicate anew the changing face of TV as the rival networks maneuver for position (Vol. 10:50).

NBC's advent into superpower uhf comes even as reports of excellent coverage are being received from uhf's first million-watt plant in Wilkes-Barre and even as 4 more uhf are leaving the air (see p. 6) -- making 31 quitting since early 1953.

NBC is paying \$606,000 cash and assuming some \$200,000 in obligations for WKNB-TV and its AM counterpart WKNB (1-kw on 840 kc). It has bought up all stockholdings, control being in hands of Hartford adman Julian Gross (for detailed holdings, see p. 70, TV Factbook No. 19). It has given assurances to mgr. Peter Kenney and staff that they will be retained. And NBC pres. Pat Weaver promises "to develop a uhf service which will be as nearly comparable as possible [to] vhf."

Big network's action may give shot-in-arm to other faltering uhf projects, especially in Conn. and nearby Mass., and is expected to hearten uhf operators gen-

erally as well as point way to other networks. NBC won't reveal where its second allowable uhf will be acquired, stating simply: "We've got lots of ideas."

But the full force of the network and its parent RCA, with their enormous wealth, know-how and promotional powers, is now behind uhf. WKNB-TV, possibly with new call letters, will become the 5th uhf on the basic NBC network -- others being in Wilkes-Barre, Norfolk, Youngstown, Portland, Ore.

NBC will abandon shared affiliation with WNHC-TV (Ch. 8), pioneer New Haven outlet which also carries ABC, DuMont, CBS; and NBC indicates it's not going to await possibility its longtime 50-kw AM affiliate WTIC, Hartford, might get vhf Ch. 3 for which it has bitterly contested the Harry Butcher group. NBC commits itself just as irrevocably for the long pull for uhf in this area as CBS has in Milwaukee, where it bought WOKY-TV (Ch. 19), and as Storer has in Miami, with his new WGBS-TV (Ch. 23).

CBS isn't telling, either, where it will go for its own second uhf -- but it also is committed to get another. ABC is frankly watching what the others do first.

NBC might have had Meriden's Ch. 65 for the asking, since it's as yet unapplied for; but it chose to buy a going plant, said to be in excellent condition, and some think it preferred the lower Ch. 30 frequency. WKNB-TV claims to have up to 65% uhf conversions already in Hartford area, though figure is probably nearer 40% over its whole range in view of vhf WNHC-TV's head start. Hartford also has Ch. 18 WPTH-TV, which started last Aug., and WELI-TV has projected Ch. 59 in New Haven.

That uhf has made deep inroads in area is reflected by fact that (1) it has had enormous publicity and curiosity attention ever since RCA-NBC's pioneer uhf tests in Bridgeport, called by Weaver "the nursery of uhf"; and (2) progress shown by WKNB-TV, which started operating Feb. 1953, lost money steadily until Nov. 1954, then hit the black in big way, showing reported profit of \$20,000 a month in Nov. & Dec. NBC says it made a "good buy," even discounting the big investments facing it in new plant construction, let alone building toward 100% conversions to uhf.

(For additional reports on uhf and network maneuvering, see pp. 6 & 16.)

* * * *

Ten-week-old WTVW, Milwaukee (Ch. 12) has been sold for \$2,000,000 to Hearst Corp., publisher of Milwaukee Sentinel and founder-owner of WBAL-TV, Baltimore. Hearst thus withdraws from competition for Ch. 6 allocated to nearby Whitefish Bay. WTVW began operating Oct. 26 (Vol. 10:44), uses maximum 316-kw power from 50-kw RCA transmitter, 1105-ft. Blaw-Knox tower, 12-bay antenna. Around \$900,000 cash will be paid, rest being assumption of obligations and liabilities, largely payments due on big plant. It's ABC primary, with theatreman L.F. Gran as chief stockholder, was built after agreement among rival applicants WEMP, WFOX & Kolero Telecasting Corp. to merge with Milwaukee Area Telecasting Corp. Hearst TV-radio v.p. D.L. Provost, who manages WBAL-TV & WBAL, will supervise the new operation.

THE COLOR DOLDRUMS—WHYs & WHEREFORES: Never was color TV's sluggish condition more apparent than at Chicago marts this week. In contrast with year ago, color was scarcely mentioned. Several manufacturers showed color sets, but they were largely ignored by distributors and dealers.

Once-high optimism and enthusiasm for color has oozed out of all major manufacturers, with one powerful exception -- RCA. The RCA spokesmen insisted, with unabated vigor, that color will be put across -- single-handedly by RCA, if necessary -- but here's the kind of reaction we elicited from spokesmen at marts:

Motorola -- Executive v.p. Robert W. Galvin said onetime ambitious plans have been scaled down considerably, and company is now producing on a "very limited basis," though he noted that some orders were placed by distributors at recent convention. "I don't think color will accelerate in popularity in the first half of 1955," he said. However, cost of tube and sets is not the problem, he added, saying that there haven't been enough good color programs to induce public demand.

CBS-Columbia -- Spokesman said that his never-too-big color production has been scaled down to "very limited numbers." There's still interest in color, he added, but he believes it has to be nurtured far more than it has been.

Westinghouse -- TV-radio gen. mgr. T.J. Newcomb told us he's getting out of color production altogether "as soon as a few current commitments are disposed of." Though Westinghouse was one of the first to seek identification with color, Newcomb now wants no such identification whatever for Westinghouse. He's sharply critical of round tubes, says he won't get back into color until rectangulars are available. In retrospect, he said, Westinghouse's early dip into color wasn't exactly disappointing because expectations were never very high. Company simply wanted to see if consumers would go for color, as presented -- and they didn't.

Philco -- Recently, TV v.p. Fred Ogilby sent letter to all distributors saying that Philco wouldn't have a color set until "it can be sold with confidence at a reasonable price." He said this wouldn't be during first part of 1955, made no commitment thereafter. Purpose of letter, he said, was to bring up-to-date a similar statement at Aug. 2 convention, because he realized distributors and dealers wanted to know Philco's latest plans for color.

Admiral -- Though it introduced 21-in. color at \$895, set was displayed without fanfare, and spokesman merely referred us to recent statement by pres. Ross Siragusa: "Color TV will continue to develop and grow slowly. From 100,000 to 200,000 color sets will be sold during the year...Mass production of color receivers at prices the public can afford will not be feasible until a color tube is available at approximately \$50 to \$60."

Many others in industry are even more bearish -- for some of the companies above retain their hopes for color even though they're now convinced that its full-fledged emergence is still far off.

* * * *

RCA pres. Frank Folsom stands out sharply against this dim background, stating: "We're not exactly cowards, you know. We're going right ahead. We were the only ones producing 45rpm for a few years, then the others came along. We took black-&-white off the ground when no one else would. I believe that others in this industry want profits badly enough that they're not going to stand around while we sell color sets." He reiterated conviction that people who can afford Cadillacs and "Honolulu vacations" are going to buy.

Asked why such affluent folk haven't bought yet, Folsom said: "They haven't had good sets to buy -- mentioning no brand names."

In Chicago press conference this week, meanwhile, RCA v.p. Robert A. Seidel conceded "it will take time and further simplification of production methods to produce quality color receivers within reach of most consumers." He estimated that industry's 1955 color set production will run some 200,000, with sales of 160,000. This is well under Folsom's prediction last Sept. (Vol. 10:38) that total sales for 1954-55 would run 350,000.

CBS v.p. Richard Salant, who has lived with color as closely as anyone in his company, confesses he's "baffled". The answer "must come from psychologists, not market research people," he said. Failure of the luxury trade to buy is beyond his understanding, he admitted.

Each CBS sponsor will have had at least one crack at color by April, ending year of "rotation." After that, Salant says, "we're not stopping color, but our schedule has not been set yet. The manufacturers and the public will determine what we put on in color." CBS's own set-making division, CBS-Columbia, "is producing the number of color sets people will buy," he said. As for CBS-Hytron's 22-in. rectangular tube, Salant said: "We're not going to talk about it. There's been enough confusion. We had the 19-in., and RCA confused the industry with a 21-in. We're not going to make the situation any worse."

Salant's personal hunch is that dealer is the key; that color hasn't moved because good black-&-white sales have deprived dealer of incentive to push color.

From dealer's standpoint, however, networks and stations have fallen down -- transmitting so little color that public has scarcely had chance to see it. Recent "Videotown" survey of New Brunswick, N.J. (Vol. 10:41), showed only 8% of respondents had seen color, and this week Admiral disclosed that survey of Los Angeles,

conducted for it by Woodbury College, showed only 13% have watched color. Admiral survey also indicated that 1/3 of public would pay \$300 for 21-in. set, 27% would pay \$400, 23% would go to \$500 -- with "a handful" prepared to pay \$600 or more.

No significant increase in color programming may be expected this year, based on Salant's statement and those of NBC spokesmen who indicate that no substantial change from announced schedule is contemplated. Individual stations may augment network fare considerably, however, because they've been buying color film scanners at brisk clip lately.

* * * *

So there you are -- manufacturers, broadcasters, dealers all pointing finger at each other. But the dealer ends up by pointing to the consumer -- saying public just isn't interested in color.

Is the dealer right? Is color all it's cracked up to be? Here's our feeling, based on watching just about all the network color shows offered to date -- on both 15 & 21-in. sets -- plus close questioning of scores of guests over a year:

If black-&-white has, say, 5-to-100 times the impact of radio, depending on program, color can be said to have 1-to-5 times the impact of black-&-white. These "ratings" are entirely subjective, of course, based on no psychological research, and others will undoubtedly come up with different evaluations. Nonetheless, it's our belief that black-&-white supplies the basic information, gets the story across, and that color can be a very attractive embellishment -- but still an embellishment.

We have no doubt at all public will eventually buy color, rejecting monochrome just as public would reject the stripped-down automobiles of yesterday if they were offered today, even at stripped-down prices. But price of color must come down drastically and the utility of a color set must be expanded tremendously. Who would buy a car with automatic shift if he could use it only 5% of the time?

* * * *

But the complaints get louder. New York Times TV-radio columnist Jack Gould gets more exasperated daily. Enthralled with the holiday color programs on his RCA 21-in. set -- which were indeed the epitome of the television art -- he suggests there's something decidedly peculiar about way color is languishing. He writes:

"The difficulties are not to be minimized, notably on the economic front... But certain facts nonetheless are established. For all the alleged technical difficulties, this writer has been using a 21-in. color receiver under normal home conditions -- which means children switching the station dial too fast and tuning in color themselves -- and the serviceman has not been back once. Granted that this may be an isolated and lucky case, it does show that color TV is not too far away from everyday practicality...

"But color will not come about without the will to make it so. So far, RCA is the only firm to promise further immediate steps in color development -- receiver with more simple circuits... Many manufacturers frankly wish the subject of color would just disappear.

"This attitude is short-sighted. Sooner or later it will arouse the curiosity of Congressional committees as to the reasons why the ballyhoo over color has not been translated into reality."

Advertising Age editorializes that there may have been some deliberate restraint in the industry in the past, and states: "Set manufacturers won the battle of black-&-white as against color last year. This year, it is likely that the set producers will turn up on the other side of the color fence, and will push color set sales, rather than holding them back."

We think the reason for color's lassitude is much simpler and more innocent than any such dark allegations. It's the public. Black-&-white gave the viewer a new world. Color decorates it.

Too many able manufacturers and merchandisers have made valiant and tremendously expensive efforts to crack the color market -- RCA, Westinghouse, Motorola, CBS-Columbia -- for anyone to put the blame on set makers. The inevitability of color must be conceded -- but apparently it's going to come gradually.

MAGNUSON BACKS EXTENSION OF TV PROBE: About the only thing certain in the TV investigation picture after first week of Congress is that GOP Sen. Bricker's inquiry into the networks and uhf problems will be continued by Senate Interstate & Foreign Commerce Committee under Democratic Sen. Magnuson (Wash.).

Though Committee hasn't held its first meeting in new Democratic Senate -- it still has 2 Democratic vacancies -- Sen. Magnuson Jan. 6 submitted a resolution (S.Res. 13) which would extend investigation, authorizing necessary expenditures, employment of staff, etc. Probe would have died automatically Jan. 31. Passage of the resolution will be routine -- but mere fact of its introduction shows Magnuson's willingness to continue the inquiry started by previous Congress.

Harry Plotkin, Democratic counsel for Sen. Bricker's investigation, this week submitted report to Sen. Magnuson, presumably summarizing his staff work on inquiry to date and possibly making recommendations. Contents of report were not made public. Republican counsel Robert F. Jones is expected to make separate report -- and it's possible that Plotkin may submit further comments to Committee.

Investigators' work is now stalled, pending instructions from new Committee. This hiatus holds up -- and possibly ends -- Jones' efforts to obtain confidential network-&-station financial figures from FCC for use in probe (Vol. 10:52).

Two more Democrats will be named to Senate Committee, to give Democrats the same 8-7 majority enjoyed by Republicans in 83rd Congress. Official appointments won't be made until next week at earliest, but at week's end there were rumors -- which could not be confirmed -- that Democrats had selected Sens. O'Mahoney (D-Wyo.) and Thurmond (D-S.C.) for Commerce Committee posts.

* * * *

On another probe front, Sen. Kilgore (D-W.Va.), chairman-designate of Senate Judiciary Committee, will confer next week with broadcaster Howard Chernoff, who has been consulting with broadcasters and others in preparation for possible investigation of "monopoly in the TV & radio business" (Vol. 10:50-51).

House Commerce Committee, like its Senate counterpart, will be in throes of reorganization for next few weeks. To be headed by Rep. Priest (D-Tenn.), it may have as many as 5 Democratic vacancies to fill, depending on final decision as to the ratio of Democrats to Republicans on House committees.

TV RATE STRUCTURE IS SETTLING DOWN: It may be that TV station rates, which usually are triple or more those of counterpart radio stations, are at long last achieving stabilized levels. Whereas rate increases every 6-12 months have been the rule, as TV set ownership increased by leaps and bounds, they're now the exception, judging from the digests of rate cards of each U.S. (and Canadian) commercial station published in the 20th edition of our semi-annual TV Factbook, now on the presses.

Of the 426 stations on air as 1955 began, 11 of them non-commercial and 101 of them 1954 starters, only 96 increased time rates during the 6 months since our July 15 Factbook. Most of the increases were by vhf outlets, 78 out of 305 (about 25%) showing higher base hour rates. Other time segments went up commensurately.

Among 121 uhf stations that survived 1954, when 25 quit the air, only 18 (or about 15%) jumped rates while 4 reduced them.

Increases ranged from the \$15 per hour (to \$165) of uhf WTRV, Asbury Park, N.J. to \$1000 per hour -- two big-city vhf stations actually doubling their rates from \$1000 to \$2000 recently. These were WWJ-TV, Detroit and WATV, Newark.

Highest hourly rate now on the books is \$6200 Class AA (10:30-11 p.m. daily & 6-7:30 p.m. Sun.) of NBC flagship WRCA-TV, New York. CBS's key WCBS-TV's Class A hour (7:30-10:30 p.m. Mon.-Sat. & 6-11 p.m. Sun.) is \$6000, having jumped in May from \$4800. Next highest on the books: WNBQ, Chicago, \$3300; WABC-TV, New York, \$3100; WBBM-TV, Chicago, \$3000; KNXT, Los Angeles, \$2700; KRCA, Los Angeles & WPTZ, Philadelphia, \$2500; WCAU-TV & WFIL-TV, Philadelphia, \$2400; WBZ-TV, Boston & WWJ-TV, Detroit, \$2000.

Lowest rate among vhf stations is the \$100 quoted by KXLF-TV, Butte, Mont., taking that distinction away from KVOs-TV, Bellingham, Wash., which raised from its

original \$90 an hour to \$200. Only vhf stations that lowered were KTEN, Ada, Okla., down from \$300 to \$225; KGVO-TV, Missoula, Mont., from \$200 to \$150.

Highest base rate among uhf stations is the \$600 of WCAN-TV, Milwaukee, whose purchase by CBS awaits FCC approval; it went up recently from \$500. Next are KPTV, Portland, Ore., \$550, up \$100 recently; WGBS-TV, Miami, \$500; WENS, Pittsburgh, KMJ-TV & KJEO, Fresno, \$450. Biggest uhf jump was that of WKNA-TV, Charleston, W.Va., \$200 to \$350. Uhf rates range down to the \$100 of WKNY-TV, Kingston, N.Y.; others that cut in recent months were WTAO-TV, Cambridge, Mass., from \$375 to \$250; WGLV-TV, Easton, Pa., from \$200 to \$150, and now-defunct WNAM-TV, Neenah, Wis., \$150 to \$100.

Illustrative of how TV & AM rates compare are these examples in major cities: New York, WRCA-TV's \$6200 vs. WRCA's \$1200 and WCBS-TV's \$6000 vs. WCBS's \$1350; Philadelphia, WPTZ's \$2500 vs. KYW's \$450; Boston, WBZ-TV's \$2000 vs. WBZ's \$560; Washington, WRC-TV's \$1000 vs. WRC's \$300 and WTOP-TV's \$1100 vs. WTOP's \$375. In only one instance can we find higher radio than TV rates where stations are operated by same interests: Cincinnati, WLW's \$1080 vs. WLWT's \$1000.

Most of Canada's 24 stations went on air during latter 1954, so the relatively few rate changes there are meaningless as yet. CBC recently hiked network TV rates.

* * * *

Factbook No. 20 lists not only all on-air stations, but complete data (including rate digests) on 18 more due to start during next few months. It also lists all 24 Canadian stations, plus 2 others due to start shortly, and all Mexican and Cuban stations. Also published are complete personnel, affiliation and rate data on the 4 U.S. networks and CBC. Brought up-to-date is Directory of TV Stations in Foreign Countries, which has become the standard reference throughout the world.

FOUR UHF OPERATORS in mixed markets announced this week they were going off air, as the operator of the nation's first 1,000,000-watt uhf station—in an all-uhf market—pointed enthusiastically to reports of increased long-distance reception and vastly improved coverage of shadow & fringe areas. The stations going off air, all of which had previously indicated their intentions to shut down or move to different cities:

KCEB, Tulsa (Ch. 23), which received FCC permission to quit early in Dec., then went back on air on limited film schedule (Vol. 10:49 & 11:1), this week reported it had ceased operations pending financial reorganization.

WBTM-TV, Danville, Va. (Ch. 24) threw in sponge Dec. 31 because of lack of national advertising, despite last-minute attempt by local merchants to keep it going (Vol. 11:1).

WKST-TV, New Castle, Pa. (Ch. 45) requested FCC permission to cease operation for 90 days beginning Jan. 14, pending action on its petition to move to Youngstown, O. (Vol. 11:1). It told FCC it had lost \$70,000 on its operation—after radio profits—since it began operation in April 1953.

WNAM-TV, Neenah, Wis. (Ch. 42) went off air Jan. 2 in line with terms of deal whereby it is to purchase control of Ch. 5 grantee WFRV-TV, Green Bay, Wis. (Vol. 10:49). Application for the purchase was filed with FCC this week.

* * * *

First reports on coverage from 1-megawatt WBRE-TV, Wilkes-Barre, Pa. (Ch. 28), an NBC basic, indicate sharp improvement in penetration of previous shadow and fringe areas, as well as excellent long-distance reception, according to mgr. David M. Baltimore, himself a graduate engineer (MIT). "We're overwhelmed by the reports," he told us. "It's working like a charm." Though detailed measurements haven't been made yet, he said letters and spot checks indicate reliable signal as far as 75 mi. to the west, with excellent reports of direct reception in Sun-

bury and Williamsport, 54 & 58 mi. distant. Good reports have also come from Bethlehem, 50 mi. southeast over rugged terrain.

Wilkes-Barre's WILK-TV (Ch. 34), ABC-affiliated, didn't make boost to 1-megawatt last week end as planned (Vol. 11:1), now says it hopes to turn on full power this week end or early next week. By afternoon of Jan. 7 it had turned power up to about 260-kw, planned to get to 500-kw same evening, gradually increasing over week end until full 1000-kw is reached. With Wilkes-Barre now becoming known as "mother of megawatts," interesting sidelight on story is that the area's CBS-affiliated WGBI-TV in nearby Scranton (Ch. 22) has applied to FCC for CP to install GE equipment to bring its power to 1000-kw.

Meanwhile, RCA—whose installation was first on air in Wilkes-Barre—reports all transmitting equipment has been delivered to Storer's KPTV, Portland, Ore. (Ch. 27) for its boost to 1-megawatt, with antenna only major item yet to come. KPTV's target date for 1000-kw is March 1. RCA also has orders for megawatt equipment from Storer's WGBS-TV, Miami (Ch. 23) and from NBC for newly acquired WKNB-TV, Hartford on Ch. 30 (see p. 1).

New Congress always brings new batch of bills bearing on TV-radio industry. First 4 of these were introduced in House this week, all identical to previous bills which died with 83rd Congress. Highlight was reintroduction by Rep. Hinshaw (R-Cal.) of his bill to classify subscription TV as common carrier (Vol. 9:31,41); it's now labeled HR-524, is same as his HR-6431 in last Congress. Other bills re-introduced: By Rep. St. George (R-N.Y.), HR-177, the "Strike it Rich" bill which would require broadcasters "to investigate persons and organizations on whose behalf contributions are solicited on radio & TV programs"; by Rep. Celler (D-N.Y.), HR-626, to ban commercial sponsorship of broadcast Congressional hearings or proceedings; by Rep. Keating (R-N.Y.), HR-789, to restrict broadcasting of horse race and other gambling information.

Personal Notes: Leonard H. Hole, NBC-TV programs div. production director, named director of program development, succeeded by Anthony M. Hennig, ex-director of plant operation; Thomas O. Loeb, producer & mgr. of NBC business unit, promoted to mgr. of TV network programs div. . . . John F. Day, veteran newspaperman recently asst. managing editor of *Newark Star-Ledger*, named CBS director of news for TV-radio, replacing Edward P. Morgan, now ABC . . . Norman A. Gittleson, ex-gen. mgr. of WJAR-TV, Providence, named exec. v.p. & gen. mgr. of ex-Gov. Francis P. Murphy's WMUR-TV, Manchester, N. H., succeeding Harvey Carter, resigned . . . Joseph Sitrick, ex-Voice of America & *Broadcasting-Telecasting*, named mgr. of NARTB publicity and informational services, replacing John H. Smith Jr., now with Chrysler Corp. . . . Bette Doolittle, ex-asst. TV code director of NARTB, heads new dept. of home-making service set up by P. Ballantine & Sons, Newark (brewers), big TV users . . . Wm. Dempsey promoted to program mgr. of KPIX, San Francisco, succeeding R. W. Wassenberg, who becomes station mgr. of KTVU, Stockton . . . Dr. Herman H. Hohenstein, for last 29 years director of Lutheran Church-Missouri Synod's KFUE, St. Louis, has been appointed supervisor of newly formed TV-radio extension dept., set up to help pastors and laymen plan and conduct religious programs; KFUE holds CP for Ch. 30. Emerson Russell, ex-gen. mgr. of Huffman Adv., St. Louis, succeeds Dr. Hohenstein as mgr. of KFUE . . . Layne Beaty, ex-WBAP-TV, Ft. Worth, succeeds Kenneth Gapen as director of Dept. of Agriculture TV-radio service . . . Fred M. Kiefer, district supervisor for NBC merchandising dept. in N. J. & Pa., named asst. mgr. of the dept. in N. Y. under Murray Heilweil . . . Will Powell, son of film star Wm. Powell, Princeton graduate recently with 20th Century-Fox, named NBC coordinator of program development under Frank Cleaver, NBC program director for Pacific div. . . . Roger Van Duzer, ex-WPDQ, Jacksonville, Ch. 12 applicant, named operations mgr. of upcoming KBET-TV, Sacramento, Cal. (Ch. 10), due in Feb. . . . Bert Chance resigns as Sacramento sales mgr. of KOVR, Stockton, to join new KBET-TV, Sacramento . . . R. L. (Bud) Swats Jr., from NBC radio, Chicago, named mgr. of NBC radio network sales, Detroit, in separation of TV-radio staffs . . . Colby Lewis, production director of upcoming educational WGBH-TV, Boston, named production mgr. of upcoming educational WTTW, Chicago; he's ex-asst. program mgr., WTMJ-TV, Milwaukee . . . Robert F. Bender, ex-WKRC-TV and gen. mgr. of WKRC, Cincinnati, named TV-radio v.p., Haehnle Adv., Cincinnati . . . J. Richmond Ritenour, TV dept. head, elected v.p. in charge of TV, Modern Talking Picture Service Inc., N. Y. . . . Robert P. Canavan, ex-ABC-TV, joins Devney & Co., reps. . . . Calvin J. Smith, KFAC, Los Angeles, elected director of NARTB's District 16, succeeding Albert D. Johnson, ex-KOY-TV, Phoenix, now gen. mgr. of KENS, San Antonio . . . H. Weller Keever named national sales mgr., NBC film div. . . . Charles Brooks, ex-Kamin Adv., Austin & San Antonio, named sales promotion director, KTBC-TV & KTBC, Austin, Tex. . . . George Harding named Branham TV-radio v.p., Dallas . . . Wm. Thomas Hamilton, ex-CBS, on Feb. 1 becomes sales mgr. of WNDU-TV, Notre Dame U's upcoming new uhf . . . Lawson Paynter named business mgr., Campbell-Ewald TV-radio dept.

Harry J. Lavery, 49, with RCA broadcast marketing dept. sales for 25 years, was killed Jan. 3, along with his 7-year-old daughter, in an auto accident near Rocky Mount, N. C. In hospital and expected to survive are his wife and a 10-year-old daughter.

Lincoln P. Simonds, 55, mgr. of Hollywood office, Joseph Weed Co., died suddenly Dec. 30. Survivors are his wife, a son and daughter.

EDWARD LAMB HEARING had 2 sharp breaks this week: (1) FCC chief counsel in case, Walter R. (Bucky) Powell, resigned Jan. 3 to join legal staff of NARTB. (2) Lamb counsel moved on Jan. 7 that examiner Herbert Sharfman call off hearing immediately and render decision recommending that FCC grant Lamb renewal of his licenses—on grounds Commission has failed to prove that Lamb is guilty of misrepresentation in failing to disclose alleged past pro-communist leanings.

FCC has finished its presentation and Lamb was to present his side starting Jan. 18, but his counsel summed up situation as follows: "The bankruptcy of the Broadcast Bureau's evidence to date is appalling, and to require Mr. Lamb to answer further the incredible and defamatory charges of such irresponsible and disreputable witnesses as have been heard is an abuse of process and is not conducive to the orderly and prompt dispatch of the Commission's business."

After Powell's resignation, FCC appointed Edward J. Brown to handle case, asked postponement from Jan. 18 to Feb. 9 so that Brown can familiarize himself with case. FCC's Brown shouldn't be confused with Lamb counsel Russell M. Brown.

Responsibility for handling FCC's side is transferred to Hearing Div., where Brown reports to chief Robert Rawson. No replacement for Powell as division chief has been selected. At NARTB, Powell reports to chief attorney Vincent T. Wasilewski and replaces Abiah A. Church, who recently joined Storer Bestg. Co.

Some of changes at DuMont, as result of curtailment of network and reduction of personnel (Vol. 11:1): Robert I. Brown named acting mgr. of general engineering, replacing Robert Bigwood; David Lowe named acting mgr. of news & public affairs, instead of director & supervising producer; Roger Gerry remains as supervising producer, with Ted Hammerstein & Henry Opperman leaving; Don Trevor named film editor; Edward H. Koehler remains as area supervisor, with Joseph R. Cox, Jack Batte & Charles Hilton leaving; Wm. Muldoon out as mgr., cooperative programs; Alice Guego out as supervisor, continuity acceptance.

Agenda for NARTB's semi-annual board meetings Jan. 26-28 at Hollywood Beach Hotel, Hollywood, Fla., includes progress report on pilot study of county-by-county set census (Vol. 10:26), subscription TV, community antenna systems, and plan of TV code review board to extend affiliation to film production companies (Vol. 10:49). TV board meets Jan. 26, radio board Jan. 27, joint board final day.

Father Max Jordan, NBC's chief European correspondent in the late '20s & '30s and later its director of religious programs, recently became a Benedictine monk in Beuron, Germany, on the third anniversary of his ordination to the priesthood, when he took the name of Father Placid Jordan.

Ben Grauer, the NBC announcer & commentator, wins annual man-of-the-year award of the Metropolitan Temple Brotherhoods Jan. 20, along with a special citation from the Jewish Chautauqua Society.

John Stuart Jr., editor of Voice of America's central news desk, former correspondent for VOA in Europe, Far East and at UN, named VOA news chief for Europe with headquarters in Munich.

George Y. Wheeler II, on NBC Washington staff since 1937 when he joined it as a page boy, was elected RCA Washington staff v.p. Jan. 7.

Senate may investigate televised boxing, according to UP dispatch quoting Sen. Magnuson (D-Wash.), chairman-designate of Commerce Committee.

Station Accounts: TV and radio can grow side-by-side in national spot field, with neither weakening the other, in opinion of Adam J. Young Jr., new pres. of Station Representatives Assn. In statement this week, he said that although "the very success of TV is to an extent overshadowing the growing radio medium," there is "every reason for spot radio advertising to grow." Many advertisers, he declared, are currently testing TV or are looking for the "right combination" of TV & radio. He said TV had proved a "most potent" national spot medium and described prospects for increased national TV spot business in 1955 as "excellent" . . . Budweiser Beer buys Screen Gems' *Damon Runyon Theatre*, based on Runyon's short stories, for syndication starting April 15, thru D'Arcy & Wm. Morris Adv., Los Angeles . . . Robert Burns Cigars sponsors weekly Chicago city championship bowling series for 13 weeks starting Jan. 4 on WNBQ, Tue. 10:30-11 p.m., thru Young & Rubicam . . . Apt title for real estate program for prospective home buyers, good for single or partic. sponsorships, is *House Detective*; it runs 10:30-11 p.m. Tue.-Wed.-Thu. and 1-1:30 p.m. Sat. on WATV, Newark . . . Ideal Mortgage Co., Beverly Hills, Cal., reported so pleased with results of spot campaign on Los Angeles stations in 1954 it's now producing own 13-week film series under pres. Robert Bergman, who has also been active in financing motion pictures . . . Uhf WTVI, Belleville-St. Louis, renews contract to televise all road games of St. Louis Cardinals in 1955, taking option for 1956 schedule . . . Underwater commercial is used by Hanna Enterprises, San Francisco, to demonstrate its "Pool-master," a new hydro-jet vacuum cleaner for swimming pools, on KPIX, thru Sherman-Harkness Adv., San Francisco . . . Among other advertisers currently reported using or preparing to use TV: Colden Mfg. Co., Newark (Fomed-Hair mattresses), thru Wexton Co., N. Y.; Cedric Adams Inc., Minneapolis (Cedric Adams Enterprises), thru Addison Lewis Adv., Minneapolis; Hal-O-Gene Corp., Newark (rheumatic remedy), thru Fiore & Fiore Adv., Jersey City; Ironrite Inc., Mt. Clemens, Mich., thru Brooke, Smith, French & Dorrance, Detroit; Climalene Co., Canton, O. (detergents), thru Ruthrauff & Ryan, Chicago; Clopay Corp., Cincinnati (window shades), thru Fairfax Inc. Adv., N. Y.; Gates Rubber Co., Denver (tires, tubes & batteries), thru Harold Walter Clark, Denver; Procter Electric Co., N. Y. (ironing tables, pad-cover sets), thru Weiss & Geller, N. Y.; All-O-Wheat Cereal Co., Ogden, Utah (cereals, flour, pancake flour), thru Halverso-Hust Adv., Ogden; Emaline Knitted Sportswear Co., N. Y., thru Dunay Co., N. Y.

Rate increases: Storer's new WGBS-TV, Ft. Lauderdale-Miami, raises base hour from \$300 to \$500, min. \$60 to \$80, and adds new 7:30-10:30 p.m. daily Class AA min. only \$100 rate; WDEL-TV, Wilmington, Del., adds new 8-10 p.m. daily Class AA \$1000 hour, \$200 min., Class A hour goes from \$575 to \$800, min. \$100 to \$160; KFSD-TV, San Diego, adds 8-10 p.m. daily Class AA \$600 hour, \$120 min., Class A hour remains \$500; WALA-TV, Mobile, raises base hour from \$300 to \$400, min. \$60 to \$80; KTBC-TV, Austin, Tex., from \$300 to \$350 & \$60 to \$70; CKSO-TV, Sudbury, Ont., \$150 to \$200; KGO-TV, San Francisco, adds new 7:30-10 p.m. Class AA \$1200 hour, \$250 min., Class A hour remains \$1100.

KBST-TV, Big Spring, Tex., signed this week as 12th small-city station to participate in CBS-TV's "Extended Market Plan" to provide network programs at minimum cost (Vol. 10:49-50).

DuMont Network flashing news of its programs and personalities, along with WABD's, on 250-ft. electric sign designed by Douglas Leigh on east side of Broadway between 44th & 45th Sts.

Network Accounts: Success of partic. sponsor programs on CBS-TV & NBC-TV prompts ABC-TV to put its projected new hour-long Disney daytime program on sale in 15-min. segments, thus making possible as many as 20 sponsors. Film show is tentatively scheduled for next fall, Mon.-thru-Fri. 5-6 p.m. ABC pres. Robert Kintner and program director Robert Lewine are currently on west coast to iron out details with Disney . . . Bing Crosby signs exclusive contract with CBS-TV for 2 one-hour filmed programs this year, to be produced by Ralph Levy during March and in June or July; CBS-TV has right to one network rebroadcast of each program . . . Lehn & Fink Products (cosmetics) to sponsor re-runs of *I Love Lucy*, under as yet unselected title, on CBS-TV starting April 17, Sun. 6-6:30 p.m., thru McCann-Erickson . . . General Foods planning hour-long colorcast March 29 featuring Ringling Bros. circus, networks undetermined, in extravaganza similar to big Rodgers & Hammerstein show last spring (Vol. 10:13) . . . General Motors to sponsor annual one-shot Motorama extravaganza for preview of new autos on NBC-TV Jan. 19, Wed. 10-11 p.m., thru Kudner; Bob Hope will be m.c. . . ABC-TV to offer *Ozark Jubilee*, its new country-style show originating from Springfield, Mo., as a co-op for first 30 min., while retaining second half-hour for network sponsorship; program starts Jan. 22, Sat. 9-10 p.m. . . Miami Beach is origination point week of Jan. 10-14 for Dave Garro-way's 7-9 a.m. *Today* (which celebrates 3rd anniversary Jan. 14) and for Steve Allen's 11:30-1 a.m. *Tonight*; both shows will feature remotes from tourist attractions at resort, celebrities, etc. . . Jackie Gleason keeps raking in the blue chips, signing new personal services contract this week with CBS-TV for \$100,000 a year for 15 years starting in 1957, following by only 2 weeks his \$11,000,000 2-year contract with sponsor Buick (Vol. 10:52).

Top 10 people in the agency field, as picked by the venturesome editors of *Advertising Agency Magazine*: Bruce Barton, chairman, BBDO; Thomas D'Arcy Brophy, chairman, Kenyon & Eckhardt; Leo Burnett, pres. Leo Burnett Co.; Fairfax M. Cone, pres., Foote, Cone & Belding; Ben Duffy, pres., BBDO; Marion Harper Jr., pres., McCann-Erickson; Sigurd S. Larmon, pres., Young & Rubicam; Philip W. Lennen, ex-chairman, Lennen & Mitchell; David Ogilvy, pres., Ogilvy, Benson & Mather; Stanley B. Resor, pres., J. Walter Thompson. They're not necessarily ranked in this alphabetical order, were selected because of their success, the standards of their agencies, and accomplishments in outside fields.

Skyline TV Group is what Time Inc. stations—KLZ-TV, Denver; KOB-TV, Albuquerque; KTVT, Salt Lake City—now call themselves. As of Jan. 1, they're being offered at group discount of 3% from earned rate when 2 stations are bought, 6% when 3 are bought, discounts being limited to programs only. Each station has own national rep, but special national sales rep J. I. Meyerson has also set up headquarters at 3432 RCA Bldg., N. Y. (PLaza 7-1298).

First edition of Curtis Circulation Co.'s new pocket-size weekly, called *TV Program Week* and patterned along same editorial and sectionalized lines as Walter Annenberg's big-circulation *TV Guide*, went on newsstands Jan. 6. Curtis also distributes *Saturday Evening Post*.

P. A. T. Bevan, senior member of BBC planning & installation dept., named chief engineer of new Independent Television Authority, which institutes commercial TV in England next Sept.

New reps: KBAK-TV, Bakersfield, Cal., to Weed (from Forjoe); KANG-TV, Waco, Tex., to Raymer (from Pearson); WGBS-TV, Miami, to Katz.

Telecasting Notes: TV feature film market "underwent a virtual revolution" in 1954, states *Billboard's* Gene Plotnik in Jan. 8 issue. It was expected that feature film sales efforts would be concentrated in newer and smaller stations, but "in the spring a new development occurred which staggered the industry—several groups of high-quality, first-run pictures burst upon the market, and they were demanding prices such as had never before been paid for TV film" . . . Top quality features which made debut last year, as enumerated by *Billboard*: General Teleradio's "Million Dollar" 30-picture group, acquired from Bank of America; Hygo's "Big Ten," from Chesapeake Industries; MPTV's 12 *Sherlock Holmes* films from Universal; Associated Artists' 56-picture package; Hollywood TV Service's (Republic) 26-film "Diamond" group . . . Michael Sillerman reports his Television Programs of America, having done \$3,000,000 business in Dec., will show total 1954 sales of \$12,000,000, which he says make TPA No. 1 syndicator of TV films; he's now planning a film on how-to-sell-film . . . For TV film supervisors, Van Praag Productions, 1600 Broadway, N. Y., has issued second of series of pocket-sized handbooks to advise on what type of film to use in a given circumstance; it's titled *Take Stock of Your Picture*, follows up first one, *The Lens in Your Picture* . . . More hinterland originations as antidote to stereotyped Hollywood & New York-originated TV shows are again demanded by *Variety's* George Rosen in leading article in 292-p. 49th anniversary edition Jan. 5. Continuing his long-time "Get Out of Town Crusade," Rosen carries approving quotes and suggestions from station veterans like Hugh Terry, KLZ-TV; George Burbach, KSD-TV; Charles Vanda, WCAU-TV; Robert D. Swezey, WDSU-TV; Bud Sugg, WKY-TV; Mitchell Wolfson, WTVJ; D. L. Provost,

WBAL-TV . . . Among other big-name articles in the special edition, CBS-TV pres. Jack Volkenburg defends continuity in TV programming, as opposed to one-shot "spectacular"-type shows, NBC pres. Pat Weaver defends "staying live" . . . Canned laughter on TV shows is subject for good-natured spoof in Jan. 10 *Newsweek*, which reports that filmed shows which have experimented with no-laugh policy have all returned to giggle-box techniques, resulting in increased ratings. As to dubbed recorded laughter, *Newsweek* remarks: "People who once, in a moment of abandon, guffawed at Stoopnagle & Budd can, without knowing it, hear their youthful follies repeated as the background for a TV film" . . . "Some of the old laughs," says *Newsweek*, "are peddled by record companies who deal in sound effects. One company has a record for sale carefully labeled 'Applause,' 'Applause & Whistles,' 'Applause, Large Spirited Audience,' and 'Large Audience in Continuous Hilarity.' For more effete occasions, EMI even made a platter in London [designated] 'Polite Applause with Murmurs'" . . . Playwright Maxwell Anderson writing book for 90-min. musical play, adapted from Mark Twain and titled *Raft on the River*, to be presented on NBC-TV's Hallmark show as a sort of preview to lengthier Broadway stage play due next fall; it has 5 songs by late Kurt Weill, with whom Anderson had been preparing a musical version of *Huckleberry Finn* . . . Perry (Skee) Wolf, producer of CBS-TV *Adventure* series, assigned to produce new *Conquest of the Air* series being filmed in cooperation with U. S. Air Force; Robert Northshield becomes producer of *Adventure* . . . Gordon Jenkins, who composed *Manhattan Towers*, signed by NBC-TV program v.p. in Hollywood to handle musicals and color "spectaculars."

Demonstration of new 9x12-ft. projection unit by Fleetwood Corp., Toledo, Ohio, at Pentagon this week (Vol. 11:1) drew enthusiastic response from about 125 visitors, mostly military and civilian govt. observers, with a smattering of industry people. The \$2350 unit is designed for closed-circuit or off-air. Regular off-air picture was used for demonstration. Fleetwood plans other demonstrations soon in other cities, promises 30-day delivery.

Title of biggest closed-circuit TV producer goes to NBC's new Telesales Dept., which plans 300 such shows during 1955—or nearly one a day. Its biggest recent effort was Dec. 29 closed-circuit colorcast to NBC-TV basic stations in 53 cities, where some 3000 food brokers saw live show featuring Dave Garroway, Steve Allen & Arlene Francis, as guests of Star-Kist Foods, which recently bought \$900,000 in participations on NBC-TV's *Today*, *Home & Tonight* shows. Telesales Dept. is headed by Erik Hazelhoff.

"Closed-circuit TV has come of age in past 12 months as a potent selling tool for American industry." So said Box Office TV pres. Wm. P. Rosensohn in year-end report to stockholders, revealing that firm had booked "a total gross volume of close to \$1,000,000" on basis of 12 business meetings last year, seen by total of about 300,000 people. He said BOTV expects to handle 50 closed-circuit sessions in 1955, with 4 shows already booked for first 2 months of year.

Training in closed-circuit TV techniques will be offered military and civilian personnel of Defense Dept. in special 5-day course to be held at Jerrold Electronics Corp., Philadelphia, starting Jan. 17. Subjects will include planning, operation, maintenance and applications of closed-circuit TV systems used at military camps for lectures, demonstrations, training films, chaplain talks, etc. Course is first major activity of Jerrold's new govt. div., headed by Max H. Kraus.

Administrators of new TV performers' pension plan (Vol. 10:47) were announced this week by networks and AFTRA (AFL). Management and contract employes are represented by 3 trustees & 3 alternates each. Representing management are: Air Features Inc. pres. I. S. Becker; NBC v.p. Emanuel Sacks; J. Walter Thompson Co. v.p. Edward G. Wilson. Their alternates: General Teleradio v.p. Gordon Gray; ABC secy.-gen. counsel Geraldine Zorbaugh; Young & Rubicam v.p. David Miller. Employe trustees: AFTRA national exec. secy. George Heller; announcer Clayton (Bud) Collyer, a director of AFTRA's N. Y. local; AFTRA pres. Frank Nelson. Alternates are Claude McCur, Alex McGee & Raymond Jones of AFTRA executive staff. Trustees hold first meeting Jan. 11. Networks are now contributing 5% of "gross compensation" due each employe into welfare & pension fund—a rate estimated at \$2,500,000 annually.

Subscription TV can be expected to appear more and more as subject of articles in general magazines, e.g., feature in Dec. 26 *American Weekly* which begins: "How would you like TV without commercials?" It's built around Telemeter tests in Palm Springs, Cal.

First Texas-originated closed-circuit business meeting was held Jan. 3, when Humble Oil Co. used TV network lines to explain 1955 sales programs to 4000 sales personnel in 10 Texas cities.

Trial of anti-trust complaint against 12 movie companies to compel them to release 16mm films to TV and other non-theatrical outlets (Vol. 10:43) was set for Sept. 6 in Los Angeles Federal Court.

Technical details of Audimeter, automatic device for recording program viewing and listening on 16mm film, are given in January *Electronics Magazine* by A. C. Nielsen's A. C. Lewis Brown.

TV in every classroom is part of specifications of new \$2,000,000 high school in Vancouver, Wash.

Color Trends & Briefs: Designed for color from ground up, new \$2,000,000 studios will be built by GE for WRGB & WGY, Schenectady, to be completed mid-1956. Robert B. Hanna Jr., mgr. of GE broadcasting stations dept., stated: "We are pioneering by actually designing a new building to meet the space and equipment requirements of local color programming." Structure will cover nearly an acre, include 3 TV and 2 radio studios, the largest an auditorium seating 300.

Approximately 20,000 color sets have been produced, according to trade statisticians. No figures on actual sales are available, although *Television Age Magazine* estimates 9690 have been distributed—including 3000 in New York, 1000 each in Chicago & Philadelphia, 500 in Los Angeles.

Jan. 10 week network color schedules: NBC-TV — Jan. 10, *Producers' Showcase*, "Yellow Jack," 8-9:30 p.m.; Jan. 12, *Norby*, 7-7:30 p.m.; Jan. 15—*Max Liebman Presents*, "Naughty Marietta," 9-10:30 p.m. CBS-TV—Jan. 12, *Douglas Edwards & The News*, 7:30-7:45 p.m.; Jan. 15, *Big Top*, noon-1 p.m.

First view of RCA 21-in. color set, for general public, is scheduled for Jan. 10, when sets will be placed in windows of RCA Exhibition Hall for viewing of 90-min. *Yellow Jack*. Other sets will be located on lower level, in Johnny Victor Theatre.

CBS-Columbia is entering industrial-TV field, offering closed-circuit field sequential color system. Production will be centered at Long Island City plant under Robert K. Hartman, director of govt. & industrial contracts.

RCA shipped 3-V color film cameras Dec. 28 to WBTV, Charlotte, N. C. and WDEL-TV, Wilmington, Del.; another Dec. 30 to upcoming WFLA-TV, Tampa, Fla. (Ch. 8), due mid-Jan.

Britain will have color in 2-3 years, not before, BBC director-general Sir Ian Jacob stated this week. BBC won't colorcast, he said, until "really foolproof" sets are on market.

Colorvision Inc.'s process of putting color on black-& white film, by splitting image into 3 small pictures (Vol. 10:45), is being tested in Hollywood by Ziv, most color-conscious of the TV film producers.

Unusual wrinkle in colorcasting technique of WBZ-TV, Boston will be to telecast NBC's Eastman-sponsored *Norby* 4 days late, putting film through own film cameras. Station has both RCA 3-V camera and DuMont scanner.

"Fundamentals of Color Television," by Wm. F. Boyce, is latest technical book on the subject. It's 216-pp., published by Howard W. Sams Co. (\$2).

ONE INITIAL DECISION came out of FCC this week —Seaton Pub. Co. (Fred Seaton, Asst. Defense Secy.) getting nod for Ch. 5 in Hastings, Neb. after drop-out of Strand Amusement Co., while a big "interim" CP deal for Toledo's Ch. 11 fell through. Four more uhf CPs were cancelled: KETV, Little Rock, Ark. (Ch. 23); KCTV, Sioux City, Ia. (Ch. 36); KFAZ, Monroe, La. (Ch. 43); WSHA, Sharon, Pa. (Ch. 39).

The Toledo deal was to be like that for KSLA, Shreveport, La. (Ch. 12), where 3 applicants joined forces to get grant and build station pending outcome of competitive hearing. All 7 Toledo applicants had tentatively agreed to throw \$100,000 each into pot, winner of hearing to pay other 6 back, but one applicant decided to pull out, quashing plan.

That grand-daddy of all "protest" cases was decided this week, FCC restoring effectiveness of CP for WPRO-TV, Providence (Ch. 12), which has been blocked from building for more than a year because of protest by

SUBSCRIPTION TV petition of Zenith Radio Corp., asking immediate commercialization without rule-making (Vol. 10:49), was roundly lambasted this week when Joint Committee on Toll-TV filed formal opposition with FCC, urging full hearings be conducted. Stating it represented owners of some 75% of nation's 16,000 movie theatres, JCTT divided opposition into these major parts:

(1) Attack on Zenith's argument that pay-TV should be permitted because today's system isn't "free" anyhow—being supported by public's purchase of advertised products. JCTT argued that the "obvious answer is that that the public is not *required* to buy any products advertised on the TV screen." With public having invested some \$15 billion in sets, JCTT said, it will raise "a hue and cry [that] will make the complaints of the 160 uhf broadcasters to the Senate Interstate & Foreign Commerce Committee sound like a muffled whisper."

(2) Analysis of FCC's legal authority to permit subscription TV. JCTT stated that neither FCC's comments on Hinshaw bill (Vol. 10:20), its approval of functional music on FM, nor its pre-war decision in Muzak pay-radio case supports conclusion that Commission has adequate power to authorize pay-as-you-look TV.

(3) Attack on Zenith's claim that fee TV will make many more stations economically possible. JCTT noted that Zenith's attention has been on big cities and that Zenith disapproves limiting pay service to uhf for several years—in contrast to Skiatron's petition (Vol. 10:38). If Zenith is sincere in efforts to foster more stations, JCTT said, it would propose limiting fee-TV service to markets which now have no TV stations.

(4) Argument against Zenith's plea for commercialization without hearings. JCTT found "complete incongruity" in Zenith's argument that FCC could stop pay TV if it found it wasn't in public interest. System is too fraught with dangers, JCTT stated, to be authorized without full hearings.

JCTT said it represents following exhibitor groups: Allied States Assn., Theatre Owners of America, Texas Drive-In Theatre Owners, So. California Theatre Owners Assn., Kentucky Assn. of Theatre Owners, Independent Theatre Owners Assn. of N. Y., Metropolitan Theatre Owners Assn.

NARTB pres. Harold Fellows filed brief letter with Commission this week, also urging rule-making instead of simple go-ahead. FCC may meet on subject next week, and there's every indication it will start with general rule-making, probably eventually going into oral hearing and demonstrations. This is what Zenith most wanted to avoid, simply because of time element—for such procedures frequently take years.

WNET, Providence (Ch. 16). WNET counsel Benedict Cottone promptly stated he would appeal to courts. FCC ruled that merger of 3 applicants in WPRO-TV grant didn't violate duopoly rules; that no improper payoff of \$200,000 was involved in the merger; that WPRO-TV did not start construction before getting CP.

Another grant taken to courts was Ch. 12 CP of WJRT, Flint (Vol. 10:50). Losing applicant WFDF filed suit in D. C. Court of Appeals this week.

Due for FCC decision soon is matter of proposal to lift Zone I ceiling to 2000 ft. with full power (Vol. 10:50). In view of heavy opposition and fact that the 2 proponents—WBEN-TV, Buffalo & WSAZ-TV, Huntington—have modified their requests somewhat, best guess is that Commission will compromise by lifting ceiling just enough to take care of the 2 stations.

Arthur Godfrey was guest at White House stag party Jan. 6, along with 17 businessmen, lawyers & politicians.

TWO ALASKA stations, both in Fairbanks, are shooting for first telecasts next month. KTVF (Ch. 11), granted Dec. 29, hopes to get on air Feb. 1-15, writes pres. A. G. Hiebert, who also heads now-operating KTVA, Anchorage (Ch. 11). Also planning Feb. start is KFIF, Fairbanks (Ch. 2), recently acquired with already-operating KFIA, Anchorage (Ch. 2) by Midnight Sun Bestg. Co. (Lathrop interests). KTVF already has RCA 2-kw transmitter and most other equipment, and KTVA chief engineer Jack Walden is supervising construction in Fairbanks. It will use 165-ft. tower with 6-bay GE batwing antenna. Rep for both KTVF & KTVA is new Alaska Radio-TV Sales, Seattle, whose pres. Wm. J. Wagner owns 6% of the 2 stations.

GE reports shipments this week of 35-kw amplifier to KGBT-TV, Harlingen, Tex. (Ch. 4), and 12-kw amplifier to KSAN-TV, San Francisco (Ch. 32). Also reported by GE is order for 35-kw amplifier for WRBL-TV, Columbus, Ga. (Ch. 4).

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

WFLA-TV, Tampa (Ch. 8) expects to meet mid-Jan. test pattern target, begin as basic NBC by mid-Feb., reports gen. mgr. George W. Harvey. It has 50-kw RCA transmitter installed and checked out, 12-section RCA antenna in place on 1054-ft. Ideco tower. Grantee *Tampa Tribune* has interlocking ownership with *Richmond Times-Dispatch* and *News-Leader* (WRNL), TV applicant. Base hour will be \$400. Rep will be Blair.

WTVY, Dothan, Ala. (Ch. 9) expects to start in Feb., being sold in combination with WEAR-TV, Pensacola & WJDM-TV, Panama City, reports Milt R. de Reyna Jr., asst. mgr. for the 2 Florida outlets. Mel Wheeler, mgr. of WEAR-TV & WJDM-TV, will also manage WTVY for group of local owners headed by builder Charles Woods. It has 500-watt DuMont transmitter on hand, hasn't reported type of other equipment. Network affiliation not set yet. Base rate will be \$150. Clarke Brown Co. will be rep in Southeast.

KBET-TV, Sacramento, Cal. (Ch. 10) expects to start in late Feb. or early March, according to v.p.-gen. mgr. John H. Schacht. FCC grant of CP to KBET-TV over McClatchy Newspapers was chosen as test case by ANPA last month when it voted to join appeal against FCC's "diversification" policy (Vol. 10:51), now pending in District of Columbia appeals court. KBET-TV transmitter house is nearly completed, 50-kw GE transmitter is due Jan. 15, and Ideco 450-ft. tower with GE antenna is scheduled to be ready by Feb. 1. Base rate will be \$600. Rep will be H-R Television Inc.

KRCG, Jefferson City, Mo. (Ch. 13) has Feb. 1 programming target, reports owner Mrs. Betty G. Handy, whose family also controls local radio KWOS and *Jefferson City Capital News & Post Tribune*. KRCG studios & transmitter will be at model Callaway Hills Farm, 5 mi. NE of Jefferson City, and 10 mi. SE of Columbia, where U of Missouri operates commercial KOMU-TV. It has 500-ft. Stainless tower ready, will use 10-kw RCA transmitter, 12-section superturnstile antenna. Base rate will be \$200. Rep will be Meeker.

WLEX-TV, Lexington, Ky. (Ch. 18), delayed by weather, now expects to begin test patterns by Jan. 15, start NBC programming month later, reports 28% owner Guthrie Bell, who with J. D. Gay Jr. owns radio WLEX, holding 44% of TV. It's 70 mi. from Louisville's 2 vhf outlets, 73 mi. from Cincinnati's 3 vhf and educational uhf. It will use GPL Continental 1-kw transmitter and 600-ft. Stainless tower with RCA antenna. Base rate will be \$150. Rep will be Forjoe.

Electronics Reports: Raytheon has begun production of 8-transistor portable radio, shown for first time in Chicago Jan. 3. Company intends to put big promotional push behind the "tubeless wonder," which is powered by 4 regular flashlight batteries said to last for 500 hours of use. The 5-lb. leather-cased radio measures 2 5/8 x 6 3/16 x 9 3/16-in., receives standard broadcast band, using conventional superheterodyne circuit, with 3 1/2-in. square-shaped speaker, built-in ferro-magnetic rod antenna. It uses 5 CK760 transistors—for converter, local oscillator, 1st & 2nd IF and high-gain detector—one CK722 transistor for audio pre-amplifier and 2 CK722 for push-pull audio Class B power amplifiers. Raytheon TV-radio v.p. Henry F. Argento predicted that within 5 years "the industry will forsake the manufacture of radios depending on power lines for their current supply." Set is priced at \$79.95.

Meanwhile, Regency div. of IDEA Inc., which has been marketing 4-transistor pocket radio in New York & Los Angeles (Vol. 10:43), announced that it will offer the radio to its 25 high-fidelity distributors, servicing 52 areas, beginning this month. Regency officials said that demand for the set at \$49.95 still exceeds supply.

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FCC's latest patent-filing proposal (Vol. 10:50) has attracted remarkably little industry interest—only 6 companies indicating intention to participate in Feb. 1 oral argument. Those filing by Jan. 3 deadline were: AT&T, IT&T, DuMont, Sylvania, Collins and Central Committee on Radio Facilities of the American Petroleum Institute. RCA hasn't participated in proceedings, nor has Zenith, with which RCA has been in patent litigation for years—but it was expected that appearances would be filed by some of the organizations which protested so vigorously against FCC's original proposal. These included American Bar Assn., NAM, inventors' associations, in addition to many companies in communications and electronics.

Total of 28 electronics factories now located in Puerto Rico—including plants of Sylvania, Remington Rand, Weston Electrical Instrument. This is revealed in *New York Times* advertisement by Puerto Rico Govt. offering tax exemption to new industry, and appealing particularly to such industries as electronics, small appliances, plastics, etc.

RCA's new engineering lab specializing in electronic fire control systems for military aircraft, under Dr. Robert C. Seamans Jr. (Vol. 10:50), will be located next month in Waltham, Mass., in newly-leased portion of Waltham Watch Co. plant, 227 Crescent St.

Spring assembly meeting of Radio Technical Commission for Aeronautics will be held jointly with Los Angeles section of IRE at Los Angeles, April 5-7.

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"Type approval" and "type acceptance" proposal by FCC, first issued Dec. 3, 1953, was finalized this week. System provides method whereby Commission assures itself that equipment employed by communications it regulates complies with standards. As finalized, rules were changed somewhat from original proposal on basis of recommendations of RETMA and individual companies. Document is Notice 55-6, Mimeo 13880, Docket 10798. Copies are available from Commission—or from us.

New 50-kw AM "Ampliphase" transmitter has been designed by RCA, will be offered late this year. RCA reports that it employs phase modulation principles, takes half space required by existing comparable units, has 50% lower operating costs. Designated type BTA-50G, it's air-cooled, obviates need for under-floor cable trenches, external blowers and water-cooling equipment. It has no modulator tubes, modulation transformers or reactors—which are essential to conventional units.

FACTORY VALUE & MARKUPS DOWN SHARPLY: At average factory value of \$145 per set -- a considerable drop from the \$170 of 1953, due to price cuts, preponderance of low-end sales and spread of discount house operations -- 1954 TV output of 7,350,000 in 1954 meant factory billings of some \$1.06 billion. When markups (estimated at 40%, down from 50% in 1953) and estimated \$500,000,000 more for antennas, tubes, service and other costs are added, the year's over-the-counter value was about \$2.2 billion to trade, compared to \$2.375 billion in 1953, when production was 7,214,787 sets.

Radio production of 10,330,000 meant factory billings of \$227,260,000, based on factory value of \$22 a set -- roughly same price as 1953. When markups and all other costs are added, retail value was about \$450,000,000 vs. \$600,000,000 in 1953, when radio output was 13,368,556. This compares with \$400,000,000 for 9,711,236 radios in 1952. Figures include auto as well as home radios.

Trade's combined TV-radio volume thus was about \$2.650 billion last year. Figures are unofficial, of course, and are based on estimates by RETMA and other industry research officials, as well as on Census Bureau data.

TV production in 1954 was short of 1950's record 7,463,800. Preliminary RETMA figures show mere 58,988 sets turned out week ended Dec. 31 (a 4-day week in most plants), running year's total to unofficial 7,350,000. It was second highest output in TV history, and estimated 7,000,000 retail sales made it a record year for sales. Radio output totaled 120,729 (77,267 auto) week ended Dec. 31 -- 10,330,000 for year.

SECOND-SET & REPLACEMENT DRIVE MAPPED: Pattern of the current TV trade, judging from what we saw and heard at Chicago's big furniture marts and what transpired at Philco's midwinter convention this week in Atlantic City, appears to be: 21-in. for initial sales, 17-in. for second sets, 24-in. for replacements.

Philco returned to 17-in. production, after more than year, with introduction of a mahogany table model at \$150, blonde \$170. Prospect of burrowing into second-set market was frankly admitted by Philco spokesman as reason for return. Philco also introduced a 21-in. open-face blonde console at \$320 and a 24-in. consolette in mahogany at \$300, blonde \$320. Latter sizes offer excellent possibilities in growing replacement market. They were introduced at Atlantic City convention. (For details of other receivers introduced elsewhere this week, see p. 14.)

In spaces of 16 manufacturers represented at marts, we noted a growing awareness of the need for special incentives to capture second-set and replacement sales. With 34,000,000 sets in hands of 70% of nation's 47,500,000 households as of Jan. 1, trade appears very much alert to immediate sales task before it.

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What steps will be taken to tap the potentially big second-set & replacement markets? Philco and others are reverting to 17-in. as a set which can be quickly sold at a bargain rate for use in bedroom or other place in the home. With eye to bigger profits, others are expanding their 24-in. offerings as lure for set owner who wants to trade in his small-screen receiver for larger size.

A big increase in advertising keyed to second-set and replacement markets is also planned by several manufacturers. One suggested promotional approach would feature pictures of sets in bedrooms, dens, etc. Other set makers contend the only advertising approach they need is to "stress the tremendous value of a TV set now." As Philco's Fred Ogilby remarked, "Never before in history have such price values been offered to the public as now. And values seem to be increasing all the time."

Manufacturers are quietly confident of their ability to capture substantial portion of second-set and replacement markets this year. They say they're giving dealers a sizeable profit margin on 24-in. sets as an incentive to sell up into that

size, regarded as ideal for replacement. The prices of such sets are coming down steadily, too, though the margins remain comparatively high for dealers. Trade is also counting on a lot of picture tubes going bad in 1955 among sets 5 years or older -- and at \$25-30 replacement rate, it's figured many would rather use that sum for down payment on a brand new receiver.

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NARDA pres. Harry Price Jr. said that the "new" second-set and replacement markets might well contribute to biggest year ever for TV-radio-appliance dealers in 1955. Confidence in public's pocketbook ability to continue to buy TVs at high rate in 1955 was expressed by Philco pres. James H. Carmine at his convention:

"Conservative observers estimate consumer expenditures for goods and services in 1955 will reach a new peak and exceed 1954 by \$9 billion. The biggest increase, they estimate, will be for durable goods. While there are divided views whether the public will want this or that product, there can be no argument that they will have the money to spend to satisfy their desires, if they can be persuaded to do so."

Trade Personals: Al Chatten, Philco field sales mgr. for eastern territory, named div. mgr. for N. Y., N. J. & eastern Pa., with headquarters in N. Y., as part of realignment of sales organization; Stuart Falk named div. mgr., Detroit, covering Ohio, western N. Y. & Detroit areas; Wm. Kress, Chicago, for Wis., Ind. & Ill.; C. E. Lindstrom, San Francisco, for northern Cal., Ore. & Wash. . . . Herbert J. Rowe named Muter Co. sales mgr., Leslie F. Muter Jr. production mgr. . . . Wm. Chamard, secy-treas. of Canadian Aviation Electronics Ltd., Montreal (DuMont), elected finance v.p. . . . Harold F. Bersche, distributor sales mgr., RCA tube div., promoted to new post of mgr. of marketing services, succeeded by Durward M. Branigan, ex-promotion mgr. of receiving tube & transistor marketing dept. . . . Robert G. Scott promoted to gen. sales mgr., DuMont CR tube div., succeeding William C. Scales, now gen. mgr. of receiver sales div. . . . Victor Legendre, ex-Chatham Electronics & Tung-Sol, named chief engineer of Haydu Bros., Plainfield, N. J. (tubes) . . . Buford (Buck) Melton, ex-Hallicrafters and graduate of West Point, appointed sales mgr., Admiral contract div. . . . Wm. W. Bowen promoted to staff asst. to Richard L. Sandefur, Westinghouse TV-radio sales mgr. . . . Fred Meurer resigns as Westinghouse TV-radio publicity mgr. to set up own public relations firm in Newark; his duties are assumed temporarily by Paul Langdon . . . Walter Jablon resigns as sales mgr. of Freed Electronics . . . Wm. Gay named Sparton adv. mgr., replacing John Hoffman, resigned . . . George G. Gabel promoted to mgr. of manufacturing engineering at GE commercial equipment plant in Clyde, N. Y. . . . Myles M. Walker promoted to Raytheon mgr. of marketing research . . . Howard H. Ganson Jr. appointed Chicago area mgr., Raytheon equipment sales div. . . . Larry Coen, ex-Hallicrafters, named Raytheon Cincinnati district mgr., replacing Gale Callendar . . . Robert Bruce Jr., from Cleveland office, named Westinghouse Texas district mgr. for TV-radio, Houston . . . Marion Pettegrew promoted to gen. mgr. of Sylvania parts div., headquartering in Warren, Pa. . . . Roy Dahl, asst. secy. of Wilcox-Gay, adds duties of exec. v.p. M. C. Thomsen, resigned . . . Joseph G. DeVico resigns as Majestic Radio director of adv. & sales promotion . . . Philip C. Weinseimer Jr., mgr. of electric shaver div., elected v.p. in charge of consumer products, North American Philips Co. . . . Frank F. Neuner, in charge of RCA tube div. long-range planning, appointed mgr., semi-conductor marketing, newly created post under marketing mgr. Lee F. Holleran.

Senator Armand Daigle, Canadian industrialist, elected a director of RCA Victor Co. Ltd., Montreal, reports pres. F. R. Deakins.

DISTRIBUTOR NOTES: CBS-Columbia establishes factory branch, CBS-Columbia of Texas, 1230 Drago St., Dallas (Roger G. Brown mgr.), replacing Schoelkopf Co. . . . Arvin: Ralph Lay Wholesale Distributing Co., 5627 Manchester Ave., St. Louis, replacing Broadwell & Co. . . . DuMont N. Y. factory branch promotes Harry Rippo to gen. sales mgr. . . . L. M. Popkey Co., Marinette, Wis. (CBS-Columbia) names Ira L. Lavin, ex-CBS-Columbia Minneapolis regional mgr. & onetime NARDA managing director, as gen. sales mgr. . . . Elliott-Lewis Corp., Philadelphia (Hallicrafters) appoints Laurence C. Phister, ex-Raytheon Television Distributors, as gen. sales mgr. of air conditioners . . . Westinghouse Electric Supply Co., Milwaukee, due to start construction next spring of new headquarters on W. Cornell St.

RCA will salute TV servicemen with sponsorship of "National Television Servicemen's Week" March 7-12, awarding prizes totaling more than \$10,000 to service dealers initiating effective service promotions at neighborhood level. RCA will promote event with full-page magazine ads and display "packages" among service dealers. "Salute" of a different kind, an "expose" of fraudulent TV serviceman, will be dramatized on NBC-TV's *Dragnet* Jan. 27, Thu. 9-9:30 p.m. Local groups can obtain 16mm sound films of program from NARDA for promotional showings thereafter.

Western Auto Supply Co. acquires 140 West Coast retail stores now owned by Gamble-Skogmo Inc. as of April 1, latter continuing to operate some 350 stores in 19 central & midwestern states and in Canada. Western's 1954 business of \$164,000,000 is reported to have included about 25% appliance trade, including TV-radio.

TV sets need periodic tune-ups just like automobiles. So says GE tube dept.—and to further this idea it's sponsoring nationwide "TV Service Month," beginning April 19, to urge spring tune-ups to improve focusing, contrast & brightness in preparation for baseball season.

Raytheon shipped 5000 TV sets to Colombia this week for distribution by govt. Similar shipment was made last month by Emerson (Vol. 10:51).

Raymond R. Machlett, 54, TV-radio transmitter tube manufacturer and pioneer in use of neon, who in 1930 founded Machlett Laboratories Inc., Springdale, Conn., died at his home in New Canaan, Conn., Jan. 7. He is survived by his widow, 2 daughters and a son.

Myer H. Cogan, 52, founder and retired pres. of Symphonic Radio & Electric Corp., Boston, died in Brighton, Mass., Jan. 4. He is survived by his widow, daughter and son.

Topics & Trends of TV Trade: Philco hit back this week at Justice Dept. anti-trust complaint filed against it and some 130 independent distributors Dec. 15 (Vol. 10:51). At distributors convention in Atlantic City, exec. v.p. John M. Otter, who spearheaded drive for refranchise agreements last Aug., which Govt. contends are illegally restrictive, called case "a dangerous challenge to those of us who believe in and desire to protect the function of the independent distributors like yourself."

Point by point, he defended new agreements against 3 major charges in govt. complaint—that distributors are required to agree not to sell any Philco products to retailers outside their assigned territories; that distributors must not deal in any product competitive with Philco; that retailers "approved" by distributors must sell only to consumers, never to retailers.

Otter said ban on trans-shipping was standard practice in industry and Govt. complained only when "we put some teeth into our distributor contract." He said geographical limitations are necessary to provide public with service on their purchases.

"You cannot do this job if you bandy our merchandise throughout the country and sell it to dealers you cannot train or with whom you have no personal relationship, and with dealers who have no interest in Philco, its products or its future," he said.

He denied govt. charge that new agreements forbid distributors to deal in products competitive with Philco, but added: "That is the legal part of it, but that is not what we want and we certainly hope that is not what you want . . . If you were to divide your loyalty, we know you would lose; and if such a method were to be followed by all wholesalers, competition would become soft instead of hard-hitting and aggressive as it is now."

Finally, he defended Philco against charge that retailers must not sell to other retailers, saying that "when a so-called retail dealer sells to another retail dealer he has by that very act become a wholesaler and not a retailer, so the govt. is really asking you, as a distributor, to sell other wholesalers . . . If Philco sets are indiscriminately bandied about by sub-wholesalers for resale by irresponsible dealers who are not willing to meet, and have not been trained to meet, the essential merchandising warranty and service obligations, you and Philco are bound to lose good will and reputation. Such dealers will not and cannot service our products in the homes of the consumer."

Hoffman Electronics has added 15 new TV models to current line, prices ranging from \$150 for 17-in. walnut table model to \$595 for 21-in. blonde or cherry combination. Several models have vertical chassis, and 11 have aluminized picture tube. New models: 17-in. walnut table \$150, mahogany \$160, blonde \$170; 21-in. ebony table \$180, mahogany \$190, blonde \$200; 21-in. mahogany table \$180, blonde \$190; 21-in. walnut table \$200, mahogany \$210, blonde \$220; 21-in. open-face walnut console \$230, mahogany \$240, blonde \$250; 21-in. mahogany table \$260, toast & smoked cherrywood \$280; 24-in. mahogany table \$290, blonde \$300; 21-in. open-face mahogany console \$290, blonde or cherry \$300; 21-in. open-face mahogany console \$350, toast or smoked cherry \$365; 21-in. open-face mahogany console \$375, blonde or cherry \$385; 24-in. open-face mahogany console \$390, blonde or cherry \$400; 21-in. full-door mahogany or cherry console \$425; 24-in. open-face mahogany or cherry console \$425; 24-in. full-door blonde or cherry console \$485; 21-in. mahogany combination \$575, blonde or cherry \$595.

Regal introduced new line of 8 TV models Jan. 3 at Chicago's Conrad Hilton Hotel, prices ranging from \$140 for 17-in. mahogany table to \$367 for 21-in. ¾-door mahogany console.

Zenith introduced 50 new TV models at distributors' convention in Chicago Jan. 5-6, prices ranging from \$150 for 17-in. maroon table model to \$1250 for 27-in. 3-way blonde combination. A vertical chassis is used in 12 models at low end of line. Most sets contain 90-degree tubes, with some having 72-degree. The 21-in. series ranges from \$170 maroon table model to 3-way blonde combination at \$700; 24-in., from mahogany console at \$380 to high-fidelity console at \$420. Also introduced were 8 calendar-clock-radios from \$45 to \$52, 13 portables from \$30 to \$40, an AM-FM table model at \$90 & \$92.

Sylvania slashed prices by \$20 to \$75 on nearly all models this week, crediting manufacturing economies in new TV plant in Batavia, N. Y. In addition, its price leader, a 21-in. table model previously listed at \$170, will be offered without list price. As result of reductions, line ranges from 21-in. table model at \$200 to 21-in. all-channel console at \$410. Sylvania will introduce late this month a 21-in. mahogany console at \$230, blonde \$240.

Stromberg-Carlson has added 3 new 21-in. TV models: Panavue, a mahogany table at \$285, blonde \$290; New Era, open-face mahogany console \$330; Chippendale, open-face mahogany console \$380. Also introduced at regional distributors meeting in Washington was International 8-band portable short wave radio, list price not set. Clifford J. Hunt, TV-radio v.p., said company's 1954 unit TV sales were up 31% over 1953.

Emerson has added a 21-in. table model in ebony, mahogany & blonde at \$150, and a 21-in. open-face console in all 3 woods at \$190. It also raised price of 21-in. ebony table from \$170 to \$180, and reportedly will bring out a 24-in. table model at \$250 in about 6 weeks.

Olympic introduced new line at Chicago's Conrad Hilton Hotel, prices ranging from \$100 for 14-in. cordovan table model to \$490 for 21-in. combination in classical Chinese furniture cabinet. Big talking point of line is 3-way 17-in. "lo-boy" walnut combination for \$200.

Arvin raised price of 21-in. mahogany tables from \$150 to \$160, \$170 to \$180, \$180 to \$190; and 21-in. console from \$220 to \$230.

Reminiscent of Gene McDonald's court challenge of Herbert Hoover's authority to regulate radio when he was Secy. of Commerce in 1926—the courts deciding the Govt. was acting illegally—is court test in Britain which held that Post Office Dept. has been collecting radio license fees for 50 years, a total of more than \$1 billion, without apparent legal sanction. British radio listeners pay £1 (\$2.80) a year, TV owners £3 (\$8.40). New Wireless Telegraphy Act this year authorizes the Post Office to collect the fees, but legislation must be enacted to legalize past collections, particularly prosecutions against "radio bootleggers." Note: In 1926, when Zenith Radio's AM station in Chicago jumped to an unauthorized wavelength, courts held Dept. of Commerce had no authority to prevent it from doing so, whereupon Congress quickly passed Radio Act of 1927 setting up original Federal Radio Commission.

A. J. Brunner shifts from gen. export mgr. to chief engineer of E. K. Cole Ltd., reporting to technical director A. W. Martin; W. M. York, head of Ecko heating div., now directs export of TV-radio, cinema, plastics and other equipment for big British manufacturer.

Pye Ltd., Cambridge, England, plans to raise £1,500,000 additional capital to buy up a cabinet factory and a TV-radio component firm, and to provide about £120,000 additional working capital.

Hoffman Electronics Corp. listing on N. Y. Stock Exchange begins Jan. 10, when trading on Los Angeles Stock Exchange is also expected to start.

Financial & Trade Notes: Nine companies are included in the "electrical equipment" category among the 142 major American corporations "rated" in the Jan. 1 *Forbes*, business & financial magazine, for their achievements in management, labor relations, public & community relations, stockholder relations. All are major factors in TV-radio production, which is discussed at length in the article—with RCA, Philco, Admiral & Motorola given top-ranking positions in that order.

The "ratings" are admitted by the editors to be "opinion"—but they were carefully arrived at on basis of analysis of individual companies, talks with "blue-chip presidents," visits to plants, studies of annual reports, etc.

"In recent years," *Forbes* states, "the electrical equipment industry has been expanding more than twice as fast as the whole U. S. economy, and for this reason has proved to be extremely attractive to inventors. Thus, on the Big Board last year, the major electrical issues appreciated 55% as compared with only 36% for the Standard & Poor's 480 stock average. This phenomenon caused many apprehensive Wall Streeters to wonder if electrical equipment earnings and dividends have not indeed been discounted well into the future.

"But the long-range odds appear to be on the electrical goods makers' side. Economists predict that the U. S. population and its disposable income, the two factors on which demand for generating equipment and appliances depend most heavily, will keep right on growing at a rapid pace. Investors apparently are taking the long view, for they bid up prices of electrical stocks last year in spite of a decline in sales and a narrowing of profit margins."

These are the *Forbes* "ratings" (assets in millions as of Dec. 31, 1953):

	Management	Labor Relations	Public & Community Relations	Stockholder Relations
General Electric (\$1,696.6)	90	85	90	90
Westinghouse (1,265.4)	90	90	90	95
RCA (493.6)	90	90	90	90
Avco (223.0)	75	75	—	—
Sylvania (204.4)	90	90	90	90
Philco (163.5)	90	85	80	85
Admiral (107.6)	90	85	85	85
Raytheon (93.6)	80	90	90	85
Motorola (86.8)	90	90	85	85

Consolidated Electronics Industries is new name for Reynolds Spring Co., and its control is now in hands of North American Philips Co., a U. S. corporation owned in trust for stockholders of Philips of Eindhoven, Holland. Stockholders have approved sale of Reynolds Spring's auto spring & small plastic businesses to Stubnitz Green Spring Co., Adrian, Mich. for about \$900,000 cash, leaving Reynolds with \$1,350,000 net quick assets. Consolidated also acquired North American's A. W. Haydon div. for 279,000 shares of Reynolds common. With the \$1,350,000 from Reynolds and the \$1,500,000 reported book value of Haydon, Consolidated's book worth is estimated at \$5 to \$6 per outstanding share, in addition to which it has tax credit of about \$800,000 inherited from Reynolds. Haydon div., Waterbury, Conn., which makes electronic devices for aircraft, guided missiles, radar, etc., in 1953 earned \$859,000 before taxes & renegotiation (about \$1.53 on Consolidated's presently outstanding 559,000 shares) and is expected to show about same 1954 pre-tax net. North American also owns molybdenum & tungsten products plant at Lewiston, Me., and X-ray & electronic plant at Mt. Vernon, N. Y., in addition to operating lab at Irvington, N. J. It has approval of stockholders to increase authorized common from 500,000 to 1,500,000 shares; after payment for Haydon plant, this leaves 941,000 authorized but unissued.

McIntosh Laboratory Inc., Binghamton, N. Y., founded in 1947 by the Washington consulting engineer Frank H. McIntosh to utilize his patents in the manufacture of high-fidelity amplifiers for home & industrial uses, is recapitalizing and, out of an authorized 6000 shares of common and 24,000 shares of preferred stock, is offering for sale 4500 common and 6750 preferred, at \$10 per share each, purchasable at ratio of 2 common to 3 preferred. No underwriters are participating in the issue; funds will be used to increase working capital, inventory, sales force & advertising as well as for research & development of new products. Mr. McIntosh retains control with 8621 shares of common in consideration of present equities surrendered and of a \$27,790 indebtedness to him for his share of the earned surplus of \$39,818 as of last March 31. Company's active gen. mgr. is Gordon J. Gow, who runs 18,000-sq. ft. factory employing 53 people in Binghamton. Its sales were \$320,869 in 1952 when it lost \$6996. Sales were \$437,791 and profit \$4205 in 1953. In first 3 months of 1954, sales were \$139,294, profit \$14,648. At end of 1952, earned surplus was \$18,959; at end of 1953, \$25,169; at end of first 1954 quarter, \$39,818. According to Mr. McIntosh, 1954 profit figure will be about \$55,000 before taxes, and volume is now running \$80,000-\$100,000 per month.

Philco's fourth-quarter sales exceeded \$100,000,000, bringing year's volume to about \$350,000,000, midwinter distributors convention in Atlantic City was told this week by pres. James H. Carmine. Sales in 1953 were record \$430,420,000. Philco was hampered this year by a 45-day strike at its electronic plants in May & June; otherwise, Carmine said, it would have sold an additional 150,000 TV sets and several hundred thousand more radios. Philco is aiming for a 15% increase in over-all business this year, which he predicted would send sales over \$400,000,000. Philco's TV production in first quarter of 1955, he said, would be at an annual rate of 1,000,000 units. (For other news of Philco convention, see pp. 12 & 14.)

Hycon Mfg. Co., Pasadena, Cal., specializing in photographic & electronic equipment, has called Jan. 14 stockholders meeting to act on proposed issue of 120,000 shares of 5½% cumulative convertible preferred stock to be publicly offered at \$10 per share, proceeds to be used to expand aerial survey div. Present capitalization is 3,000,000 shares of common, of which 1,075,000 are outstanding. Indicated net earnings for 10 months ended Nov. 20 were \$432,019 compared with \$67,733 for full fiscal year ended Jan. 31, 1954. Hycon plans expansion in geophysical exploration under agreement with Varian Associates, Pasadena; they're jointly taking over Hycon subsidiary Hycon Aerial Surveys Inc. (airborne surveys).

Cornell-Dubilier reports for fiscal year ended Sept. 30 net profit of \$1,729,640 (\$3.25 a share) on sales of \$37,149,778—both figures second highest in company's history. For fiscal 1953, profit was \$1,666,696 (\$3.12) on \$43,630,816. Pres. Octave Blake said sales for first 2 months of current fiscal year are running at annual rate of \$39,000,000. He attributed this high level to applications of the company's products to many electronic fields besides TV.

Walt Disney Productions, for fiscal year ended Oct. 2, had consolidated net income after \$840,000 taxes of \$733,852, or \$1.12 per common share, compared with \$510,426 (78¢) preceding year. Gross income for 1954 fiscal year was \$11,641,408 vs. \$8,365,861 year before. Said Chairman Disney: "We have embraced TV not only for itself and its possibilities, but also to exploit and sell our motion picture productions."

Sylvania fourth quarter sales are expected to total \$79,000,000, compared with \$68,798,321 in 1953 quarter, bringing sales for year to about \$280,000,000, or 4% below 1953 record of \$293,267,408, according to chairman Don G. Mitchell.

CHANGING NETWORK affiliation patterns appear to be coming about much as forecast in these columns (Vol. 10:50), pointed up this week by FCC's approval of Westinghouse's \$9,750,000 purchase of WDTV, Pittsburgh (Ch. 2). Westinghouse plans to take over Jan. 10, retaining management and staff, and station will become basic NBC and change call letters to KDKA-TV.

Deal was approved by 5-1 vote just month after concluded (Vol. 10:49), gives Westinghouse its 4th outlet, all NBC, 3 acquired by purchases. Comr. Bartley opposed transfer, stating in dissent: "I see a substantial diminution in competition." Comr. Henneck was absent.

This week, too, CBS-TV formally announced affiliation of Storer's recently acquired WXEL, Cleveland (Ch. 8) as of March 1, and of Gene Autry-owned KOOL-TV, Phoenix (Ch. 10) as of June 16, both to be primary affiliates. Switch from Scripps-Howard's WEWS (Ch. 5) in Cleveland presumably means that station will go ABC & DuMont. In Phoenix, KOOL-TV takes CBS away from Meredith Publishing Co.'s KPHO-TV (Ch. 5)—which spells real trouble for that station, inasmuch as KVAR (Ch. 12) has NBC and Gov. McFarland's new KTVK (Ch. 3) has ABC tied up.

Ed Meredith and his TV-radio director Payson Hall were in N. Y. this week, reportedly discussing with CBS a shift of their KCMO-TV, Kansas City (Ch. 5) to that network in lieu of KMBC-TV (Ch. 9). Latter's quick start in Aug. 1953 was originally engineered by CBS which got rival applicants KMBC-TV & WHB-TV together in time-sharing deal and gave them basic affiliation. Last June, Arthur B. Church sold out his KMBC interests for \$2,615,000. Meredith's Omaha WOW-TV is on NBC, its WHEN-TV on CBS.

CBS also announced Lowell Thomas group's WROW-TV, Albany (Ch. 41) as "limited alternate affiliate" as of Feb. 1, this in wake of recent Indianapolis switch from the Bitners' WFBM-TV (Ch. 6) to the McConnells' WISH-TV (Ch. 8). Albany CBS affiliation is shared with WTRI (Ch. 35), owned by Harry Wilder & Stanley Theatres, and presumably is prelude to full affiliation if Lowell Thomas group gets Ch. 10 it seeks (Vol. 10:49-50).

Strike at KPIX, San Francisco, marked by extensive sabotage of station equipment (Vol. 10:52), has been settled, NABET and AFTRA members going back to work Jan. 6. Mgr. Phil Lasky announced that NABET members would get terms offered by management before strike started and that among provisions of contract were retention of station's rights to prosecute saboteurs, recall NABET members on individual basis and agreement by NABET members to repair damaged equipment. Lasky said that during strike management learned that fewer employes were necessary and that reduction in technical staff would be made. Sabotage is being probed by FCC.

Survey of "blacklisting" practices in the movie and TV-radio industries has been started by Fund for the Republic, headed by Dr. Robert M. Hutchins and supported by Ford Foundation. Survey is headed by John Cogley, ex-editor of *Commonweal*, Catholic weekly, who will report on legal, psychological & historical aspects of "political tests of any kind in hiring and firing practices in the motion picture, radio and TV industries." Conducting the "blacklisting" investigation is Paul Jacobs, union consultant and member of board of Civil Liberties Union.

Sole TV application filed this week was for Sharon, Pa., Ch. 39, by Sanford A. Schafitz, owner of WFAK, Farrell, Pa., and banker Guy M. Gully, replacing CP for same channel dropped by WSHA (Leonard J. Schafitz).

AT&T's network interconnection schedule: KLRJ-TV, Henderson, Nev., Jan. 16; WMVT, Montpelier, Vt., Feb. 2 (replacing private link).

NATIONAL CONTROL of college football TV is certain for another year—but a no-holds-barred battle which shook the NCAA is sure to result in more liberalized telecasting rules under the new national plan, as yet unformulated. NCAA convention in New York, at week's end, rejected Big Ten-Pacific Coast Conference proposal for regional telecasting in informal vote, gave incoming TV committee "blank check" to work out national TV control system, but at same time expressed preference for a more liberal national plan proposed by Eastern College Athletic Conference (ECAC).

Highlight of week-long convention was challenging speech Jan. 6 by U of Michigan's Fritz Crisler, representing Big Ten, serving notice on convention that his conference would not participate in the 1955 program if it was essentially the same as 1954. He implied Big Ten would be under compulsion from state legislatures to undertake its own TV program, regardless of consequences. After Jan. 7 vote favoring national controls, however, he indicated Big Ten might be willing to go along with a liberalized national plan as proposed by ECAC.

Though convention gave new TV committee no instructions, it expressed its sentiments in an informal standing preferential vote on 5 different TV plans. The results: (1) For re adoption of 1954 plan, 81. (2) For ECAC plan, eliminating geographical restrictions on games to be telecast, allowing one local telecast and permitting sponsor to pick game-of-the-week as few as 5 days in advance, 84. (3) For Big Ten plan, providing for 9 weeks of regional telecasting, 4 of national, 37. (4) For no controls, 4. (5) For plan permitting each college to televise only one game nationally, and with no other restrictions, 1.

Annual program awards by *Motion Picture Daily* and *Fame Magazine*: best network program, *Toast of the Town* (CBS-TV); panel discussion, *Meet the Press* (NBC-TV); audience participation, *You Bet Your Life* (NBC-TV); panel quiz, *What's My Line?* (CBS-TV); classical music, *Voice of Firestone* (ABC-TV); popular music, *Your Hit Parade* (NBC-TV); drama, *Studio One* (CBS-TV); comedy, *Jackie Gleason Show* (CBS-TV); children's, *Ding Dong School* (NBC-TV); daytime, *Today* (NBC-TV); comedian, George Gobel (NBC-TV); comedienne, Lucille Ball (CBS-TV); comedy team, Lucille Ball & Desi Arnaz (CBS-TV); news commentator, John Cameron Swayze (NBC-TV); sportscaster, Mel Allen; announcer, George Fenneman; male vocalist, Perry Como.

Don't blame TV and comic books for juvenile delinquency, says *Journal of the American Medical Assn.*, which states in editorial: "Harmful as these may be, they are far more likely to produce in the average child nightmares and heightened anxiety than they are to lead to crime, and the problems of where to draw the line in censorship are almost unsurmountable."

American Marketing Assn., 1525 E. 53rd St., Chicago, has published and is making available (at 50¢ per copy) an annotated bibliography of *Current Sources of Information for Market Research*, compiled by Natalie D. Frank, librarian, Geyer Adv., N. Y.

Index to 1954 Newsletters

Included herewith, to all subscribers, is the annual Index to Contents of all 1954 Newsletters, Supplements, Special Reports, etc.—providing handy device for locating major events, trends, dates, etc. Bound volumes of all these publications are available at \$25 per copy.

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JAN 17 1955

SUMMARY-INDEX OF THE WEEK'S NEWS—January 15, 1955

RCA AIMS TO CRACK COLOR MARKET by cutting 21-in. tube from \$175 to \$100 (p. 1); other set makers praise action but feel more steps are needed (p. 8).

3 NEW VHF STATIONS START in Minneapolis, Las Vegas, Boston; uhf total down to 117 as result of 31 quitting air to date (p. 2).

BAN ON HIGH TOWERS KILLED by top govt. board, which calls instead for joint industry-govt. study; Louisville's WHAS-TV plans 2005-ft. tower (p. 3).

SENATE NETWORK-UHF PROBE STAFF gets dismissal notice as Democrats take over; snag possible in McConaughy nomination, resubmitted by Eisenhower (p. 3).

"NETWORKS' POWER OVER STATIONS" concerns Sen. Kilgore, preparing for TV monopoly inquiry; new members named to Senate, House committees (p. 5).

POLITICOS WHO OWN TV STATION interests relatively few in new Congress; only 2 Commerce Committee members have any TV connections (p. 5).

73 SET MAKERS, 63 TUBE MANUFACTURERS listed in upcoming TV Factbook No. 20 represent increase over 6 months ago, despite forecasts of attrition (p. 9).

TV-RADIO RETAILERS OPTIMISTIC at NARDA Chicago convention, feel they're winning war against discount houses (p. 9).

QUALITY OF COLOR PROGRAMS, not quantity, cited by NBC pres. Weaver as stimulus to set buying; more spectaculars and remotes planned (p. 8).

WBIR FAVORED IN KNOXVILLE initial decision for Ch. 8 over Scripps-Howard and non-radio group; Asbury Park, N. J. uhf seeks tiny vhf (p. 4).

NEW "FLAT" PICTURE TUBE only 3-in. deep, in experimental stage at west coast lab, excites curiosity of industry engineers as first details are revealed (p. 10).

CBS's PURCHASE OF WOKY-TV, Milwaukee (Ch. 19) approved by FCC, which favors entry into uhf of more entities with stamina and TV know-how (p. 14).

RCA HITS COLOR LOG-JAM WITH TUBE PRICE CUT: Prime color protagonist RCA, in another determined effort to quicken pulse of color TV and bring it out of the "hibernation" we discussed last week (Vol. 11:2), surprised industry this week by announcing it is cutting price of 21-in. color tube from \$175 to \$100.

Immediate industry reaction was an almost universal agreement that "this is a step in the right direction" -- accompanied with the opinion that "it still isn't enough, by itself, to generate a mass color market." There was considerable surprise, too, that move was not accompanied by cut in RCA's color set price (\$895).

Probably most concrete reaction was that of Sylvania, whose v.p. for sales, B.K. Wickstrum, stated company will join RCA in offering the tube for \$100. CBS-Hytron, only other producer which has offered color tubes in quantity, issued brief statement, pres. Charles Stromeyer saying that company had concluded production of 19-in. tubes last Dec., was now preparing to sample industry with 22-in. rectangular units. He declined to discuss price or production plans.

(For detailed comments of representative industry leaders, see p. 8.)

The price of \$500 still seems to be magic figure that must be reached, in the opinion of many manufacturers, before color sets will really sell -- but at least one prominent producer says he's beginning to wonder whether public will pay more than \$100 extra for color.

Many have hunch that RCA will also drop set price before long, though pres. Frank Folsom says greater production must be achieved before set prices can be cut. He said this goes for others as well as RCA, adding, however: "If a licensee wants to break the price, we're not tongue-tied; we're nimble enough to meet it."

Yet even price alone is not the answer, according to several major manufacturers. More color programming is demanded. One called for "at least one hour a night," another for "2-3 hours a day," a third for "not less than 25 hours a week." But both NBC's pres. Sylvester L. Weaver and CBS's v.p. Richard Salant reiterated

that they're doing all the color programming they can be reasonably expected to do -- that set makers should be willing to buy color programs if they think more are needed to demonstrate and sell color receivers.

RCA accompanied price cut with wide-open invitation to all other tube and set makers to join in -- and its Lancaster tube plant has been lately, and will continue to be, a "mecca" to all interested manufacturers. In making price announcement, RCA electronic products v.p. W.W. Watts stated:

"It is RCA's hope that this substantial price reduction on color picture tubes will encourage competing manufacturers in the industry to go into production promptly in the field of color TV." Reason for price reduction, he said, was the improvements in manufacturing techniques. "Shrinkage" rate (rejection of imperfect tubes) was said to be even better than RCA engineers had expected.

Watts also hit directly at CBS-Hytron's planned 22-in. rectangular all-glass tube, stating that RCA is convinced it has no advantage over 21-in. round metal-shell unit; that it's more costly to produce; that it produces neither better nor larger picture; that 21-in. round is "here today while the 22-in. rectangular is only a promise for the future."

RCA's action was also aimed at Philco, in the opinion of some -- an effort to cool any enthusiasm of those set makers who may be waiting for Philco's promised one-gun tube (Vol. 10:32) and perhaps to persuade Philco to renew patent agreement. Among major manufacturers, only Philco and Admiral haven't yet renewed.

RCA chairman David Sarnoff backed up Watts' announcement with statement to us: "Color is now out of the area of publicity, prediction and promise and in the area of practical performance -- and performance will speak for itself. I hope that this move on our part will encourage others to come along and help us advance color. We want as many manufacturers to build color sets and tubes as are able and willing to do so; we aren't keeping our developments to ourselves. We believe in color, but there's no way to get it off the ground except to make sets and tubes -- and we're going ahead and doing just that."

MINNEAPOLIS, LAS VEGAS & BOSTON STARTERS: Three widely separated vhf stations got going this week, one in Boston on a temporary test basis as an educational outlet that expects to start programs in April. They bring to 425 total number of stations on the air after subtracting the 4 uhf quitting air last week (Vol. 11:2); they bring uhf down to 117, fewer than year ago when 1954 began with 122 uhf on air -- due to fact 31 uhf have suspended or quit operation. This week's new starters:

KEYD-TV, Minneapolis-St. Paul (Ch. 9) started Jan. 9 as Twin Cities' 5th outlet (2 of them time-sharers), with DuMont affiliation. Its studios and 50-kw RCA transmitter are in Foshay Tower Bldg., also antenna site of WCCO-TV (Ch. 4) and time-sharing WTCN-TV & WMIN-TV. Morris Baker family, which owns building, also controls station, whose gen. mgr. is Lee L. Whiting, with Robert C. Fransen, operations & program mgr.; Harvey Headen, chief engineer. Base rate is \$600. Rep is H-R Television.

KLRJ-TV, Henderson, Nev. (Ch. 2), with studio-transmitter building located between that town and Las Vegas, began test patterns Jan. 13, becomes an NBC inter-connected affiliate Jan. 23, competing with KLAS-TV (Ch. 8) which started last July. It has 5-kw RCA transmitter, 275-ft. Ideco tower with 3-bay antenna. President and 75% owner is Donald W. Reynolds, who also controls KZTV, Reno & KFSA-TV, Ft. Smith, Ark.; he's also publisher of Las Vegas Review Journal and other newspapers in Nev., Ark. & Okla. Bob Gardner is gen. mgr.; Rick Williams, production mgr.; Stanley Sulek, chief engineer. Base rate is \$225. Rep is Pearson.

WGBH-TV, Boston (Ch. 2, educational) started test patterns Jan. 10, though it plans no regular programming before April. It's 12th educational station to take to the air, uses studio building opposite M.I.T. campus in Cambridge that houses WGBH-TV, also operated by WGBH Educational Foundation in cooperation with Lowell Institute Cooperative Broadcasting Council. Station has 10-kw RCA transmitter and 119-ft. tower and 6-bay antenna on Blue Hill. Parker Wheatley is gen. mgr.; Hartford N. Gunn Jr., operations director; A.W. Richardson, chief engineer.

NO TALL-TOWER BAN, NEW STUDY ORDERED: A cabinet-level board this week rejected the military-backed premise that any TV tower over 1000-ft. is an air navigation hazard, set up a joint TV-aviation-govt. committee to take another look at the problem -- and ordered airspace authorities in the meantime to continue judging applications for tall towers on their individual merits in conformance with past practices.

This action by Air Coordinating Committee Jan. 13 appeared to doom -- for the time being, at least -- efforts by military members of its Airspace Subcommittee to revamp FCC's allocation plan by proposing virtually to wipe out provisions which encourage tower heights of 2000-ft. or more. First application for full 2000-ft. tower will soon be filed by Louisville's WHAS-TV (see below).

Airspace Subcommittee, whose job is to pass on all tower applications and to inform FCC whether they involve menace to flying, last Nov. proposed the high-tower ban, which was then referred to ACC's technical div. Technical group couldn't make up its mind on proposal, tossed it to "top ACC" -- composed of undersecretaries of cabinet departments (Vol. 10:48-51) -- which this week rendered the verdict.

ACC decision was based on proposal filed Jan. 11 by Commerce Dept. (CAA), calling for a new aeronautical study. As outlined by ACC chairman Commerce Undersecretary Robert B. Murray Jr., the industry-govt. committee will:

- (1) "Identify, investigate and study the issues (legal, safety and economic) involved in the joint use of airspace between aviation and broadcasting industries."
- (2) "Recommend appropriate action, including legislation, which will establish the position of the Federal Govt. and be beneficial to the continued growth of the industries concerned, consistent with the primary requirements of our national economy and national defense."

Members of study group will be named next week, and have been ordered to report their findings and recommendations in 60-90 days. Though ACC announcement did not specify, it's understood co-chairmen of committee will be representatives of FCC & CAA, with such industry groups as NARTB, Assn. of FCC Consulting Engineers, Airline Pilots Assn. participating, along with military and other govt. agencies.

The joint study committee -- whose formation was predicted in these columns last month (Vol. 10:51) -- will be similar to group set up in 1952, which studied the tall tower problems and agreed present standards were adequate (Vol. 8:35).

Before closing doors and arriving at decision, ACC heard spokesmen of both TV and aviation industries. Of particular interest were presentations of WHAS-TV v.p.-director Victor A. Sholis and aeronautical consultant Lowell R. Wright, both appearing in behalf of the Louisville station -- and revealing plans to build 2005-ft. tower some 17 mi. from city, highest ever proposed. Next highest proposed: WSLA, Selma, Ala. (CP), 1864 ft.; WFAA-TV & KRLD-TV, Dallas (jointly), 1521 ft. Highest erected to date: KWTW, Oklahoma City, 1572 ft.

WHAS-TV, first station to hit 316-kw power (Vol. 9:6), now bids to be first to build 2000-ft. tower. A station spokesman said bids are now being taken for construction, which will cost an estimated \$1,100,000 and will take about 9 months. An application is to be filed with FCC in next 10 days.

Another high-tower proposal was filed with FCC this week -- by K GEO-TV, Enid, Okla., which plans to go to 1356-ft., using Emsco guyed tower, to cost \$118,400.

THE CHANGING FACE OF SENATE TV PROBE: "Democratic counsel" Harry Plotkin and "GOP counsel" Robert F. Jones of Senate Interstate Commerce Committee's special network-uhf investigation got their walking papers this week, effective Jan. 31.

It was a formality -- new Chairman Magnuson (D-Wash.) could reappoint them. But Plotkin planned to resign anyway, and Jones' return is doubtful. Plotkin wants to return to his private law practice, and whether Jones is reappointed to represent Republican minority on Committee depends on how hard ex-Chairman Bricker (R-Ohio), now ranking minority member, is willing to push for him.

The dismissal notices were letters from Magnuson notifying the "temporary employes" that the authorization under which they are employed expires at end of month. New Democratic-controlled Committee holds first meeting Jan. 16 (for new mem-

bership list, see p. 5) with 2 TV-radio issues already hanging over it -- the investigation started by Bricker, and President Eisenhower's renomination this week of Chairman McConnaughey to his FCC post.

Magnuson wants to continue the TV investigation -- but its direction and techniques may change markedly. Likely to influence future course of inquiry is report handed to Magnuson by Plotkin last week, and submitted in revised form this week. Jones is working on separate report, which he presumably will submit to Bricker.

One question raised by change in political tide is whether Magnuson will release the FCC from the requests made by Jones for confidential TV station financial data and voluminous individual station coverage maps and figures (Vol. 10:52).

* * * *

Committee approval of McConnaughey isn't a foregone conclusion. His appointment was blocked in special session last Nov. by Senate Democrats, who objected to weighing a "controversial" nomination during lame-duck session (Vol. 10:46). On the Commerce Committee, most Democrats seemed dissatisfied with his answers to questions during the brief hearing. They want to give him more thorough grilling.

Some Democrats are disposed to ditch McConnaughey and demand new Democratic appointee to Commission, inasmuch as McConnaughey would be 4th Republican on FCC, as against 2 Democrats and one independent. In light of fact that Congress is now controlled by Democrats, they feel GOP majority on Commission shouldn't be so topheavy. McConnaughey, incidentally, conferred with Magnuson this week.

(For other Congressional news, including reports on Judiciary Committee's "TV monopoly" investigation and new committee appointments, see stories on p. 5.)

KNOXVILLE initial decision, favoring WBIR for Ch. 10, plus a CP on Ch. 8 for KBTM in little Jonesboro, Ark., constituted Commission's action in the grant department this week. It also issued flock of allocations changes.

In choosing WBIR over Scripp-Howard's WNOX and non-radio Tennessee TV, examiner Herbert Sharfman ruled out Scripps-Howard because of its many TV-radio-newspaper interests, but he chose WBIR (Nunn & Taft families), despite their other TV-radio-newspaper holdings, because he felt it was superior to Tennessee TV, in "local ownership, civic participation, prior conduct and misconduct and integration." Tennessee TV is owned by Glazer family, headed by Guilford Glazer, owners of Glazer Steel Corp. and numerous construction & real estate enterprises.

In allocations actions, FCC finalized reservation of these educational channels in Michigan: Alpena Ch. 11, Escanaba Ch. 49, Houghton Ch. 25, Kalamazoo Ch. 74, Marquette Ch. 35. In Pennsylvania, Ch. 44 was substituted for Ch. 73 in Scranton, Ch. 48 for Ch. 44 in State College; change was at request of WTVU, Scranton (Ch. 73) which plans to shift to Ch. 44. Commission also proposed to substitute Ch. 14 for Ch. 41 in San Antonio, Ch. 30 for Ch. 14 in Seguin, Tex.—at request of grantee KCOR-TV which wants the lower channel.

Two more court appeals were filed: (1) WTRI, Albany, N. Y. (Ch. 35) challenged FCC's failure to hold up sale of WROW-TV (Ch. 41) to Lowell Thomas group. (2) WNET, Providence (Ch. 16) attacked FCC's decision dissolving WNET's protest of Ch. 12 grant to WPRO-TV.

CP for KLYN-TV, Amarillo (Ch. 7) was cancelled by FCC after grantee failed to prosecute its application for more time to build.

* * * *

Latest effort of a uhf station to get vhf is unusual allocation proposal of Walter Reade's WRTV, Asbury Park, N. J. (Ch. 58). Station petitioned for assignment of Ch. 8 to town, to operate with 1.44-kw, 300-ft., non-directional—to serve 5-mi. radius out to 76-82 dbu contour.

Station contends that departure from co-channel and adjacent-channel spacings, to permit the Ch. 8 assignment,

is justified to give community a local outlet—now that WRTV has given uhf a valiant and unsuccessful try. Petition shows that it will cut slightly into coverage of co-channel WNHC-TV, New Haven and adjacent-channel WABC-TV & WOR-TV, New York, but it contends that their coverage would be reduced no more than would be the case if it were possible to establish a station at minimum distance from them now permitted in FCC's rules.

Petition conflicts with the Ch. 8 proposal of defunct WFPG-TV, Atlantic City (Ch. 46), which asked for directional operation. WRTV hopes that Commission will like the non-directional aspects of its plan—since no directional operation has yet been authorized.

Resumption of Lamb hearing was postponed to Feb. 9 from Jan. 18 by examiner Herbert Sharfman at request of FCC Broadcast Bureau after conference between attorneys for both sides at which J. Howard McGrath, representing Edward Lamb, argued against any delay, and Broadcast Bureau asst. chief Joseph N. Kittner pleaded for postponement so that new counsel could familiarize themselves with case. Kittner, who has had important behind-the-scenes influence in Broadcast Bureau's case so far, will become top counsel for Bureau in remainder of proceedings, will share representation at hearing with Thomas Fitzpatrick and Edward J. Brown. Latter was named as attorney following resignation of Walter R. Powell to join NARTB legal staff (Vol. 11:2). Broadcast Bureau this week asked Examiner Sharfman to deny Lamb counsel's motion to call off hearing and render decision immediately, saying it had not completed presenting its evidence in that it had reserved right to call and question ex-Communist Louis Budenz later and also to "call witnesses in the event the cross-examination brings out any matters which would call for such."

Settlement of \$12,000,000 anti-trust suit brought by now bankrupt Liberty Broadcasting System against 13 major baseball clubs (Vol. 8:8) for \$200,000 has been accepted by both sides in dispute, according to American League pres. Will Harridge. Proposal to settle 3-year-old suit is now before bankruptcy court in Dallas.

CONGRESSIONAL committees with jurisdiction over TV-radio got some new members this week as both parties made appointments to Senate committees and Democrats picked their House committee members, the Republicans to follow early next week. Senate Interstate & Foreign Commerce Committee holds first meeting Jan. 16 (see p. 3), when it is expected to name subcommittees and their chairmen—with Sen. Pastore (D-R. I.) the likely choice to head communications subcommittee.

Democrats departed from tradition, put 2 freshman Senators on important Senate Committee, shifting majority leader Lyndon Johnson (D-Tex.) and Sen. Clements (D-Ky.) to posts on vital Appropriations and Agriculture Committees. The new Senate Interstate & Foreign Commerce Committee:

Democrats—Magnuson (Wash.), chairman; Pastore (R. I.), Monroney (Okla.), Smathers (Fla.), Daniel (Tex.), Ervin (N. C.), Bible (Nev.), Thurmond (S. C.). Latter 4 are new Committee members, latter 2 first-term Senators. Republicans—Bricker (Ohio), Schoepel (Kan.), Butler (Md.), Potter (Mich.), Duff (Pa.), Purtell (Conn.), Payne (Me.)—all re-appointees.

Democrats named to House Interstate & Foreign Commerce Committee—Priest (Tenn.), chairman; Harris (Ark.), Klein (N. Y.), Granahan (Pa.), Carlyle (N. C.), Williams (Miss.), Mack (Ill.), Roberts (Ala.), Moulder (Mo.), Staggers (W. Va.), Dollinger (N. Y.), Rogers (Tex.), Dies (Tex.), Friedel (Md.), Flynt (Ga.), MacDonald (Mass.), Hayworth (Mich.). Latter 7 are new Committee members.

Democrats who were on House Committee last session but have been replaced are Rogers (Fla.), who died Dec. 1, and Thornberry (Tex.), now assigned to Rules Committee. Republicans will appoint 14 members to Democrats' 17.

Preparing for "TV-radio monopoly" investigation, Judiciary Committee Chairman Kilgore (D-W. Va.) conferred again this week with broadcaster-consultant Howard Chernoff and expressed concern about "the networks' life-&-death power over stations." He's particularly interested in their power to switch affiliation from one station to another in the same market (Vol. 11:2), according to Chernoff, who has been in east for last few weeks meeting with industry officials. Kilgore issued statement this week saying "the facts Mr. Chernoff is developing as the result of the conversations he is having with key people in the industry should provide us with an excellent background upon which to decide the extent and course of our inquiry." Chairman of monopoly subcommittee, which will conduct investigation, has not been selected, but it may be Kilgore himself.

Two Senators and a Congressman—Wyoming's Barrett (R) & O'Mahoney (D) and Nebraska's Rep. Miller (R)—conferred Jan. 10 in Washington with representatives of National Park Service in effort to get approval of antenna site for satellite KSTF, Scottsbluff (Ch. 10) atop Scottsbluff National Monument in western Nebraska. Station will be owned by KFBC-TV, Cheyenne (Ch. 5) and will rebroadcast its programs (Vol. 10:51). Rep. Miller wasn't optimistic about outcome of conference, said Park Service appeared determined to stick to its rule against any private commercial use of national park.

FCC has eliminated Detroit regional office of Field Engineering & Monitoring Bureau, putting District 19 (Detroit) under Chicago Regional Office 6 and District 20 (Buffalo) under New York Regional Office 1.

Swiss Broadcasting Co., after considering experiments in telecasting being carried out since Aug. 1953 by Post Office Dept. in Zurich & Basel, proposes to take TV over next fall and to operate it commercially.

POLITICOS identified with TV station ownerships are relatively few on Capitol Hill this session, though there are quite a few ex-officeholders in the telecasting business. With Senate majority leader Lyndon Johnson (D-Tex.) now off Interstate Commerce Committee, only member of that group with TV interest—very small—is new chairman, Sen. Magnuson (D-Wash.), who has long held 3.2% of stock of KIRO, Seattle, applicant for Ch. 7, controlled by longtime figure in state's Democratic politics, Saul Haas.

Sen. Johnson does not himself own any TV-radio stock, but Mrs. Johnson owns KTBC-TV, Austin, Tex. (Ch. 7) and recently acquired uhf KANG-TV, Waco (Ch. 34). Sen. Kerr (D-Okla.) and family own uhf WEEK-TV, Peoria, Ill. (Ch. 43) and about 43% of KVOO-TV, Tulsa (Ch. 2). Publishing family of Sen. Knowland, Republican minority leader, has 5% interest in Ch. Two Inc., applicant for Oakland, Cal.

On House Interstate & Foreign Commerce Committee, only veteran Rep. R. W. Hoffman (R-Ill.) has any TV interest, his Cicero radio station holding CP since Jan. 1953 for uhf WHFC-TV, Chicago (Ch. 26). In the House, Rep. Harris Ellsworth (R-Ore.) is part owner of a newspaper with a radio station in Roseburg, but it has never sought TV. Rep. Alvin Bentley (R-Mich.) owns one-third of uhf WKNX-TV, Saginaw, Mich. (Ch. 57), and Rep. O'Konski (R-Wis.) recently gave up CP for uhf in Wausau.

Ex-Democratic Sen. McFarland, now Gov. of Arizona, owns 40% of new KTVK, Phoenix (Ch. 3); ex-Gov. Roy J. Turner, Okla., owns 12½% of KWTW, Oklahoma City (Ch. 9); ex-Gov. Hildreth, Maine, controls WABI-TV, Bangor (Ch. 5) and has 35% interest in new WMTW, Poland Spring, Me. (Ch. 8); ex-Gov. Murphy, N. H., owns WMUR-TV, Manchester (Ch. 9); ex-Gov. Noe, La., owns KNOE-TV, Monroe (Ch. 8) and his radio WNOE is Ch. 4 applicant in New Orleans.

The Cox newspaper interests, headed by James M. Cox, once candidate for President, own TV stations in Dayton & Atlanta and are co-applicants in Miami; ex-Ambassador to Cuba Robert Butler controls a station in Minneapolis; ex-Sen. Gordon Gray, who also was former Secretary of the Army and is now pres. of the U of North Carolina, owns TV-radio stations in Winston-Salem—among other ex-officeholders identified with the industry.

Note: Ownerships and stockholdings in all TV stations are set forth in detail in Directory of TV Stations in *TV Factbook No. 20*, due to be delivered to subscribers in about 2 weeks.

In politics, TV makes the world go round. That was lesson of 1952 political conventions and campaigns, and politicians are well aware of this in laying 1956 plans. For one thing, conventions will probably be held in late Aug. or early Sept., instead of the traditional June-July—to get bigger TV viewership and to permit more concentrated political campaigning via TV between conventions and Election Day. This week, TV industry laid down a few rules for political parties to follow if they want optimum coverage of their conventions. Bill Henry, chairman of convention committee of Radio-TV Correspondents Gallery, told both parties that the 2 conventions should be held in same city and as close to the same time as possible. Republicans have been considering bids by Chicago, Philadelphia & Atlantic City, but Henry urged veto of Atlantic City because of lack of TV facilities. He pointed out that it cost TV industry \$750,000 to set up facilities for 1952 convention and it probably will cost more next time. If the 2 parties hold conventions in different cities, it will cost at least \$1,500,000, he added. Color TV poses special problems, he reported, such as heavy duty air-cooling machinery to keep convention hall climate bearable.

Personal Notes: Donald G. McGannon resigns as asst. director of DuMont Network and as gen. mgr. of its owned-and-operated stations . . . Larry Wynn, ex-WABD (DuMont) sales mgr., joins WABC-TV, N. Y. . . Sig Mickelson, CBS v.p. in charge of news & public affairs, guest of honor at reception being given by Earl Gammons, CBS Washington v.p., in Washington's Sheraton-Carlton Hotel, Jan. 17 . . . Chris Witting, pres. of Westinghouse Broadcasting Co., subject of encomium headed "Ready, Witting & Able" in Jan. 12 *Variety*, which calls his rise a "one-year-after saga," referring to year since he resigned as head of DuMont Network . . . John T. Murphy, v.p. in charge of Crosley TV stations, named northeastern membership committee chairman of Television Bureau of Advertising (TvB) . . . Michael R. Hanna, gen. mgr. of Cornell U's commercial WHCU, Ithaca, elected pres. of N. Y. Assn. of Radio & TV Broadcasters . . . Robert E. Dunville, pres. of Crosley Bcstg. Co., elected to board of trustees of Greater Cincinnati TV Educational Foundation, operating WCET (Ch. 48) . . . Ridley Bell named asst. mgr. of WRBL-TV & WRBL, Columbus, Ga., under exec. mgr. J. W. Woodruff Jr.; George Gingell becomes TV program-production mgr., George Jenkins TV sales mgr., Chick Autry asst. TV production mgr. . . Gilbert Graham appointed asst. production mgr., WBBM-TV, Chicago, succeeding Eugene McClure, now sales traffic mgr. . . Wally Sherwin named gen. mgr. of KVVG, Tulare, Cal. by M. B. Scott Corp., which has purchased station from Sheldon Anderson . . . Hubert W. Hobler named v.p., Teleprompter National Sales Corp., under pres. A. M. Gilbert . . . John Kinsella, recently gen. sales mgr. of WGTH-TV & WGTH, Hartford, rejoins WXEL, Cleveland . . . Joan Carol King promoted to mgr. of adv. & promotion, WRC-TV & WRC, Washington . . . Bob Hart resigns as commercial mgr., KFEL-TV, Denver, to join KLZ-TV . . . Franklin Jay Wiener named asst. adv. & sales promotion mgr., WCBS-TV, N. Y. . . Pete Maddux, onetime WOR-TV v.p., named TV-radio director, C. L. Miller Adv., N. Y. . . Bob Hayward, ex-KTTV & Foote, Cone & Belding, joins Brisacher, Wheeler & Staff as San Francisco TV-radio director . . . Wm. Taylor, ex-KBIF, Fresno, joins Hollywood office of Foote, Cone & Belding as TV-radio supervisor . . . Donald E. Tomkins resigns as TV-radio director of Grant Adv. to resume consulting practice . . . Paul Mensing, ex-Christal & Crosley, recently NBC Spot Sales mgr. in Detroit, promoted to radio mgr., NBC Spot Sales central div., Chicago; Wm. B. Buschgen, from N. Y. office, takes over Detroit post . . . Frank R. Bowes, ex-WBZ, Boston, heads new Television Network Sales, 370 Lexington Ave., N. Y., set up by Eugene Bernald, pres. of Pan American Broadcasting Co. to act as N. Y. & Chicago network sales & service office . . . Tom Cadden named TV-radio director, Krupnick & Assoc., St. Louis . . . John L. Zimmer named mgr., commercial TV production, Compton Adv. . . Martin Katz, ex-WCAU-TV & WOR-TV, joins Blair-TV as director of special sales project dept. . . Lionel Baxter, ex-gen. mgr. of new WSFA-TV & WFSA, Montgomery, joins WBRC, Birmingham, as sales mgr. . . Wm. A. Chalmers, ex-TV-radio v.p., Kenyon & Eckhart, now TV-radio director, J. P. Shelley & Assoc., Los Angeles.

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 We were wrong: Our story on rate trends last week ("The TV Rate Structure Is Settling Down") reported that WWJ-TV, Detroit, doubled its rates to \$2000 during the last 6 months. Actually, the increase was from \$1600 to \$2000. We regret the error.

New reps: WDTV, Pittsburgh, now owned by Westinghouse and about to change call letters to KDKA-TV, to Free & Peters (from DuMont Spot Sales); WJNO-TV, W. Palm Beach, Fla., to Venard, Rintoul & McConnell (from Meeker).

Station Accounts: General Teleradio's repeat-performance idea, which it calls *Million Dollar Movie* and under which each of the 30 feature films it purchased last year from Bank of America is repeated as often as 16 times in one week on WOR-TV (Vol. 10:37), has spread to 64 U. S. markets and several in Canada. Sponsors of cut-in spots are mainly local merchants, banks, utilities, etc., but list of sponsorships reported by WOR-TV v.p. Gordon Gray includes some national spot accounts like Chesterfields, Sheaffer Pens, Phillips Milk of Magnesia. Success of series impelled General Teleradio this week to purchase package of 10 more feature films from Moulin Productions for more than \$500,000, to be released after next Nov. 1 . . . Procter & Gamble, for new Pin-It home permanent, plans 52-week spot campaign starting Feb. 1, thru Benton & Bowles . . . John Andre Co. (Tress-Kit hair conditioner) testing spots in 25 markets, thru Product Services Inc., N. Y.; if successful, it plans 13-week campaign . . . Canada Dry signs with WJBK-TV, Detroit, to sponsor "High School Athlete of the Week," as selected by local sportswriter judges, as part of *Chuck Davey's Sports Digest* Mon.-thru-Fri., 6:50-7 p.m. . . Among other advertisers currently reported using or preparing to use TV: S. S. S. Co., Atlanta (SSS Tonic), thru Day, Harris, Mower & Weinstein, Atlanta; Coty Inc., N. Y. (cosmetics, perfumes), thru Franklin Bruck Adv. Corp., N. Y.; Centaur-Caldwell Div. of Sterling Drug Inc., N. Y. (Fletcher's Castoria, ZBT baby powder), thru Carl S. Brown Co., N. Y.; Hamburger Co., Chicago (Martin's Sheranova wine), thru Olian & Bronner, Chicago; Ben-Hur Mfg. Co., Milwaukee (farm & home freezers), thru Walker B. Sheriff, Chicago; Gerity-Michigan Corp., Adrian, Mich. (Dishmaster dishwasher & bath room accessories), direct.

Network Accounts: Falstaff Beer this week switched its major league baseball "Game of the Week" from ABC-TV to CBS-TV for next season, starting with pre-season exhibition game March 19, thru Dancer-Fitzgerald-Sample. Weekly Sat. game is set for some 70 stations thus far, with major league cities blacked out . . . Biggest one-shot payoff in TV history is the \$100,000 Bob Hope will receive as m.c. of General Motors' *Motorama* on NBC-TV Jan. 19, Wed. 10-11 p.m. . . Revlon to be alt. sponsor (with Philip Morris) of *Public Defender* on CBS-TV starting March 10, Thu. 10-10:30 p.m., thru Sullivan, Stauffer, Colwell & Bayles . . . Winston Cigarettes to sponsor 15 min. segment 3 out of 4 Thu. on *Feather Your Nest* on NBC-TV, Mon.-thru-Fri. 12:30-1 p.m., thru Wm. Esty & Co. . . Kent Cigarettes to drop *Father Knows Best* on CBS-TV in April, but will retain the Sun. 10-10:30 p.m. period for another show . . . Geritol (drugs) drops *The Stranger* on DuMont Fri. 9-9:30 p.m.

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 Fourth highest base rate in TV now is that of KRCA, Los Angeles, which raises Class A (7:30-11 p.m. Mon.-Sat., 5-11 p.m. Sun.) to \$3200 as of Feb. 1; it's NBC-owned, and network rate card now quotes it at \$3200, \$1920 & \$1280 per hour, half hour, 15-min., respectively. Highest rate on books is the \$6200 Class AA hour of WRCA-TV, New York (10:30-11 p.m. daily, 6-7:30 p.m. Sun.); \$6000 Class A of WCBS-TV, New York (7:30-10:30 p.m. Mon.-Sat.; 6-11 p.m. Sun.); \$3300 Class A of NBC's WNBQ, Chicago. New NBC network rate card adds WBRE-TV, Wilkes-Barre to basic interconnected group (now 52 stations) at \$475, \$285, \$190; raises WFMJ-TV, Youngstown, to \$400, \$240, \$160; raises WOC-TV, Davenport, Ia., to \$800, \$480, \$320. (For complete rate cards of the TV networks, including Canadian Broadcasting Corp., see upcoming new *TV Factbook No. 20.*)

Rate decrease: KTVU, Stockton, Cal., Feb. 1 cuts base hour from \$385 to \$175, min. \$75 to \$35.

Telecasting Notes: TV is a natural for promoting and advertising movies—so why don't exhibitors make more use of it? Delving into this question, AB-PT (United Paramount) has just completed exhaustive study, questioning theatre chains all over the country, came up with 41-p. report with these comments and recommendations: Use of TV by theatres is limited because movie makers don't supply the proper "tools to work with." Movie trailers for TV should "differ from theatre trailers as such," and borrow techniques used by other film commercials, such as cartoons, personal appearances by stars, etc. TV trailers should be pre-tested by advertising experts before release. Studios should make entertainment TV films, plugging movies, for free TV distribution . . . Test of TV's effectiveness in promoting movies will be made by UPT in group of "twin towns" in connection with release of 2 forthcoming films. The "twin towns" will be communities of comparable size in same part of country—such as New Haven & Hartford, Conn., Memphis & New Orleans. In one "twin," entire promotional effort will be concentrated on TV-radio, in other on newspaper, lobby displays, trailers, etc. . . . 20th Century-Fox setting up subsidiary organization to make films for TV under company's exec. production mgr. Sid Rogell. Biggest movie maker yet to turn to TV film production, company announced it will turn out own program series as well as renting space at its Western Ave. studio to other TV producers and supplying studio & acting personnel when required . . . J. Arthur Rank Organization, for first time offering oldies to TV, now inviting bids on package of 52 played-out British features, including the classic *39 Steps*, *Fanny by Gaslight*, *Blackmail*, etc. . . . Flamingo Films to distribute 26 feature films owned by Princess Films (Burt Balaban), including 13 made especially for TV; Robert Wormhoudt,

who headed sales distribution of the Princess package when it was handled by Vitapix, now has same job with Flamingo . . . Use of canned music by producers with AFM contracts now permitted by union boss Jimmy Petrillo as long as producer uses live music in at least part of one series—important policy change which may induce some long-time holdouts to sign union pacts . . . "Movie spectacular" may be in the cards at NBC-TV; trade scuttlebutt has it that network is negotiating with certain independent producers (David Selznick, Mrs. Sam Goldwyn) for a top-notch theatrical film—preferably in color—never before shown on TV, to fill one of its 90-min. "spectacular" segments . . . George Gobel may go on film next season, has approval of NBC to do one of his shows that way as experiment first . . . Ed Murrow's latest smash-hit, film interview with J. Robert Oppenheimer on his Jan. 4 *See It Now*, is being made available in one-hour version by Fund for the Republic, is also going to be released in Britain's big Granada Theatres chain in 90-min. and 2-hour version . . . Ex-President Truman has agreed to let Murrow's *Person to Person* show emanate from his home in Independence, Mo., March 4 . . . No live TV but more film coverage of President Eisenhower's news conferences being considered by White House; effort is being made to work out system whereby portions of actual conference can be filmed and released for TV and newsreels . . . Book-of-Month Club's current best-selling novel, Mac Hyam's *No Time for Sergeants*, gets TV treatment well ahead of movies; it goes on Theatre Guild's *U. S. Steel Hour* on ABC-TV, March 15. . . . Earth's warmth will heat and cool new modern building which will house *South Bend Tribune's* WSBT-TV (Ch. 34) & WSBT; plant, which begins rising in spring, will use "heat pump" principle for heating & air conditioning. Pereira & Luckman are architects.

PROJECTED second million-watt station in Wilkes-Barre, WILK-TV (Ch. 34), was still operating below 1-megawatt level at week's end, while enthusiastic coverage reports continued from first 1000-kw starter WBRE-TV there (Ch. 28), an RCA installation due to be followed by similar ones (Vol. 11:2). As described by a GE official, the standing wave ratio on WILK-TV's waveguide was still more than 1.1 and engineers were reluctant to increase the power until this could be rectified, although he said power has been pushed higher than 500-kw for intermittent tests.

RCA shipped 25-kw transmitter Jan. 12 to upcoming KLOP, Portland, Ore. (Ch. 12), due in Feb.; 2-kw transmitter Jan. 13 to KFIF, Fairbanks, Alaska (Ch. 2), which has Feb. target; 12½-kw amplifier Jan. 7 to WKOW-TV, Madison, Wis. (Ch. 27). Earlier it shipped 50-kw transmitter, with 2-kw transmitter for standby, to KTTV, Los Angeles (Ch. 11).

DuMont shipped visual unit of 25-kw transmitter this week to KUTV, Salt Lake City (Ch. 2), and reports station will use own composite aural unit.

GE reported no shipments this week, but announced new line of 13 high-power vhf batwing antennas, said to feature better voltage standing wave ratio than previous models. Gain of new antennas is same as their former counterparts, but use new techniques in cable grounding for high power capability and reliability, according to GE announcement.

International Standard Electric Corp. (IT&T) announces sale of 7½-kw TV transmitter to joint Azcarraga-O'Farrill interests for XEQ-TV (Ch. 9), atop 13,405-ft. Cortez Pass, about 35 mi. south of Mexico City, which will operate as a satellite of XHTV, Mexico City (Ch. 4) with microwave beam transmitting the latter's programs for rebroadcast

More opposition to Bryson bill (HR-1227), which would outlaw beer & wine advertising on TV & radio (Vol. 10:42), came this week from film producer Ziv TV, from the Wine Institute of America and from American Brewing Assn. First to reply to letter from House Interstate & Foreign Commerce Committee asking views of leading film producers, Ziv wrote that breweries are chief sponsors of 4 of its leading film series—*I Led Three Lives*, *Favorite Story*, *Eddie Cantor Comedy Theatre*, *Mr. District Attorney*—and that all commercials are handled with good taste. Wine Institute wrote committee in support of NARTB's opposition to Bryson bill, saying "it is our desire—and we believe this is in accordance with the objectives of your committee—to coordinate the voluntary activities of the broadcasting industry." American Brewing Assn. stated that the \$30,000,000 which brewers spend annually for TV-radio advertising "buys front-row seats for countless millions of Americans" at sports events. NARTB pres. Harold Fellows, whose recent report to committee showed 3% of TV programs and 2% of radio programs were sponsored by beer & wine advertisers in year ended Aug. 31 (Vol. 11:1), told Miami convention of U. S. Brewers Foundation Jan. 11 that TV code review board's monitoring and reporting service would be expanded in move to check further and eliminate any offensive commercials. A study of TV viewer attitudes toward beer & wine commercials is also being considered, he said.

Roland Gillett, Briton who has been producing TV films in U. S., named controller of programs (program director) of Associated-Rediffusion Ltd., Stratton House, Stratton St., London, one of 4 commercial program contractors of new Independent Television Authority whose 3 new stations get under way in Sept. (Vol. 10:45). The other contractors: Associated Broadcast Development Co., York House, Queen Sq.; Granada Theatres, 36 Golden Sq.; Kemsley-Winnick, 18 St. George St.—all London.

REACTION in industry to RCA's reduction of color tube price from \$175 to \$100 (see p. 1) ranged from vigorous approval to relative indifference — with a general feeling that move is one important step of several which must be taken before color begins to sell. Here are representative comments:

Robert W. Galvin, Motorola exec. v.p.: "I'm delighted with the RCA move. I hope it will encourage other responsible manufacturers to get into the swim. Color TV is definitely on its way. The initial 6 months at the market place will prove to have been the hardest. Motorola is in an enviable position, having been first to introduce large-screen color receivers. We probably produced and sold more receivers these past 6 months than all our competitors combined, and out of this has come experience and know-how that others are now acquiring."

No immediate set price reduction was possible, said Galvin, because "with today's bill of materials and labor costs, the only way that a \$100 picture tube could be reflected in lowered retail prices at this time is for the manufacturer to absorb a loss." Asserting that more color programming is essential, he added: "A minimum of 25 hours a week is necessary for color to establish itself. At least part of these hours should be in the daytime, enabling dealers to demonstrate receivers. The next move is clearly up to the networks."

B. K. Wickstrum, Sylvania sales v.p.: "We'll supply this 21-in. metal tube to the industry at \$100. We have shipped some samples, but it will take some months to supply any large order. We'll do our best to get out receivers with the tube, too. It's our feeling that price of the set shouldn't be cut from \$895. The tube is a major part of the set, but other components are still too high, compared with black-&-white—so it's difficult to reduce the price. It's our feeling that this tube is the most promising now, but we'll make other kinds if there's a demand for them."

James H. Carmine, Philco pres.: "The important thing is not price of the tube, but to be sure you have the right tube. Some in the industry are convinced the shadow-mask tube isn't it. The RCA action doesn't affect the Philco color time-table." He said he expects color to begin to move this fall, but not to "really get off the ground" until fall of 1956. As for receiver price needed to move sets, he said: "As a salesman, I know what price I'd like to see, and that's \$495"—but he wouldn't estimate when that price would be reached.

Richard Orth, Westinghouse tube div. v.p.: "It won't affect our operations; we still feel that the rectangular is the right kind of tube and we lean towards glass. We're still watching and waiting."

Color Trends & Briefs: It's the kind of color programming, rather than quantity, that determines stimulus to set-buying public, in opinion of NBC pres. Sylvester L. Weaver. Answering set makers' demand for more hours of color programming, he stated:

"Our spectaculars, the things that excite people and become 'conversation pieces,' are much more influential than a mere increase in the number of programs. We're going ahead with these, and there's enough interest among advertisers to indicate we'll probably increase the number of them this fall. As for increasing the frequency of other shows in color, that's up to the advertisers. I hope and believe there will be an increase. For this summer, we intend to produce some important remotes in color."

Daytime color programs aren't the thing to whet purchasers' appetites, either, Weaver said. "Sure, they're better in color," he said, "but the thing that makes people

Benjamin Abrams, Emerson pres.: "This is all to the good. It brings the possibility of lower prices. We're making some sets now and we expect to be producing on a reasonably large scale by July or August. We hope to have the price down to about \$600 then. I wouldn't be surprised if prices are down to \$500 or so by this fall and winter. We have to have more programming—at least 2-3 hours a day—to really awaken public interest. The quality of sets now is satisfactory as beginning, but we still have a ways to go."

Seymour Mintz, CBS-Columbia pres.: "The price cut will have an effect only if there's mass production and sale of sets. If RCA follows through with lower receiver prices and more shows, then color could move. We have enough sets in inventory to take us through the first quarter. We're not producing any more now, and we're not cutting the price! Price cutting is not the answer; if someone wants a color set for the novelty and prestige, he'll pay \$1000. There must be more programming—at least an hour a night. If the average man had no TV, and color was offered at \$500, he'd be interested. TV wasn't made by the rich people."

H. Leslie Hoffman, Hoffman Electronics Corp. pres.: "Now is the time to get going on color. We need color to push our billings and our profits up, and here's an opportunity for leadership and for the good old American free enterprise system to demonstrate what it can do. We've proven to our own satisfaction that the 21-in. tube with the new simplified chassis works well, and we plan to ship some models to our distributors in March & April. That should make us the first, and I'm not talking mere pilot run either. We need less negative selling now and more exposure—and I'm solidly on the side of RCA in this development."

T. J. Newcomb, Westinghouse TV-radio gen. mgr.: "We've made no final decision yet on basis of the price cut. We haven't built any 21-in. and we're not making any more 19-in. I doubt whether the price cut will make color sets a mass item. The tube is an important part, but it's a relatively small part of the total price of the set."

One manufacturer, who chose not to be identified, put it this way: "RCA has probably been losing money selling the tube for \$175. I guess they figure they might as well lose more if it helps get color going. Another angle is that they're spending millions on research and engineering and getting nothing back; if they cut the price to \$100 and get a little back—that's better than nothing. I'm beginning to wonder whether \$500 is the right price for a set. I think that if a customer is ready to buy a new set, he might be talked into spending \$100 just to be ready if color comes—and he must get a good black-&-white picture on the set."

want to buy is the nighttime attraction. If dealers want color shows in the daytime merely to adjust receivers, they can arrange for those themselves."

In *New York Times* interview this week, Weaver envisioned rebirth of "neighborhood TV parties," thrown by fortunate owners of color sets and reminiscent of black-&-white's early days. Article also quotes NBC exec. v.p. Robert Sarnoff on extent of color programming as follows: "I don't think that any set manufacturer has the right to say color programming is lagging unless he buys time himself." A CBS spokesman said: "I agree with him 100%."

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Jan. 17 week network color schedules: NBC-TV—Jan. 19, *Norby*, 7-7:30 p.m. CBS-TV—Jan. 20, *Shower of Stars*, Chrysler "extravaganza," 8:30-9:30 p.m.

Contest offering 50 RCA 21-in. color sets as prizes is being planned by Kraft Foods for Parkay margarine.

NEW DIRECTORIES OF TV SET & TUBE MAKERS: With 73 entities currently manufacturing and/or assembling TV receivers in the U.S., and 24 TV-radio manufacturers in Canada, compared to 71 in U.S. and 25 in Canada 6 months ago, it's plain the oft-predicted swift attrition in set makers simply hasn't materialized. That's the central fact which stands out in analyzing new directories of TV set & tube makers, which are featured in our spring TV Factbook No. 20, due later this month. There are 63 firms making vacuum tubes of all kinds, compared to 56 six months ago.

Only elimination from list of U.S. set makers during the last 6 months was Stewart-Warner, which quit last day of 1954 (Vol. 10:52). Three were added during the period: Kent Television Inc., Brooklyn, returning after 3-year absence; Walsco Electronics Corp., Los Angeles, a maker of antennas & other components; Browne TV, El Monte, Cal. -- none a big producer. A few other companies in the list are operating under bankruptcy court orders. Canadian list drops Arcan Corp. and Crystal Radio, but adds Racine Mfg. Co., Granby, Ont., in TV business under Olympic license.

Additions to tube manufacturers' list are Central Sales & Mfg. Co., C.R.T. Electronics Corp., Electronic Tube Corp., Hughes Aircraft, Midland Mfg. Co., Progressive Electronics, Reon Tube Corp., Resitron Labs, Texas Electronic Mfg. Co. Two companies left business -- Arcturus Electronics Inc. (by bankruptcy) and National Union Electric Corp., whose tube facilities were sold to Sylvania (Vol. 10:45).

Note: Added to TV Factbook No. 20 are directories of British TV-radio & tube manufacturers, with addresses and principals.

RETAILERS ALSO FIND THE 1955 OUTLOOK GOOD: TV-radio-appliance dealers, no less than the nation's retailers at large, seem to be sharing the business community's general spirit of confidence in 1955 -- but they're not going overboard in their optimism. Such was the prevailing mood, as we sensed it in speeches, panel discussions and corridor conversations at NARDA's annual convention in Chicago this week.

"Let's All Think Bigger" was title of Philco pres. James H. Carmine's speech -- and that just about epitomized the 3-day conclave. Delegates were more seriously intent on business sessions than ever before. And particularly noteworthy was the decline of traditional gripes about low profit margins.

This time, there was acceptance of simple and transparent fact that dealer, distributor & manufacturer right now are in the same boat so far as narrowed profit margins are concerned. Moreover, they have the common problem of discounters.

"Let's not be too darn optimistic," said Carmine, whose talk was easily the highlight of the NARDA meeting. Said the dynamic Philco president: "The emphasis must be on creative selling in a more competitive year. But the business will be there for you to find."

"Remember that Americans now hold \$210.2 billion in cash or its equivalent in liquid purchasing power. We can look forward to a stabilized economy that, over the next 10 years, will see gross national product go up to an annual \$500 billion. All of us -- manufacturers, distributors & retailers -- should gear our business for a 30% increase in the next decade. That's our economic underpinning."

Carmine predicted retail sales of 7,000,000 TVs, 10,000,000 radios this year, roughly equivalent to 1954. He attributed continued high volume of unit sales to low prices, said it's hard to see how they can go much lower, shied away from any forecasts of large-scale increases. As for color, he counseled a policy of caution. (For his remarks on color, see p. 8.)

As for discount houses, subject of many discussions, there was far less fear expressed than year ago. General conviction seems to be that "legitimate" dealers are winning the battle against them. Discounters are going out of business at fast

rate, it was noted. And as more open up in a community, they cut into each other's per capita share, and they haven't either reputation or economic staying power.

NARDA members' biggest advantage, servicing, was a primary subject of discussion. "Sell service, not merely the product," is one of NARDA's battle cries.

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Big National Retail Dry Goods Assn., meeting in New York this week, discussed some of same problems as NARDA -- notably the discounters. NRDGA, too, got encouraging analyses of the nation's economic health from its speakers. Dept. stores and specialty shops also were adjured to adjust to changing conditions. For example, Macy's senior v.p. David L. Yunich, who takes over at Bamberger in Newark Feb. 1:

"Technological advancements and the ready availability of money have all but knocked the props from under theory that eventually a saturation point is reached," he said. "As long as there is something new and better, on the market, there will hardly be a saturation point for any product."

"People are not only buying more, but more people are buying...In the next 10 years we will have some 3,500,000 more people over 65 and nearly 6,500,000 more people between the ages of 46 & 54. And the daring fresh youngsters from 10 to 19 will account for almost 40% of our total population. And that, gentlemen, is going to call for some substantial changes in retailing."

Discount houses were hotly argued at NRDGA convention, but no action taken. The association itself bucked demands of several members for a formal declaration against them. Irwin Wolf, exec. committee chairman, said the organization would continue to confine itself to alerting individual stores to the discount problem, which he called "a passing phase."

Note: The highly authoritative Sales Management Magazine, in Jan. 1 issue, forecasts "a great year" in 1955. It estimates over-all retail sales will average 4% ahead of 1954. Its "Board of Analysts of Future Sales Ratings" gives TV a 1955 rating of "4 stars" (meaning very good relative outlook) and radio "3 stars" (good to medium). Top rating is 5 stars (best relative outlook).

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TV production got off to fast start first week of 1955, totaling 190,896 for 5 days ended Jan. 7. It compared with 106,525 in first week of 1954. Radio production totaled 278,371 (10,847 auto), compared to 225,481 corresponding week year ago.

NEW "FLAT" PICTURE TUBE, shaped like a big rectangular "glass sandwich"—only 3 inches deep—has been built and operated by Willys Motors electronics div. in Palo Alto, Cal. Long rumored but carefully kept under wraps, the laboratory tube—which uses radically new method of scanning—was invented by Wm. Ross Aiken, now research director of Willys' west coast electronics lab and formerly with U of California radiation laboratory.

It's still classified as "experimental," and Willys spokesmen won't say how close it is to practical stage—but they do indicate they may release further information "within the next month." It's being developed principally for TV industry, but word of it—and some details—leaked out this week when Navy revealed it hopes to use tube to simplify instrument flying in aircraft, with first experimental flights due in about 3 years. At insistence of Navy, Willys "very reluctantly" released some of the details this week.

Tube industry engineers got wind of the flat tube as long as 1½ years ago, but were unable to get any details. Those we contacted took "show me" attitude, but didn't discount possible importance of the invention if it can be made to work as well as current TV picture tubes and can be produced at reasonable cost—a couple of big "ifs."

Willys Motors owns patents and all rights to tube, hopes to license tube manufacturers to build it, on non-exclusive basis, when it is ready. A company spokesman

would not say whether any tube makers have seen it, but those we contacted had not—and they were eager to get further details.

It's known that a 6-month-old version has been demonstrated privately to military officials in Washington, using an off-the-air TV picture. One Kaiser-Willys official who saw demonstration at that time was enthusiastic—saying picture was "sharper and had more contrast than regular TV, almost a 3-dimensional effect." However, one TV manufacturer said a military officer who had seen tube in action 6 months ago told him the brightness level was not high enough for commercial acceptance at that time. The model demonstrated then, and shown this week to air-frame industry at El Segundo, Cal., had 15-in. viewing screen, was 3-in. thick and transparent—about size and shape of big-city phone book. Several larger models have since been built "as part of their commercial development," according to Willys. Tube's neck can be extended either horizontally or vertically along same plane as face of tube.

Tube could be step toward oft-predicted "picture-on-the wall" TV, although its approach is entirely different from GE's and RCA's light-amplifier systems. If used in TV set itself, it could make possible considerably smaller cabinets. It's described as "compact and portable, employing only electrostatic principles, which eliminate necessity of using conventional magnetic components, which are heavy, costly and require greater electrical power."

In most complete account to be made public yet, Willys describes tube and its deflection system thus:

"[It] consists of a phosphor screen sandwiched between glass plates. It functions by electronically exciting selected areas or spots on the phosphor screen. This is accomplished by the following means: An electronic beam is injected along a horizontal edge of the tube. This beam flows in a field-free region along said edge of the phosphor screen and adjacent to a row of transverse deflection plates. Through control of the voltages on these deflection plates, the beam is bent vertically at any desired place along the edge of the tube. The beam then flows vertically in a second field-free region between a series of transparent deflection plates and the electrically charged phosphor screen.

"Deflection of the beam into the screen at any desired vertical level is made possible by controlling the voltages on the transparent deflection plates. Through the above means, then, the position of the spot created by the deflection beam may be exactly controlled.

"The tube is controlled by circuit means capable of changing the voltage on horizontal or vertical deflection plates in a sequential manner; that is, all plates are at a high voltage except those plates opposite the position at which it is desired to bend the beam.

"One of the advantages of the above-described deflection system is that it has very powerful focusing ability; that is, the convergence angle is large and beam blow-up, which normally occurs in other TV picture tubes, is not a problem in this new tube.

"This powerful focusing action in the new tube makes possible a very small spot on the phosphor screen, which results in high definition and brightness because a large amount of beam current may be concentrated in a small area."

Navy is interested in tube as means of simplifying aircraft instruments. As described this week, and as shown in mock-up form at Douglas Aircraft's El Segundo plant, aircraft of future will use 2 of the tubes — one mounted directly in front of pilot and the other below it just inside cockpit rim. Upper tube, being transparent, would not interfere with pilot's vision during contact flight, but on instrument flight would depict altitude, speed & position of aircraft, together with physical features such as mountains, etc. Second instrument would show radar-like map of features of earth below, together with such other essential information as fuel, distance to pilot's base, etc.

Spurious radiation report, submitted to FCC by RETMA, states that RETMA's radiation limits for TV receivers are practical and recommends that all manufacturers meet vhf standards (50 uv/m for Ch. 2-6, 150 uv/m for Ch. 7-13) by June 30, 1955. Uhf standard (500 uv/m) is more difficult, it says, but it recommends that standard be met by Dec. 31, 1956. "Task forces" of RETMA also reported on other devices — carrier current, power line, fixed & mobile radio, community antennas, AM-FM sets, transmitters, etc.—and GE's Dr. W. R. G. Baker, director of RETMA engineering dept., recommends that Commission form industry-FCC groups to continue work on devices needing more study. He suggests that each group include FCC and industry engineers plus a commissioner. In addition, he suggests that an over-all coordinating committee be created, comprising FCC chairman (or his appointee) and 2 or 3 industry representatives. Report also calls attention to increased imports of foreign radio sets, some of which are serious radiators—produced by manufacturers outside influence of RETMA.

Dr. Gordon K. Teal, head of materials & components research, handling transistors, placed in charge of research dept., Texas Instruments Inc., Dallas.

Trade Personals: Thomas J. Lloyd, asst. to Admiral exec. v.p. John B. Huarisa, also elected v.p. of Admiral International, replacing George Kende, resigned; Joseph F. Woodward, export sales mgr., named Admiral International sales director; George W. Bradley, ex-RCA International, named adv. director . . . Louis Hausman, CBS-Columbia v.p. and ex-CBS Radio administrative v.p., appointed to corporate staff of parent company as v.p. for special assignments . . . Don G. Mitchell, Sylvania chairman, named N. Y. State chairman of Crusade for Freedom, sponsored by American Heritage Foundation . . . David K. Elwell, from Seneca Falls plant, named mgr. of Sylvania's new CR tube plant at Hatboro, Pa., recently purchased from National Union (Vol. 10:45,48) . . . Nello Coda promoted to chief engineer, Erie Resistor electronics div. . . James W. Stafford, ex-Sylvania, named Andrea sales mgr. . . Herman Fialkov, ex-MBS, Emerson & Radio Receptor Co., elected pres. of General Transistor Corp., Jamaica, N. Y. . . Kenneth V. Curtis, with Navy Bureau of Ships last 2 years, rejoins Raytheon as marine products planning mgr. . . Raymond W. Andrews, ex-Sylvania, named mgr. of customer order & sales service, Westinghouse tube div., Elmira, N. Y. . . John A. Burnett, ex-Raytheon, named Admiral southwest regional mgr., Houston; Joseph L. Metzler, ex-Philco, named northwest regional mgr., Minneapolis . . . Edward Hoffman named Erie Resistor sales rep for Dakotas & Minn., headquartering in St. Paul . . . Robert G. Lynch, from Chicago office, named asst. eastern regional mgr., Sylvania equipment sales, Teterboro, N. J. . . George P. Lohman returns to N. Y. area as an RCA field sales rep in N. Y.-N. J. . . Frank B. Rogers Jr., v.p. since 1951 and ex-Ampro v.p., named exec. v.p., Soundcraft operations, Reeves Soundcraft Corp. . . Herbert Cornelius promoted to sales mgr., Littelfuse Inc., Des Plaines, Ill. . . Edward Berliant, pres. of Berliant Assoc. (audio equipment), acquires control of Instruments for Service, Baldwin, N. Y. ("Cap-Check" capacitor checkers); Edward Bluestone, ex-RCA, named chief engineer . . . Kenneth C. Meinken Jr., ex-National Union Electric, named commercial sales v.p., Automatic Mfg. Co., Newark (parts) . . . J. H. Goar promoted to Niagara branch mgr., Canadian Westinghouse apparatus div., succeeding R. T. Houlihan, now mgr. of London, Ont. branch . . . Paul F. Dixon promoted to national sales mgr., Peter H. Whelan to adv. & sales promotion mgr., Motorola-Canada Ltd., Toronto . . . Lawrence E. Kearney promoted to sales mgr., La-Pointe Electronics, Rockville, Conn. (antennas) . . . Burrill B. Mitchell promoted to antenna sales mgr., Chisholm Ryder Co., Niagara Falls, N. Y. . . Ned Marandino resigns as mgr. of Sylvania TV plant in Batavia, N. Y. . . Samuel Olchak, ex-Regal Electronics & Tele King, named DeWald Radio sales mgr., replacing Herbert Frank, now sales mgr. of Hinnens-Galanek Radio Corp. . . Sol Magdoff resigns as Majestic Radio sales consultant . . . Timothy P. Haworth promoted to asst. director of industrial relations, International Resistance Co.

New NARDA officers, elected at Chicago convention this week: chairman, Mort Farr, Upper Darby, Pa. (re-elected); pres., Harry B. Price Jr., Price's Inc., Norfolk; secy., John K. Mooney, Broyle's Electric Co., Marion, Ind.; treas., Victor Joerndt, Joerndt & Ventura, Kenosha, Wis. Elected v.p.'s were Emerson Dole, Wichita; Carl Hagstrom, General Appliance Co., San Francisco; Don Gabbert, Gabbert's Inc., Minneapolis.

IRE appoints to board, at meeting this week: A. N. Goldsmith; A. V. Loughren, Hazeltine; Howard Vollum, Tektronix Inc. Reappointed: IRE secy. Haraden Pratt; treas., Dr. W. R. G. Baker, GE; editor, John R. Pierce, Bell Labs.

Topics & Trends of TV Trade: TVs and automobiles—seemingly “production twins” because their output curves frequently run amazingly parallel in numbers (Vol. 10:6, 19)—didn’t run as parallel as usual in 1954. TV’s greatest expansion came in last 6 months of year, when 4,600,000 sets were turned out to bring year’s total to 7,350,000, as estimated by RETMA. Greatest auto-truck output, on the other hand, was in first half of year, with production trailing off in last 6 months to year’s total of 6,550,000, as estimated by Automobile Manufacturers Assn.

Estimated retail TV sales were nearly 7,000,000, while auto-truck sales were about equal to production of 6,550,000. Autos enjoyed greatest sales movement in spring, TVs strongest in pre-Xmas sales.

There’s no more acceptable explanation of disparity in 1954 than of similarity in preceding years. But for what they’re worth—for economic interpretation or mere curiosity—here are the month-by-month 1954 production breakdowns of both:

	TV	Auto-Truck
January	420,571	551,134
February	426,933	534,145
March	599,606	633,003
April	457,608	631,769
May	396,287	588,562
June	544,142	598,876
July	306,985	530,416
August	633,387	521,450
September	947,796	369,942
October	921,476	287,557
November	858,501	587,785
December (est.) ...	900,000	791,000
Totals (est.) ...	7,350,000	6,550,000

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Picture tube sales in first 11 months totaled 8,904,106, valued at \$188,660,782, compared to 9,194,851 worth \$219,922,667 in first 11 months of 1953, reports RETMA. Nov. sales were 1,157,866 worth \$27,140,693 vs. 1,269,674 at \$26,597,702 in Oct. and 693,396 at \$16,794,812 in Nov. 1953. Receiving tube sales in first 11 months totaled 347,180,564, valued at \$248,606,987, compared to 413,687,529 worth \$285,842,926 in same 1953 period. Nov. sales were 38,781,863 at \$27,618,868 vs. 42,347,794 at \$29,228,992 in Oct. and 31,606,971 at \$22,514,227 in Nov. 1953. [Note: Tabulation of picture tube sales by years, 1947-54, and receiving tube sales, 1949-54, with breakdowns for initial equipment, renewal, export, govt. & dollar value will be included in our upcoming *TV Factbook No. 20*, due later this month.]

Tax advisory committee was formed this week by RETMA to aid its fight to halve the 10% excise tax on black-&-white sets and eliminate it on color receivers. Pres. Glen McDaniel said appeals will be made shortly to Congress for relief on the tax program. Gerard M. Ungaro, Magnavox, was elected chairman. Other members: Robert S. Bell, Packard-Bell; Paul V. Galvin, Motorola; L. F. Hardy, Philco; H. L. Hoffman, Hoffman Electronics; Wm. H. Kelley, DuMont; L. W. Teegarden, RCA.

Liberalized dealer finance plan was disclosed this week by Raytheon, which committed itself to repurchase all merchandise repossessed by retailers. Under inventory finance plan, 10% down payment is required and remaining 90% is financed by Raytheon and dealer’s bank for initial period of 90 days, with option to extend financing to 180 days. Dealer’s bank is protected by Raytheon against credit frauds or conversion of financed merchandise.

Arvin’s TV-radio distributor convention is scheduled July 10-17 at Estes Park, Colo.

Electric & Musical Industries Ltd., reputedly Great Britain’s largest electronics firm, has contracted to purchase control of Capitol Records Inc., one of the “big four” record producers in U. S., for about \$4,350,000. Capitol’s 3 controlling stockholders—pres. Glenn E. Wallichs, singer-song writer Johnny Mercer & composer George (Buddy) DeSilva—will sell their 248,435 common shares (out of 476,230) to EMI, presumably at current price of about \$17.50. Sale is conditioned on an offer by EMI to all other stockholders at same price and on tenders of two-thirds of the common stock outstanding. With subsidiaries in 24 countries, EMI—sometimes called “the RCA of the British Empire”—produces TVs, radios, sound equipment and military & industrial electronic equipment as well as records. Its American subsidiary distributes classical records under “Angel” label.

National Radio & TV Week will be sponsored by NARDA, in cooperation with RETMA & National Assn. of Electrical Distributors, in week beginning Sept. 18. At that time, concentrated effort will be made to sell TV & radio receivers by public display of merchandise in local auditoriums by manufacturers, listing all franchised dealers in that community. It will be backed by intensive ad campaigns stressing value of TV-radio receivers. In some markets, banquets featuring local TV-radio celebrities will kick off promotion.

Annual plant layoffs, somewhat traditional in first quarter, began this week with total of about 1000 furloughed by Philco and CBS-Hytron. Philco dropped 700 at TV plants in Philadelphia, explaining they were hired last fall for special jobs in effort to accelerate production following 45-day strike. Hytron laid off 275 at Newburyport, Mass., resulting from shift of black-&-white tube production to new plant in Kalamazoo, Mich.

Trav-Ler Radio bought Hallicrafters Canada Ltd. this week for undisclosed sum, will take over Toronto plant Feb. 1. Plant will turn out TV-radio sets under both Trav-Ler & Hallicrafters labels for distribution through outlets of each company. Trav-Ler pres. Joe Friedman said he expected Canadian plant’s billings in 1955 to total \$7,000,000. It’s Trav-Ler’s first entry in Canadian market.

Canadian Admiral has introduced a 17-in. table model in walnut at \$220, mahogany & blonde \$230; 24-in. maroon table \$300; 21-in. open-face console in walnut at \$330, mahogany & blonde \$340; 24-in. walnut wood table \$350, mahogany & blonde \$360; 24-in. open-face console in walnut at \$400, mahogany & blonde \$410.

Liquidation sale of Stewart-Warner TVs & radios, featuring 31-55% off list price, was offered by Macy’s, big N. Y. dept. store, in full-page ad in Jan. 9 *New York Times*. Stewart-Warner recently left TV-radio business in U. S., its distributorships taken over by Hoffman Electronics (Vol. 10:52).

Westinghouse increased price by \$10-\$50 on nearly all new models introduced in closed-circuit telecast Dec. 29 (Vol. 11:1). Company said boosts will result in longer discounts of 2-6% for distributors & dealers. Price leader remains 17-in. brown metal table at \$150.

Top-ranking “ham” operator of the year, chosen to receive GE’s Edison Radio Amateur Award for outstanding public service in 1954, is 35-year-old Benjamin S. Hamilton, 8447 Denton St., LaMesa, Cal. (W6VFT), a junior college electronics teacher selected because he provided San Diego County with “an outstanding Civil Defense and disaster emergency radio network.” Judges were Val Peterson, Civil Defense Administrator, who will present the award in Washington Feb. 10; E. Roland Harriman, pres. of American Red Cross; FCC Comr. E. M. Webster; ARRL pres. G. L. Dosland.

Electronics Reports: Annual informational smorgasbord for electronics engineers, the 1955 IRE National Convention, will be held March 21-24 in New York, featuring 700 engineering exhibits at Kingsbridge Armory and 55 technical sessions and symposia at Waldorf-Astoria Hotel. Highlighting meeting, for TV-radio engineers, will be papers on video tape recorders, reproducing color TV images on black-&-white film, new vhf & uhf transmitting antennas, pocket-sized transistorized broadcast receiver, color projection receiver, new parallax mask color tube, experimental RCA tricolor vidicon camera tube, as well as panel discussions and symposia on such subjects as extended range vhf & uhf propagation and "some problems associated with telemetering and remote control of a space station."

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Color-TV microscope which can project tiny living cells on 6-ft. screen was demonstrated Jan. 14 in New York by CBS Laboratories. Device can enlarge a specimen 15,000 times, according to CBS Labs pres. Peter Goldmark, but there is no increase in resolution over the optical system, which can magnify 2000 times, the pictures being similar to photographic enlargements of pictures taken through microscope. Images were described as 100 times brighter than has been previously possible. Color microscope will be manufactured by CBS-Columbia and by GE, which is CBS licensee for field sequential color.

C. A. Boadway, Ontario Hydro Electric Power Commission, elected 1955 pres. of the Canadian Radio Technical Planning Board, succeeding Ralph A. Hackbusch, Hackbusch Electronics Ltd. H. S. Dawson, Canadian GE, elected v.p.; Stuart D. Brownlee, Canadian RTMA, re-elected secy.-treas.

Texas Instruments Inc., Dallas, which began commercial production of silicon transistors last May, this week cut prices 25% on 5 types of silicon transistors, which now range from \$9.65 to \$30. It also reduced silicon junction diodes by about 30% to \$2-\$3.85 each.

Portable Geiger counter, the "Countmaster," will be introduced this month by Hoffman Laboratories Inc., subsidiary of Hoffman Electronics. Priced at \$250, it will be distributed through mining supply companies and Hoffman TV distributors.

Jerre D. Noe appointed asst. director, engineering research, Stanford Research Institute, under director Thomas H. Morrin. Dr. Byron J. Bennett named mgr., computer laboratory; Dr. Kenneth R. Eldredge, mgr., control systems lab.

Dr. Cuthbert C. Hurd named director, electronic data processing machines, International Business Machines Corp.; Thomas E. Clemmons is sales mgr. of division.

SEAC electronic computer, developed by Bureau of Standards, now being used by Defense Dept. to determine low bidders on govt. contracts.

Axe Science & Electronics Corp., new investment fund whose primary object is long-term capital growth in the electronic and atomic fields, on Jan. 13 filed SEC registration covering proposed offering of 2,500,000 common shares at \$10 per share. Principal underwriters are W. E. Hutton & Co.; Hemphill, Noyes & Co.; Kidder, Peabody & Co. Shares would be redeemable at 99% of liquidated value within 6 months after corporation has received \$20,000,000. Investment adviser is E. W. Axe & Co., 730 Fifth Ave., N. Y.

Vision of America's future 25 years hence—technological, economic and political—is sketched by RCA chairman David Sarnoff under title "The Fabulous Future" in first of series of articles by distinguished Americans, in Jan. *Fortune Magazine*. It has been reprinted as a booklet.

Financial & Trade Notes: Emerson Radio had record sales of \$80,559,994 in fiscal year ended Oct. 31, up 6.1% from previous year's record \$75,926,546. Net income declined, however, to \$1,884,976 (97¢ a share) from \$2,988,432 (\$1.54). Earnings before taxes dropped to \$3,449,209 from \$6,499,485. Net working capital rose as of Oct. 31 to \$23,363,793 from \$14,088,041. Net worth was at record \$20,447,485, up from \$19,718,053 on Oct. 31, 1953.

Pres. Benjamin Abrams' annual report explained that "the keenest competition ever experienced in the industry took place during the last 12 months, which brought about lower prices which in turn had an adverse effect on profits." Wide publicity given color TV, he stated, caused many people to hesitate to buy black-&-white receivers until prices got more attractive. Lower prices stimulated sales, and unit sales were highest in history with the possible exception of 1950.

It was Emerson's first year in air-conditioning, which he described as satisfactory; but competitive conditions resulting primarily from a late and unusually cool summer reduced prices and hence profits.

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Among officers' and directors' stock transactions reported by SEC for Dec.: Wallace C. Johnson bought 120 Admiral, holds 2100; Orphie R. Bridges bought 200 Arvin, holds 786; Eldo H. Stonecipher bought 100 Arvin, holds 1300; Irving G. Rosenberg bought 100 DuMont Labs, holds 100; Percy M. Stewart bought 800 DuMont Labs, holds 1000; Benjamin Abrams, thru trusts & foundations, bought 600 Emerson, holds 219,800 personally and 89,239 thru trusts & foundations; Wm. R. Herod sold 300 GE, holds 5538; Monte Cohen bought 3000 General Instrument, holds 3718; Joseph C. Chapman, thru C. C. Collings & Co., bought 2481 I-T-E Circuit Breaker, sold 2492, holds 1800 personally and 10 thru C. C. Collings & Co.; Bruce R. Tuttle sold 100 Olympic Radio, holds none; James T. Buckley sold 1700 Philco, holds 16,227; Harold W. Butler sold 2000 Philco, holds 7408; Thomas A. Kennally sold 1000 Philco, holds 11,032; Wm. Gammell Jr. bought 600 Raytheon, holds 15,010; Harold C. Mattes sold 4000 Raytheon, holds 16,934; Sidney R. Curtis bought 300 Stromberg-Carlson, holds 1336; Frank E. Devans bought 100 Stromberg-Carlson, holds 112; Wm. Fay bought 500 Stromberg-Carlson, holds 511; Curtis A. Haines bought 484 Sylvania, sold 384, holds 484; C. E. Headlee bought 1000 Westinghouse, holds 2116; James H. Jewell bought 3100 Westinghouse, sold 1800, holds 1100; W. O. Lippman sold 200 Westinghouse, holds 1800; E. W. Ritter bought 1200 Westinghouse, holds 1315; Harry E. Seim sold 1000 Westinghouse, holds 1444.

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General Instrument Corp. reports \$91,739 net profit after taxes (12¢ per share) for third 1954 fiscal quarter ended Nov. 30, when sales were \$7,083,933, up 42% from second quarter's \$4,986,833. Profit for comparable 1953 quarter was \$160,172 (26¢) on sales of \$8,019,764. Present indications, said chairman Abraham Blumenkrantz, are that fourth quarter operations may also be profitable on somewhat higher sales. Effect of third quarter profit was to reduce company's cumulative 9-month loss, after tax credits, to \$158,207 on sales of \$16,755,171. This compares to net profit of \$871,571 (\$1.14) on sales of \$27,159,024 in corresponding 9 months of 1953. Steady growth at company's subsidiary plant in Waterloo, Ont., just opened, was also reported by Blumenkrantz.

Bell & Gossett Co., the Chicago pump company now in electronics, which recently sold 300,000 shares of \$2 par common stock at \$13.50 to bring total outstanding to 1,243,000, is reported working on a military developmental contract believed to be a tape or page printer that operates by wire or radio.

CBS's FIRST foray into uhf got go-ahead this week when FCC approved its \$335,000 purchase of WOKY-TV, Milwaukee (Ch. 19), Comrs. Hennock & Bartley dissenting. This makes CBS's 4th TV. It owns vhf's WCBS-TV, New York; WBBM-TV, Chicago; KNXT, Los Angeles. It is seeking to buy WSTV-TV, Steubenville, is applicant for Ch. 11, St. Louis, and has said it would seek another uhf.

FCC's approval is further implementation of its intention to give uhf impetus by attracting major broadcasting entities to the band. It has already approved Storer's 2nd entry (Vol. 10:51) by letting him buy WFTL-TV, Ft. Lauderdale (now WGBS-TV, Miami, Ch. 23), and NBC has demonstrated its serious interest by proposing to buy WKNB-TV, New Britain, Conn. (Ch. 30) and build 1000-kw transmitter for it on Mt. Higby (Vol. 11:2).

In conjunction with WOKY-TV purchase, CBS has bought physical facilities of Lou Poller's WCAN-TV, Milwaukee (Ch. 25) for \$650,000, selling to WCAN-TV the facilities of WOKY-TV for \$256,000. Poller is also selling radio WCAN to WEMP for \$250,000. CBS will take over on or about Feb. 13, start carrying most of its network feeds about 3 weeks later. It is asking for new call letters WXIX (Roman numeral 19), and mgr. will be Edmund C. Bunker, ex-KNXT sales mgr.

Comr. Hennock's reasons for dissenting were that CBS would increase its control of communications; that move doesn't help uhf elsewhere; that there will be overlap with CBS's Chicago station. Comr. Bartley said he wasn't convinced sale is in public interest or that it would help uhf—particularly since an unused uhf channel is available in Milwaukee.

FCC's patent-filing proposal, which looks toward requirement that parties asking for any kind of rule-making tell Commission their patent interests in subject involved (Vol. 10:50), received its first industry comment this week—from Skiatron, through counsel James M. Landis & Philip Bergson. Having asked for rule-making to start pay-as-you-look TV (Vol. 10:38), Skiatron said FCC should have the patent information but recommended that the data be submitted by parties at time of hearing, rather than when petition for rule-making is filed. Since actual rule-making hearing frequently comes long after request for rule-making is filed, Skiatron said, information filed with original petition would be "stale and useless."

Trouble-beset KVVG, Tulare, Cal. (Ch. 27) and its radio counterpart KCOK (1-kw on 1270 kc, MBS) are reported to have been sold to M. B. Scott Corp., which has dispatched Wally Sherwin from Los Angeles to take over management. However, no application for transfer has yet been filed at FCC on behalf either of owner Sheldon Anderson or representatives of creditors. Recently, trustee H. B. Thorpe resigned and stated that, while the financially-hit stations are still operating, hoped-for quick sale has not materialized. Last Oct., FCC approved deal whereby Los Angeles interests would acquire stations for \$175,000 plus assumption of indebtedness not exceeding \$478,000, but deal was called off later (Vol. 10:41).

TV-Radio Correspondents Assn. (Congressional gallery) elects these 1955 officers: pres., Wm. Costello, CBS; v.p., Joseph McCaffrey, McCaffrey Reports; secy., Gunnar Back, ABC; treas., Robert Hurleigh, MBS. Elected to exec. committee were Julian Goodman, NBC; Wm. T. Corrigan, CBS; Ann M. Corrick, Corrick Productions. Annual banquet honoring President Eisenhower will be Feb. 5 at Statler Hotel, Washington.

Mutual Broadcasting System reports gross time billings for 1954 totaled \$20,430,377, representing 74 sponsors handled by 57 agencies. MBS's 1953 figure was \$23,158,000, according to PIB.

Most inexpensive type of satellite yet proposed, a sort of cross between booster and satellite, has been authorized experimentally, FCC this week granting application of Manson Community TV Co., Manson, Wash. (Vol. 10:51). Grantee plans merely to "translate" Ch. 4 signals of KXLY-TV, Spokane, retransmit them on uhf Ch. 16 without demodulation. It's expected that experimental operation will be permitted to continue on commercial basis when Commission finalizes proposed low-power satellite rules (Vol. 10:51). Operation is 200-watts ERP, with identification automatically by Morse code, no operator required to be on duty. Comr. Webster dissented partially, frowning on lack of requirement that public be advised that operation is experimental. Comr. Hennock dissented from grant on grounds satellite would extend service of vhf station. From Washington, meanwhile, comes word that operators of illegal boosters, subject of FCC-Congressional meetings (Vol. 10:47), have retained a noted former U. S. Senator as counsel.

Control of KXEL, Waterloo, Ia. (50-kw on 1540 kc, ABC) was sold this week by mgr. Joe Dumond group (58%) and late Horace Lohnes' estate (18%) to owners of radio WOPA, Oak Park, Ill., who hold CP for WOPT, Chicago (Ch. 44). Purchasers are Egmont Sonderling, radio producer identified with foreign-language programming in Chicago, 25%; Richard Goodman, attorney, 55%; Mason Loundy, banker, 20%. Dumond group gets \$187,000 for 85,000 shares, Lohne estate \$56,000 for 25,500. About 15 other stockholders have offer to purchase at \$2.20 per share. Sonderling will assume management upon FCC approval of transfer.

This week's 2 applications were typical of those filed in recent months—both aimed at penetration of hinterlands. Spokane's KHQ-TV (Ch. 6) filed for 1.44-kw satellite operation on Ch. 5 at Walla Walla, with transmitter on Pikes Peak. For Watertown, S. D., KWAT (controlled by Midland Life Insurance Co., F. L. Bramble, chairman), seeks Ch. 5, proposing to build 100-kw outlet. [For further details about applications, see *TV Addenda 20-A* herewith, which starts new series of addenda to "blue pages" of forthcoming *TV Factbook No. 20*, due off presses this month.]

Commenting on pay-as-you-look TV—a rare action for anyone associated with a major movie producer—Warner Bros. producer Frank P. Rosenberg stated this week that he visualized subscription TV taking a position similar to "subsequent run" theatres but never replacing first or second run houses. It's generally conceded that major movie producers are by far most important consideration in whole speculation about fee TV, but majors have been pointedly silent about subject, naturally desiring not to upset exhibitors.

FCC budget of \$6,700,000 is requested by President for fiscal 1956, starting July 1, 1955—compared with \$6,544,400 authorized by Congress last year. Amounts earmarked for major functions: field engineering & monitoring, \$2,269,709; executive, staff & service, \$1,341,456; broadcast, \$1,205,764; common carrier, \$732,022; safety & special, \$724,375; research & frequency allocation, \$431,174.

Criminal anti-trust charges against *Kansas City Star* and its pres. Roy A. Roberts, growing out of allegations of monopolistic newspaper practices, embracing also TV-radio rates of its WDAF-TV & WDAF, were dismissed by Federal Judge Duncan Jan. 14 on motion of Govt. Civil action, however, remains in effect and trial was to begin Jan. 17 before Judge Duncan.

Power increases: WTVW, Milwaukee (Ch. 12), Jan. 2 to 316-kw; WALA-TV, Mobile (Ch. 10), Jan. 5 to 316-kw; WGBS-TV, Miami (Ch. 23), last week end to 12½-kw transmitter.

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Television Digest

with **ELECTRONICS REPORTS**

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OLD COLOR WAR MOVES into new battleground as RCA and CBS-GE give physicians pitch on virtues of respective systems for closed-circuit use (p. 9).

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ELECTRONIC JOURNALISM—A MAJOR TRIUMPH: It was White House secretary Jim Hagerty's idea that President Eisenhower's press conferences should be filmed in full (just as they are tape-recorded) and that selected excerpts be released to TV and movies -- and enormous success of the first venture Jan. 19 should endear him to the industry and public alike. For it's one of the biggest-time features yet made available to the TV industry which, like radio, has had to fight its way through the barriers of printed journalism to establish the rights of electronic journalism.

Even the newspapers are reviewing the initial effort with enthusiasm, and it looks like the camera setup in the old State Dept. Bldg.'s treaty room is there to stay. Some newsmen actually wore blue shirts, because they had heard these televise better, though the President himself looked quite all right on the TV screen wearing brown suit & white shirt. He said he didn't find the cameras disconcerting at all.

Not much chance of the newsmen playing up to the cameras, either, for only their backs are seen as they rise to ask questions.

You'll be seeing lots more of these conferences. First was put on by all networks that same evening virtually in full, nothing of importance having been edited out of a film that ran about 28 minutes.

You'll hear lots about them, too. For there will be squawks that they're a political platform for the President, who happens to be superbly telegenic; that if he gets so much free time, so should the opposition party; that the White House can edit the content and thus the context of the film to suit its fancy; even that the newsmen are lending themselves as "performers" without compensation.

But here's how one of electronic journalism's great reporters, Eric Sevareid, sized things up in his Jan. 19 broadcast. After admitting that the White House news secretary does indeed "sit as controlling editor of what may actually be seen and heard later," he observed:

"It would be too much to expect for him to release those segments of Presidential speech in which the Chief Executive does not perform at his best. It may be

argued by some that under this system free journalists are lending themselves to the uses of calculated official propaganda, but that would be stretching journalistic Calvinism a bit too far. For the journalists of all media will watch what portions of film are released and they will feel perfectly free to make news of the fact that other portions are held back when that seems a newsworthy point to make."

No worshipper at anyone's shrine, Severeid reflects a point of view we think most of public will applaud: "Today's baptism of camera coverage went off smoothly, with no distraction to the main business of getting at the news, thanks to efficient staff arrangements. One wild fear was not borne out: that the temptation to be an actor, for the benefit of the normal ego, or the benefit of the home office, would prove too much for some among the journalists, and thus clutter up and ham up the proceedings. This did not really happen; the few awkward or loaded questions were no more than par for the regular course.

"The truth is that the words of the Chief Executive of the world's greatest power are still more compelling of attention than any amount of cameras, and I had the feeling that most in attendance forgot all about the gadgets present."

COX-KNIGHT-TRAMMELL FAVORED FOR MIAMI GRANT: One of the big TV hearings came to a head this week when chief examiner James Cunningham recommended that Miami's Ch. 7 be awarded to Biscayne TV Corp., owned by Cox and Knight newspaper-radio interests (42.5% each) and headed by ex-NBC president Niles Trammell (15%). Cunningham chose Biscayne over 3 other applicants -- none with radio or newspaper interests.

Other actions included examiner H. Gifford Irion's initial decision recommending grant to Vann Kennedy's KSIX of Ch. 10 in Corpus Christi, Tex. over 2 others in bitterly fought case; and FCC's grant to KGMB-TV, Honolulu, of satellite CPs for outlets on other islands -- Ch. 9 in Hilo, Ch. 3 in Wailuku.

Cunningham's reasoning in Miami case was that Cox and Knight had demonstrated ability to serve community through operation of WIOD and WQAM (latter would be sold if final CP is awarded) and because of Trammell's great experience. The 3 losers are bound to press vigorous attack on Cunningham's decision, particularly his rejection of "diversification" arguments. Here's how he put it:

"It is pertinent to observe that the record does not reveal the presence of unlawful practices or any evils in the Cox-Knight newspaper and broadcast operations; and that, with reference to the Miami area, they receive competition from several sources in the matter of disseminating news, information and ideas. Indeed, the finding is appropriate that, in connection with these operations, there has been rendered a creditable public service at national and local levels.

"In the circumstances here present, to disqualify Biscayne on this ground or find it less qualified as a TV applicant than its adversaries, would be to inflict penalty without warrant and deprive Miami of a TV service from the applicant herein found best equipped to deliver it. The Commission's view is that radio and newspaper ownership by an applicant for TV facilities is not a factor fatal to it, but is one to be weighed with other matters in comparative proceedings. Biscayne's clear superiority otherwise having been demonstrated, the finding is compelling that in the circumstances here present, this factor may not be resolved adversely to it."

Also due for attack by losers is fact that Trammell is a consultant to NBC. Cunningham noted that his contract with NBC stipulates that "he will not engage in any activities which might be in conflict with the interests of NBC and he must be available at all times for consultation with its officials. Similarly, it appears to be understood that he will not be called upon by NBC to perform duties which would conflict with those incumbent upon him at Biscayne."

The 3 proposed to be denied are: (1) East Coast TV, headed by Charles Silvers (aluminum products, real estate, race horses) and D. Richard Mead (construction, real estate, insurance, mortgages). (2) South Florida TV, whose principal stockholders are Jack Stein (printing, liquor); James Lawrence Fly (former FCC chairman); Bernard A. Mayer (frozen foods). (3) Sunbeam TV, whose largest stockholders are Sidney D. Ansin (shoe manufacturer), Catchings Therrell (attorney) and Charles L. Clements (savings & loan association, insurance).

In Corpus Christi case, examiner Irion chose KSIX over KEYS and Superior TV (Jack Wrather and Helen Maria Alvarez) because of KSIX's "initiative, imagination and a sensitive appreciation of community service displayed both in practice and in promise." Furthermore, he said, grant to KSIX would promote diversification -- as against KEYS theatre tieup and Wrather-Alvarez' other station ownership.

(For other FCC actions this week, see p. 14.)

STEINMANS SELL WDEL-TV FOR \$3,712,500: The first big TV sale of 1955, expected to be another big year for ownership transfers, was this week's deal whereby the Steinman brothers sell their WDEL-TV, Wilmington, Del. (Ch. 12) for \$3,712,500 to Philadelphia radio station owner and business man Paul F. Harron. WDEL-TV's new 316-kw plant is now under construction about halfway between Wilmington & Philadelphia, 25 mi. apart, and is certain to provide Grade A coverage in both cities.

WDEL-TV was founded pre-freeze (1949) by Clair R. McCollough, as gen. mgr. of TV-radio interests of J. Hale & John F. Steinman, who publish Lancaster New Era and Intelligencer-Journal, own 2 other TV stations, 6 radio stations and hold big interests in various other enterprises, including coal mines. They retain all other TV-radio properties, including WGAL-TV, Lancaster (Ch. 8) and WLEV-TV, Bethlehem (Ch. 51). Radio WDEL, Wilmington (5-kw, 1150 kc, NBC) was spun off the TV deal and sold for \$250,000 to Steinmans' new wholly-owned Delmarva Broadcasting Co.

Under terms of Wilmington deal, Steinmans get \$2,212,500 cash, rest in notes payable \$250,000 every 6 months from time FCC approves transfer. Mr. Harron owns about 86% of WIBG, Philadelphia independent (10-kw, 990 kc) which he has managed since acquiring mgr. Joe Lang's interest recently. Last fall (Vol. 10:46) he bought out interest of John B. Kelly family, including holdings of film star Grace Kelly.

Mr. Harron's radio company also owns 84% of 1953 Ch. 23 uhf grant to WIBG-TV, Philadelphia, along with Philadelphia Daily News 10%, Lemuel Schofield 3%, Jack Lit 3%. This CP presumably will now be dropped.

Note: More station sales are known to be in the making, though none ready to disclose. One more uhf each are to be acquired by CBS & NBC, though they haven't indicated whether they will be by purchase, as in case of their respective Milwaukee & Hartford acquisitions, or by application for new facilities. Both NBC and Storer this week denied published reports network was buying KPTV, Portland, Ore. (Ch. 27), Storer stating formally: "We are most happy operators of KPTV as an NBC affiliate."

(For complete tabulation of all major TV station ownership transfers since 1949, with prices paid, see upcoming TV Factbook No. 20, pp. 29-32.)

137 FOREIGN STATIONS, 6,600,000 SETS: Considering the tremendous impact of TV as a medium of information, entertainment and advertising, its progress throughout the world so far seems singularly slow -- except in the U.S.

There are now 137 TV stations in 35 foreign countries -- most of them now on regular programming basis, but some still experimental or intermittent. There are slightly fewer than 6,600,000 TV sets to receive them, as against some 34,000,000 in U.S. Last year, 58 new foreign stations went on air.

These figures are taken from foreign section of new spring edition of our semi-annual TV Factbook, due off the presses next week. On pp. 238-242 is a completely revised and up-to-date Directory of TV Stations in Foreign Countries -- in handy tabular form, giving location, ownership, frequency and power of stations on air, under construction and planned. Added feature this year is estimate of sets-in-use for each country, based on most reliable figures from all sources.

Six countries began TV service for first time last year -- by coincidence, all of them using some form of commercial operation. They are Colombia, French Morocco (2 stations each), Thailand, Luxembourg, Saar, Monaco -- the latter 3 trying to attract sponsors from France, where TV is govt.-owned and non-commercial.

Second only to U.S. in number of stations -- though far behind our total of 426 -- is Canada, where commercial govt. and private stations both operate, but are not allowed to compete in same community. Canada has 25 stations, compared with 7 at start of 1954. West Germany is No. 2 with 17 stations (though most are little

more than satellites), up from 7 in one year. Great Britain now has 12 govt. non-commercial stations, up from 8, plans first 3 commercial outlets this year.

Italy now has 9 govt.-owned stations, increase of 4 during year, plans to sell commercials in next few months. Cuba, which just year ago had more stations than any other foreign country (10), now ranks 5th with only 8 (including 4 satellites). Russia credits itself with 8 stations. France has 7 stations, up from 3, Mexico & Japan have 6 each, Brazil 4, East Germany, Switzerland & Venezuela 3 each, and 22 other countries have one or 2 each.

Some 85% of the 6,600,000 sets-in-use outside the U.S. are in Great Britain and Canada -- Britain having 4,000,000 and Canada 1,150,000. Next, in order, is probably Russia, which most reliable sources estimate has about 600,000 small-screen receivers; then Cuba with 150,000, Brazil 125,000, France 120,000, Mexico and West Germany 100,000 each, Italy 90,000. No other country has over 35,000.

FUTURE COURSE OF SENATE INVESTIGATION: Network-station relationships will probably be a key issue in the reborn investigation of TV under Sen. Magnuson's Interstate & Foreign Commerce Committee -- and though Harry Plotkin's tenure as counsel ends on Jan. 31, his influence is likely to be reflected in probe's future course.

His voluminous "memorandum" to Sen. Magnuson outlines results of his 4-month staff-level investigation, and contains recommendations which indicate the direction of the inquiry may veer somewhat from Sen. Bricker's originally announced plan to "study the feasibility and practicality [of placing] radio and TV networks under the jurisdiction of the FCC, as well as the whole vhf-uhf problem" (Vol. 10:34).

Though Plotkin report hasn't been made public, it's understood to take a dim view of network affiliation contracts and practices and to recommend that they be referred to Justice Dept. and FCC to determine whether they violate anti-trust laws. One target of Plotkin report is network option time (which stations must reserve for network programs), which Plotkin recommends should be abolished. He also suggests further inquiry into AT&T line charges as grist for any future probe.

Key questions in the future investigation may well be: To what extent do the networks control stations? How much freedom of action do individual stations have? How much should they have? Touching on programming issues, Sen. Magnuson is known to feel that his committee should examine the question of whether stations are free to reflect all viewpoints in the community -- and to what extent, if any, networks hamper freedom of expression over local stations.

Scope of Commerce Committee's probe appears to be very close to territory which Judiciary Committee Chairman Kilgore (D-W.Va.) has indicated he wants to cover in "TV monopoly" investigation he has proposed for his Committee's monopoly subcommittee. It will be at least 30 days before either investigation can get going.

Magnuson's resolution to continue investigations already under way (Vol. 11:2) was approved this week by Commerce Committee, which proposed investigations budget of \$200,000. Kilgore is ready to ask \$100,000 for his TV monopoly inquiry, is said to be planning questionnaires to the TV networks as first move.

Harry Plotkin, Democratic counsel for the Commerce Committee's investigation under GOP regime, returns Feb. 1 to law firm of Arnold, Fortas & Porter. GOP counsel Robert F. Jones, who will submit his own separate report on the investigation to date, may be retained by Committee as minority counsel, if ranking Republican Sen. Bricker, who appointed him, wants a minority counsel. Otherwise, he'll probably return to law firm of Scharfeld, Jones & Baron.

Commerce Committee investigation will come under jurisdiction of Magnuson's full committee -- not its communications subcommittee, which was named this week.

Sen. Pastore (D-R.I.) is chairman of subcommittee, with Monroney (Okla.) and Ervin (N.C.) the other Democratic members. Republican lineup was something of a surprise, harking back to last year's feud between then Committee Chairman Bricker (R-Ohio) and subcommittee chairman Potter (R-Mich.) over Potter's uhf investigation (Vol. 10:31-32). In new subcommittee, GOP members are Bricker himself and Potter -- communications being only subcommittee to which the Committee's ranking GOP member has assigned himself. Nick Zapple continues as communications counsel.

Personal Notes: James L. Knipe elected chairman & pres. of C. E. Hooper Inc., succeeding the late founder and head of that organization . . . Harold E. Fellows, NARTB pres., named national vice-chairman of 1955 Red Cross campaign . . . Robert W. Sarnoff, NBC exec. v.p., named chairman of entertainment committee of Salvation Army's 1955 Appeal . . . Robert D. Wood, from CBS-TV Spot Sales, N. Y., appointed sales mgr. of KNXT, Los Angeles, replacing Edmund C. Bunker, who becomes gen. mgr. of CBS's new WOKY-TV, Milwaukee (call to be changed to WXIX) . . . James J. Rue, asst. head of USC telecommunications dept., named CBS & KNXT asst. director of sales promotion, succeeding Byington Colvig, who goes to WOKY-TV . . . Ade Hult, with Mutual since 1934, resigned Jan. 21 as sales v.p. . . Ernest de la Ossa assigned to new post of mgr. business development, WRCA-TV & WRCA, N. Y., his job of station mgr. being abolished and his duties assumed by gen. mgr. Hamilton Shea . . . Alvin Sussman, director of film procurement for Crosley stations, has resigned . . . Harry LeBrun, ex-WCPO-TV, recently named asst. mgr. of WLWT, Cincinnati, in charge of sales, transferred to WLWA, Atlanta, as gen. mgr., succeeding Wm. P. Robinson, now heading specialized sales plans unit in Cincinnati . . . Glenn Marshall Jr., pres. of WMBR-TV & WMBR, Jacksonville, elected to board of Florida National Bank . . . Leslie C. Johnson, v.p. & gen. mgr., WHBF-TV & WHBF, Rock Island, Ill., renamed to board of advisors of State Dept. of Aeronautics . . . Dr. Leon Arons, ex-Wm. Weintraub Co., appointed research director of Television Bureau of Advertising (TvB) . . . Lynn Cleary resigns as business mgr., DuMont Network; she's now Mrs. Charles A. Christenson and retires to private life . . . Joe Merino resigns as mgr. of KFSD-TV, San Diego . . . Don H. McGannon, ex-DuMont mgr. of owned-&-operated stations, joins Westinghouse Broadcasting Co. as v.p. . . E. James McEnaney Jr., ex-radio WEAN, Providence, named gen. mgr. of WNET there, succeeding Abraham Belilove . . . Edward G. Sherburne Jr., ex-TV production chief of Navy Special Devices Center, Port Washington, N. Y., and recently consultant to educational KETC, St. Louis, named program director of new WGBH-TV, Boston (educational); Paul Rader promoted to production director . . . Edward J. DeGray, with CBS 17 years, most recently as director of radio station relations, joins Vitapix as director of station relations . . . Walter Jacobs, program director of WLWC, Columbus, O., now producer at WLWT, Cincinnati . . . Walter Engels, mgr. of news & special events, WPIX, N. Y., named associate professor of journalism, Columbia U . . . James M. Trayhern, ex-WHAM-TV, named TV-radio director, Charles L. Rumrill & Co., Rochester, N. Y. . . James A. Wethington, ex-Wm. G. Rambeau rep firm, named sales mgr. of KONA, Honolulu, replacing Jack Irvine, resigned . . . Joe Morris promoted to managing editor, *Radio-Television Daily*, succeeding Bill Noble, resigned.

Former FCC Comr. George E. Sterling has taken on job as consultant to Northwest Radio & TV School, which has headquarters in Portland, Ore., branches in Hollywood & Chicago, plans new branch in Washington, D. C. School offers courses in technical operation, announcing and writing for stations.

Federal Communications Bar Assn. elects Percy H. Russell Jr. as 1955 president, succeeding Vincent B. Welch. Other officers: George O. Sutton, 1st v.p.; George S. Smith, 2nd v.p.; Ben C. Fisher, secy.; Dwight D. Doty, treas.; Wm. C. Koplavitz & Thomas W. Wilson, exec. committee.

William F. Coleman, broadcasting pioneer and first chief operator of WTIC, Hartford, when it started in 1925, died this week in W. Hartford. He leaves widow and 2 daughters.

COMPETITION OF TV for advertising dollar isn't threat once feared, according to speaker at Newspaper Advertising Executives Assn. convention in Chicago this week—yet big newspaper rep Moloney, Regan & Schmitt on Jan. 17 took occasion once again to open up its guns against TV as a competitor. In full-page ad in *New York Herald Tribune*, headlined "Newspaper advertising is best for your sales," it directly compared the media—stating primary role of newspaper is to inform, with advertising welcomed by reader, but that TV is an entertainment medium in which advertising is resented by viewer. Ad also slapped at TV by stating "only 30,000,000 of the 46,500,000 U. S. homes have TV sets"—though sets-in-use figure was 33,500,000 as of Jan. 1, 1955.

At newspaper admen's convention, the chairman of ANPA's Bureau of Advertising, Joyce A. Swan, v.p. & gen. mgr. of *Minneapolis Star* and *Tribune* (Cowles), whose \$3,950,000 purchase of 47% of WCCO-TV & WCCO there pends FCC approval (Vol. 10:45) remarked: "TV is like sex. Both are exciting, stimulating, provocative and expensive, when we first become aware of them. Later, whether we like it or not, sex takes its place as one of life's many interests." He said establishment of Television Bureau of Advertising (TvB) is a "clear indication" that TV is becoming harder to sell.

"TV, a fine new entertainment and advertising medium, has had a position of attention out of proportion to its contribution to the advertiser. But now, as the new Television Bureau of Advertising implies, TV is assuming a place in the media of communication . . . where it can and will be properly appraised."

TV is already flying "hurricane warnings" for 1955, though it probably will continue to gain, he said. Swan didn't specify what "hurricane warnings" he had in mind—but it's hard to square such forebodings with TV's demonstrated solid growth, having just concluded a \$900,000,000 advertising year (Vol. 10:48), with NBC exec. v.p. Robert W. Sarnoff predicting \$1.3 billion for 1955 (see p. 7).

As evidence of newspapers' continuing hold on public, Swan cited recent readership survey by *Minneapolis Tribune* disclosing that 3 out of 4 readers depend on newspapers for news, one out of 4 on radio, one out of 8 on TV. Some 60% said they would prefer TV and radio without advertising, 70% indicated they would disapprove of newspaper without ads.

These officers were elected: pres., Wilson W. Condict, *St. Louis Globe-Democrat* (KWK-TV), succeeding Donald M. Bernard, *Washington Post and Times Herald* (WTOP-TV, Washington & WMBR-TV, Jacksonville, Fla.); first v.p., Karl T. Finn, *Cincinnati Times-Star* (WKRC-TV, Cincinnati & WTVN-TV, Columbus); second v.p., G. P. Swanson, *Spokane Spokesman-Review and Chronicle* (KHQ-TV).

Milton L. Greenebaum, veteran station operator and majority owner of Saginaw Bestg. Co., this week got permission to sell WSAM, Saginaw, Mich. (250-watts, 1400 kc, NBC) & WSAM-FM for \$140,000. He thus disposes of last properties, Saginaw Bestg. having recently sold its 1/3 interest in WNEM-TV, Bay City (Ch. 6) to James Gerity Jr. for \$155,000 (Vol. 10:50). New WSAM owner is WKHM Inc., applicant for Ch. 10 in Parma-Onondaga, Mich., near Jackson, and operator of Michigan radio stations WKHM, Jackson; WKMF, Flint; WKMH, Dearborn.

Protestant TV-radio center, erected at cost of \$400,000 on site donated by Emory U, was dedicated this week at 1805 Clifton Rd. NE, Atlanta—owned jointly by United Lutheran, Protestant Episcopal, Methodist, Presbyterian USA (Northern) and Presbyterian US (Southern) denominations. Dr. John M. Alexander heads staff, already plans to raise \$150,000 to expand TV production facilities.

Telecasting Notes: Skyrocketing talent costs—of which Jackie Gleason's recent \$11,000,000 deal (Vol. 10:52 & 11:2) is most extreme example—is subject of Jan. 17 column by Herald Tribune Syndicate's John Crosby, mostly based on interview with Ethel Winant, in charge of casting for *Circle Theatre & Justice*. "A year ago Teresa Wright could be hired for a half-hour for \$1500; today she wants at least \$2500," Crosby quotes Mrs. Winant. "Even \$500 people now want \$1500; we call people we used 6 months ago and find the price has tripled" . . . Crosby finds TV "the greatest repertory theatre of all time," in column praising this season's TV tendency to showcase such classics as Shakespeare plays, Victor Herbert operettas, Dickens novels and Broadway hits of decade or more ago. "The TV producers are very thoroughly looting the classics of the past," he says. "I think it's a perfectly splendid idea" . . . Shakespeare on TV (Maurice Evans-Judith Anderson in *Macbeth* on the NBC-TV Hallmark Sunday afternoon period) got Nielsen rating of 25.5, regarded exceptional since top Niensens are 40-50 for night shows; that means 6,449,000 homes and, counting 2 viewers per set, it's calculated that the play was seen by more people than saw Edwin Booth on the stage in his whole lifetime. A Broadway playhouse seating 1000, playing 8 times per week, would require 32 years for that big an audience . . . Another classic which may soon be on TV is *Peter Pan* in the new musical version starring Mary Martin, scheduled to end Broadway run Feb. 26. NBC is negotiating to color-cast the production on its *Producers' Showcase* spectacular March 7 . . . "Indie telefilm producers have had a field day this season in placing their properties on the networks," notes Jan. 19 *Variety*—"a far cry from the situation a year ago when every producer, agent and agency was raising the cry of monopoly and 'restraint of trade' re the networks' propensity to clear time for their own shows alone." *Variety* reports total of 19 new independently produced and owned TV film series on 3 major networks this season,

Battle against subscription TV by theatre owners waxed hotter this week with adoption of 4-point program by Joint Committee on Toll TV, backed by allocation of \$150,000 to finance drive. Meeting this week at Sheraton Astor Hotel in N. Y., committee hired Harold Wolff & Assoc., N. Y., as public relations counsel "to combat the propaganda of the protagonists of toll TV," and announced it had hired legal counsel to represent it in FCC hearings, would get "expert engineering service" and would establish a Washington office if the matter becomes "a legislative issue." Its policy was announced in joint statement by Trueman Rembusch and Alfred Starr, co-chairmen of committee: "The public must be informed that toll TV is economically unsound, that it will deprive the public of free TV and that it will create a government-sponsored monopoly." Meanwhile, Zenith pres. E. F. McDonald wrote NARTB pres. Harold Fellows charging him with trying to align broadcasters with theatre owners in opposition to subscription TV, referring to Fellows' letter to FCC Jan. 4 urging Commission not to waive any rule-making procedures on subject (Vol. 11:2). At week's end, FCC still had not acted on subject.

The competitive attitude: RCA's Gen. Sarnoff and NBC decline invitation to participate in Ed Sullivan's CBS-TV *Toast of the Town* Jan. 30 when it features "Cavalcade of Radio, 1920-1955." Reasons: (1) NBC artist contracts prohibit appearances on other networks. (2) RCA-NBC don't want to help high-rated *Toast of the Town* opposite own high-rated Colgate periods. (3) With Dept. of Justice, Senate Committees, FCC, et al, constantly looking down their throats to detect "monopoly," they can prove again (as if proof were needed!) that competition really does exist in the business.

compared with only 7 during 1953-54 season. One reason is said to be this year's hefty swing toward film and the fact that it would be impossible for any network to produce all its own filmed shows . . . Fu Manchu returns in \$4,000,000 across-the-board TV-radio-movie deal by Republic Pictures, which plans to produce 78 half-hour shows featuring the Sax Rohmer character, as well as 3 full-length movies and half-hour radio series . . . New "Million-Dollar Movie" negotiations reportedly being carried on by General Tele-radio with Arthur Lyons for group of 15 "A" pictures, including foreign-made Ingrid Bergman and Buster Keaton starrers never shown in U. S. theatres, as well as such classics as *The Bowery* (Wallace Beery), *Disraeli & House of Rothschild* (George Arliss), *Call of the Wild* (Clark Gable) . . . N. Y. State Bankers convention in New York Jan. 24 will view TV program as part of panel session on public relations; it's WATV's *Coffee Club*, which will feature discussion on "housewives and banks," to be picked up off-air and shown on projection screen at Commodore Hotel.

"WVEC-TV Breaks into Black as Many UHF Stations Fold," headlines front-page story in Jan. 19 *Wall Street Journal* detailing "success story" of Thomas P. Chisman's Norfolk-Hampton Ch. 15 outlet. As quoted in story, Chisman gives credit to cooperation with trade in pushing low-cost promoters, personal visits to Madison Ave. to sell clients, and free merchandising services to sponsors. He's quoted as estimating that about 53% of area's 200,000-plus sets can now receive uhf, and *Journal* tells this financial story: "In Sept., only 6 national advertisers used WVEC-TV, spending a total of \$1900. Then in Oct. the picture changed. The number of national advertisers using the station jumped to 10; in Nov., 16 spent \$9000 plugging their wares and in Dec. the number of national clients had risen to 18. In Nov. & Dec. the station operated in the black for the first time. For the first 9 months of 1954, it lost \$83,698."

"JWT-TV" could be mythical call letters of J. Walter Thompson's closed-circuit Ch. 3 in N. Y.—only station that shows nothing but commercials. Demonstrated to press this week, method is JWT's way of pre-testing commercials for benefit of clients and agency men seated in auditorium 2 blocks away from its headquarters at 420 Lexington Ave., N. Y., where the "trial" commercials originate. It's designed to substitute a comparatively inexpensive live test for expensive completed film.

John Laux is selling WJLL, Niagara Falls (1-kw, 1440 kc) for \$85,000, according to application filed this week. New owners are motel-hotel operator James T. Sandonato, holding 75%, and WJLL sales mgr. Thomas W. Talbot, 25%. Laux is v.p. and has minority interest in Great Lakes Television Inc., applicant for Ch. 7, Buffalo; owns 10% of WSTV-TV, Steubenville, O. (sale pends to CBS); has interest in radio stations WPIT, Pittsburgh, WFPG, Atlantic City & WBMS, Boston.

Republican members of House Interstate & Foreign Commerce Committee (all re-appointees), named this week: Wolverton (N. J.), Hinshaw (Cal.), O'Hara (Minn.), Hale (Me.), Dolliver (Ia.), Heselton (Mass.), Bennett (Mich.), Hoffman (Ill.), Beamer (Ind.), Springer (Ill.), Bush (Pa.), Schenck (O.), Carrigg (Pa.), Derouian (N. Y.). Democrats named their 17 members last week (Vol. 11:3).

Proposal to ban Communists as holders of commercial or amateur radio operator licenses is scheduled for oral argument March 7 by FCC. Any member of organization on Attorney General's subversive list of 1950 would be ineligible, as well as any person convicted of a felony. Requests to participate in hearing will be received at FCC up to Feb. 21.

Network Accounts: Advertising expenditures on TV (time, talent, production, etc.) will gross \$1.3 billion this year (compared to estimated \$900,000,000 in 1954 and \$600,000,000 in 1953), according to NBC exec. v.p. Robert W. Sarnoff, addressing Allentown-Bethlehem Sales Executives Club Jan. 17. He thus reiterated his forecast of last Aug. (Vol. 10:34), when he predicted TV would get \$1.3 billion in 1955 (14% of \$9.2 billion total U. S. ad budget); \$1.9 billion in 1956 (20% of \$9.7 billion). Sarnoff cited experience of Dow Chemical Co. to illustrate impact of TV advertising. When Dow started advertising Saran Wrap (plastic wrapping paper) on NBC-TV in Nov. 1953, sales were about 120,000 rolls a month; by Jan. 1954, they went up to 600,000 rolls and by last Oct. were 3,800,000 . . . Bristol-Myers to sponsor *Stage 7* on CBS-TV starting Jan. 30, Sun. 9:30-10 p.m., thru Young & Rubicam . . . Brillo to sponsor *Star Tonight* on ABC-TV starting Feb. 3, Thu. 9-9:30 p.m., thru J. Walter Thompson . . . General Foods to use special telecast of Ringling Bros. and Barnum & Bailey circus performance on NBC-TV March 29, Tue. 8-9 p.m., to introduce a new product—Apple Jell-O, which is going national after extensive midwest tests; agencies are Benton & Bowles and Young & Rubicam . . . Noxzema & Helene Curtis to be joint sponsors of *Professional Father* on CBS-TV, Sat. 10-10:30 p.m., thru Sullivan, Stauffer, Colwell & Bayles and Earl Ludgin Inc., Chicago . . . Nash to sponsor *Disneyland* in all Canadian markets starting Feb. 12, thru McKim Adv., Montreal . . . Falstaff Beer's sponsorship of major league baseball game-of-the-week on CBS-TV (Vol. 11:3) starts April 2, Sat. 1:55 p.m., thru Dancer-Fitzgerald-Sample.

Prediction of things to come? Richard Pinkham, NBC v.p. in charge of participating programs, told Harvard Business School Alumni Assn. that success of *Today*, *Home & Tonight* will permit greater experimentation with programs to break down the "straitjacket" of strictly 30-min. or hour TV shows. This was his glimpse of future: "For example, perhaps 5 years from now, NBC would have a program schedule which is not predictable on a week-to-week basis but each evening would be assigned to a different top producer. Every Monday night might be Leland Hayward night, Tuesday Max Liebman night, Thursday Josh Logan night. Given a really free hand, free of client, free of clock, some pretty wonderful things might appear. One night it might be Milton Berle for 9 minutes, followed by the Sadlers Wells for 1¼ hours and then a prizefight. The next night might be 2 solid hours of a bullfight in color direct from Madrid, followed by a visit to the Modern Museum of Art."

Predicted CBS affiliations for Meredith stations (Vol. 1:2) were confirmed this week, with disclosure that KCMO-TV, Kansas City (Ch. 5) will replace KMBC-TV (Ch. 9) on basic network next Sept. 27 and that WOW-TV, Omaha (Ch. 6) replaces KMTV (Ch. 3) in mid-1956. In Kansas City, KCMO-TV leaves ABC, in Omaha WOW-TV leaves NBC. Meredith's WHEN-TV, Syracuse (Ch. 8) is already on CBS-TV, but its KPHO-TV, Phoenix (Ch. 5) recently lost CBS affiliation to Gene Autry's KOOL-TV (Ch. 10) & KPHO-TV will operate as independent in that 4-station market. In radio, Meredith's KCMO switches from ABC to CBS next Dec. 1; WHEN from ABC to CBS April 1, 1956; WOW from NBC to CBS next June 1. Note: Official CBS release states that both KCMO-TV & WOW-TV become CBS secondary affiliates as of Jan. 24.

Educational TV bill, introduced in California Assembly Jan. 14, would permit educational institutions to purchase time on TV stations, spend money for TV programs, use TV facilities and accept gifts of money to buy TV facilities—but would not authorize use of state funds to secure or operate TV stations.

Station Accounts: Jax Beer buys Ziv's upcoming *Eddie Cantor Comedy Theatre* in 18 southern markets, thru Fitzgerald Adv., New Orleans; to be released Jan. 23, film is now sold in 180 markets in U. S. & Canada, where Coca-Cola is sole sponsor, thru D'Arcy . . . Dow Chemical and Shwayder Bros. to share cost and time of 2-min. commercial on *Mr. District Attorney* to promote Shwayder's Samsonite Ultralite luggage, made of Dow magnesium, thru Grey Adv. . . S. A. Schonbrunn & Co. (Medaglio d'Oro coffee) first sponsor signed on new 2½ hours daily Italian program schedule on WATV, Newark; first comes 90-min. first-run film, which opens day at 9:30 a.m., followed by Italian variety shows, Mon.-thru-Sat., with live dramatic show Sun. 9:30-12 noon . . . Icelandic Airways and Grolier Society (Book of Knowledge) sponsor *Mr. Executive*, new filmed series explaining American business & its executives, on WRCA-TV, N. Y. starting Jan. 22, Sat. 1:30-2 p.m., thru Doyle Dane Bernbach, N. Y. . . Harris Upham & Co., brokers, sponsoring Fulton Lewis Jr.'s new *Exclusive*, filmed interviews being offered by General Tele-radio, on WOR-TV, Sat. 7:15-7:30 p.m., with repeat Sun. same time . . . Retitled *Strange Adventure*, the high-rated Procter & Gamble *Fireside Theatre* series is now being distributed as re-runs by United Producers-Distributors for local sponsorship by any products except soaps, detergents, cooking fats . . . G. N. Coughlan Co., W. Orange, N. J., introducing Cops, its new sponge copper pot cleaner, with TV-radio spot campaign in 30 major markets in spring, thru Riedl & Freede, Paterson, N. J. . . Congress of Motor Hotels, motel & resort association, plans TV in campaign handled by Caples Co., Los Angeles . . . Commonwealth Edison buys Chicago TV spots, along with other media, in Jan. campaign to promote better wired homes, thru Leo Burnett Co. . . Among other advertisers currently reported using or preparing to use TV: W. F. Young Inc., Springfield, Mass. (Absorbine liniment), thru J. Walter Thompson Co., N. Y.; McIlhenny Co., Avery Island, La. (Tabasco sauce), thru Scheideler, Beck & Werner, N. Y.; Happiness Tours, Chicago (all-expense tours), thru Weiss & Geller, Chicago; Roger & Gallett, N. Y. (toilet articles & soap), thru Dowd, Redfield & Johnstone, N. Y.; Wate-On Co., Chicago (Wate-On for gaining weight), thru O'Neil, Larson & McMahon, Chicago; Manchester Hosiery Mills, Manchester, N. H. (Ironwear & Lady Hampshire hosiery), thru Bahn Adv., Boston; Sweet-Orr & Co., N. Y. (work clothes), thru Peck Adv., N. Y.; Dr. Pepper Co., Dallas (soft drink), thru Grant Adv., Dallas.

AAAA's *Recommended Practices for Advertising Agency People in Their Relations with Broadcasters*, drafted by committee on broadcast media and released as 4-page pamphlet this week, makes these major points: (1) Broadcasters should be encouraged to publish any special rates that may be quoted, as soon as they are made available to any client. (2) Agencies should not seek free merchandising services in excess of what is generally regarded by broadcasters as "proper." (3) Broadcaster has sole decision on whether publicity items should be broadcast, and agencies should not attempt to influence him by pressure tactics or by trying to use "clearly commercial" publicity as free "public service" program material. (4) Commercials should observe spirit and letter of AAAA & NARTB codes in avoiding excessive length, repetition and any inference of bad taste. Pamphlet is being distributed by AAAA & NARTB; copies available from them.

Rate increases: WNAC-TV, Boston, adds new Class AA (7:30-10:30 Mon.-Fri. & 6-11 p.m., Sat.-Sun.) at \$2000 an hour, \$420 min.; KCOP, Los Angeles, raises base hour from \$900 to \$1250, min. \$215 to \$250; KALB-TV, Alexandria, La., from \$200 to \$250 & \$40 to \$50; WRDW-TV, Augusta, Ga., from \$200 to \$250 & \$40 to \$50.

WLEX-TV, LEXINGTON, Ky. (Ch. 18) is first uhf to start this year, putting on test patterns Jan. 18 and planning to start with NBC and other network shows next month. It's in heart of famed bluegrass country, 70 mi. east of Louisville, 73 mi. south of Cincinnati. It uses 1-kw Continental transmitter, purchased through GPL, with 600-ft. Stainless tower and RCA antenna. Majority owners are H. Guthrie Bell & J. D. Gay, with Earl L. Boyles as gen. mgr.; James Pennock, sales mgr.; James Robertson, chief engineer. Base rate is \$150. Rep is Forjoe.

Kentucky station is 426th on air in U. S., of which 118 are uhf. This week, too, CKX-TV, Brandon, Manitoba (Ch. 8), located about 125-mi. west of Winnipeg, began test patterns with 5-kw GE transmitter, 304-ft. Stainless tower, 4-bay antenna. It's Canada's 25th station, 18th privately owned. John B. Craig is pres. & gen. mgr.; Archie Olson, sales mgr.; Douglas Lee, program director; E. H. Davies, chief engineer. Base rate is \$150. Reps are Weed & All-Canada.

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Only shipments reported this week were RCA 25-kw amplifier to KPTV, Portland, Ore. (Ch. 27), and 2-kw transmitter to upcoming KTVF, Fairbanks, Alaska (Ch. 11), which has Feb. target.

Reports on new-station construction are down to a trickle, and our continuing survey of upcoming stations brought only these from U. S. & Canadian principals this week:

WBRZ, Baton Rouge, La. (Ch. 2) began construction of 750-ft. Emsco tower this week, having just received 12-bay RCA antenna. But there's no more definite on-air target yet than "spring of 1955," according to gen. mgr. Roy Dabadie. RCA 10-kw transmitter has been partially wired, along with projection equipment and consoles. City's other outlet, WAFB-TV (Ch. 28) began in April, 1953. WBRZ is owned by Manship family, publisher of *Baton Rouge Advocate* and *Star Times*. It's already selling local time, has signed as NBC-ABC affiliate. Base rate will be \$250. Rep will be Hollingbery.

WEDB, Birmingham (Ch. 10, educational) which had hoped to start this month, now doesn't expect work to begin on transmitter for another month, according to consultant Thad Holt. It will rent old WBRC-TV facilities from Storer for \$1 a year, including use of transmitter house, loan of 5-kw RCA transmitter and 150-ft. tower with 6-bay antenna. Alabama Educational Television Commission already is operating WEDM, Munford (Ch. 7). Both outlets will share Birmingham studios, with WEDB duplicating "about 50% or more" of Munford programs.

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CKBB-TV, Barrie, Ont. (Ch. 3) plans start by Aug. 31, reports owner Ralph T. Snelgrove. It now has license, from Dominion Transport Dept., after being delayed by *Toronto Telegram's* protest (Vol. 10:44) to CBC's recommendation for TV last Sept. Make of equipment and rep not reported.

Application for new Ch. 12 station in Jonquiere, Que. has been filed by Radio Saguenay Limitee (Henry Lepage, pres.), operator of radio CKRS there. It's asking permission to operate with 20-kw visual, 11-kw aural, with antenna 312-ft. above av. terrain. Jonquiere is about 20-mi. W of Chicoutimi at headwaters of Saguenay River. CBC Board of Governors has it on agenda for Feb. 17 meeting.

Power increases: All 5 of ABC's owned-&-operated TV stations are scheduled to go to full 316-kw power Jan. 25. All on Ch. 7, they are WABC-TV, New York; WBKB, Chicago; KABC-TV, Los Angeles; KGO-TV, San Francisco; WXYZ-TV, Detroit. KUTV, Salt Lake City (Ch. 2) Jan. 20 switched to 25-kw transmitter. WSAZ-TV, Huntington, W. Va. (Ch. 3) Jan. 21 began telecasting from new antenna 1253-ft. above average terrain.

DETERMINED TO BAR any future high towers, despite rebuff last week by top-drawer Air Coordinating Committee (Vol. 11:3), military members of Airspace Subcommittee served notice this week they intend to block each high tower application individually as it comes up for approval.

The subcommittee, composed of govt. aviation authorities—civilian and military—is charged with screening all tower applications and informing FCC whether they involve hazard to flying. Late last year its military members pushed through a new policy proposal classifying virtually all towers over 1000-ft. high as "hazards." This proposal was rejected last week by ACC, which ordered industry-govt. committee to study TV-aviation airspace problems—and, in the meantime told airspace subcommittee to continue acting on individual tower proposals on case-to-case basis as it has done in the past.

In a split decision this week, Washington Airspace Subcommittee rejected 1610-ft. tower proposed by KSWs-TV, Roswell, N. M.—even though it had previously been cleared by regional airspace subcommittee in Los Angeles. Military members of Washington subcommittee—Army, Navy & Air Force—opposed tower on grounds it would be "physical and mental hazard to civil and military aircraft." Representatives of CAA & CAB, however, voted to approve the tower.

Military representatives' tactics of opposing towers just because they are high could block all future over-1000 ft. towers, unless each individual case is appealed to FCC for hearing—in which case military representatives would have to attend hearing and state reasons for their objections. If military continues to follow this policy, test case is expected to go to FCC for hearing.

Meanwhile, Rep. Hinshaw (R-Cal.) this week introduced bill (H.J. Res. 139) to "limit the height of radio & TV antenna towers." In speech on floor, Hinshaw made it clear he considers most towers over 1000 ft. to be hazardous. Bill itself provides that FCC "shall not grant a license for the construction of a radio or a TV station using an antenna tower extending over 1000-ft. above ground, and shall not renew the license for such a station, unless the Commission makes a special finding, after due consideration of the views and recommendations of the Dept. of Defense, the CAA, the ACC and any other interested party, that such tower, due to being shielded by existing obstructions, or for other reasons, is not a hazard to air navigation."

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Congratulating industry for progress in implementing international allocations established at Atlantic City conference in 1947, FCC Comr. Webster, in speech before Armed Forces Communications Assn. in New York Jan. 20, urged continued improvement in equipment design and stressed need for educating users to make most efficient use of facilities. "When I was here 5 years ago," he said, "the probability of full implementation of the Atlantic City allocation table appeared almost hopeless. The significant aspect of the progress achieved is the fact that it was accomplished at international level."

Bartlett T. Miller has been named v.p. in charge of AT&T's new merchandising dept., Sanford B. Cousins succeeding him as public relations v.p. Before joining AT&T, Miller was v.p.-gen. mgr. of New England Telephone & Telegraph; Cousins comes from Omaha, where he was pres. of Northwestern Bell.

National Closed Circuit System Inc. is new group headed by Allan D. R. Stern, ex-DuMont operations dept., which will act in sales service capacity for DuMont closed circuit facilities. Morris Mayers is gen. mgr. of DuMont closed circuit operations.

Color Trends & Briefs: The old compatible vs. incompatible color battle moved into a new arena this week—closed-circuit (industrial, medical, military, etc.). Site was Armed Forces Institute of Pathology in Washington, and pitch was between RCA on one hand, CBS & GE on the other.

RCA conducted 3-city demonstration of a biopsy. At U of Pennsylvania hospital, one camera televised (live) removal of breast tumor, while another was focused on microscope showing specimen from the tumor. Doctors at WBAL-TV studios in Baltimore and at AFIP in Washington were asked to comment on cells seen on 21-in. screens. They agreed cells were clearly cancerous. RCA also televised demonstration of preparation of heart models, etc. from Baltimore, plus a color film showing dissection of an elephant.

CBS portion was microwaved from nearby Naval Medical Center in Bethesda, Md., showed variety of microscopic slides, examination of diseased organs, live micro-organisms. These were seen at AFIP on 4½x6-ft. projection screen, 19-in. tri-color tube and a 12-in. disc-type set—all signals being field-sequential. Projection unit had 7-in. tube, 22-in. Schmidt optical mirror, 36-in. rotating disc.

After demonstrations, pathologists were asked to comment on value of what they had seen. They seemed to agree it was a good start; that system was tremendously useful for certain kinds of instruction and examination; that there may be great future in observing live organisms under low light levels and with polarized light. They shied away, however, from attempting final diagnosis of difficult situations via TV; they all wanted to put slides under their own microscopes, examine them under their own procedures, under known conditions.

Dr. Alfred N. Goldsmith, RCA consultant, urged standardization on compatible system, stating that medical profession stands to benefit quickly from industry's efforts to improve equipment for station and home use; that kine and magnetic recordings are being developed for compatible system, that network facilities are adapted for compatible system, etc.

In opposition, GE's gen mgr. of commercial equipment dept., Wm. J. Morlock, urged that field-sequential equipment is cheaper to buy and maintain, simpler to operate. He pointed to smaller camera, simple one-tube large screen projector, less complex associated electronic equipment.

CBS v.p. Dr. Peter C. Goldmark said CBS is going into manufacture of closed-circuit color equipment, in

addition to having licensed GE to make it, and will shortly offer color camera chain at "under \$20,000."

RCA engineering products v.p. Theodore Smith, countered the price-size arguments of CBS and GE by disclosing that RCA would shortly offer a 3-vidicon color camera for closed-circuit use.

A national conference in Chicago Feb. 5 has been scheduled, meanwhile, designed to keep physicians informed of TV's medical uses. Top medical and TV figures will participate.

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Improved monochrome signal from color picture is advantage claimed by GE for its colorcasting equipment, disclosed for first time this week. As explained by GE design engineer Pierre H. Boucheron to joint SMPTE-IRE meeting in Chicago, new method permits studio pickup of separate black-&-white image, to which color picture is then added. He explained that sharper picture under new GE method is accomplished "by forming the luminance, or black-&-white picture, directly from a sequential color camera before registration problems are met. The black-&-white picture is then fed, unchanged, through a conversion device at the station. At the same time, the color signals which were also picked up by the sequential camera, are encoded for the simultaneous color signal as required by FCC. The two independent signals—one black-&-white, the other color—are mixed and transmitted as one signal."

Latest aiming for strong identification with color is Raytheon, whose TV-radio v.p. Henry F. Argento this week told distributors meeting in Boston that Raytheon plans to build 25-30,000 of the 300,000 color sets he estimates will be produced this year. Raytheon has 19-in. sets selling for \$995 & \$1095, but Argento said he visualizes no cut in price soon, predicated on drop in tube price (Vol. 11:3), because price cut was anticipated. He said he expects it will be about 3 years before color sets drop to \$500 range. Demand for transistor radios (Vol. 11:2) has been greater than expected, Argento said, adding that production schedules have been increased.

Unusual comparative demonstration of color TV and color film has been scheduled by western New York subsection of SMPTE for Jan. 26, at studios of WHAM-TV, Rochester. Eastman-sponsored *Norby* will be picked off-air and displayed on color and black-&-white receivers simultaneously with directly-projected 16mm color film in studios. Engineers will have direct phone line to NBC-TV, New York, so they can synchronize film projection with telecast.

PATENT-FILING proposal issued by FCC, to cover rule-making proceedings (Vol. 10:50), was generally opposed by the 7 parties filing comments last week and this—AT&T, Collins, Raytheon, Skiatron, Stromberg-Carlson, Sylvania, Central Committee on Radio Facilities of the American Petroleum Institute.

Most felt that FCC's aims and language weren't clear; that it was seeking material it didn't need or couldn't use; that Commission should ask for specific patent data only when it's obvious that information has bearing on subject.

AT&T said FCC's proposal could be an "unreasonable burden," requiring submission of voluminous data which would be useless in most rule-making proceedings—such as those affecting types of emission, spurious radiation, allocations, bandwidths & separations, ERP, height & location of towers, etc. It suggested that FCC staff make engineering analysis of specific problems then determine whether patent data is needed.

Petroleum group said it believes underlying aim of FCC is good but it wants until Feb. 18 to study proposal further. Collins felt that patent data would be "entirely

irrelevant" in most cases; that patent questions should be initiated by FCC or interested parties only when they are obviously significant.

Stromberg-Carlson stated that patent situation is important only in very few cases and said that rule-making should be decided on merits rather than on patents. Raytheon termed FCC's language "extremely general," suggested that proposal be re-drafted "with elaboration supplied regarding precisely the information to be filed."

Sylvania felt that if FCC wants detailed information on patents, its proposal is "too vague, indefinite, ambiguous, unduly burdensome, ill-advised, impractical and unnecessary." It said that FCC is seeking "to achieve by indirection that which the Commission has no authority to do directly"; that proposal is "unreasonable and unlawful invasion of a person's privacy"; that it may conflict with Invention Secrecy Act of 1951 (HR 4687). Last week, Skiatron suggested that patent information should be sought at time of actual rule-making hearing rather than when petition for rule-making is filed—to avoid collection of "stale and useless" information.

FCC WARNS IMPORTERS ON SET RADIATION: FCC moved in on imported receivers this week, to make sure they meet same standards on spurious radiation that domestic sets do. Commission hasn't yet finalized radiation rules (Vol. 11:3), but it wants to be certain that foreign-made sets don't undo progress laboriously achieved over the years by U.S. manufacturers. At the moment, principal targets are FM & AM sets, because imports of TV receivers are insignificant (Vol. 11:1).

The way Commission went about it was to address letter to the importers of foreign-built radio and TV receivers, calling their attention to pendency of rule-making on spurious radiation, noting:

"It has come to the attention of the Commission that foreign-made receivers imported into this country may be in violation of standards which may be adopted by the Commission and that, in such event, steps toward the enforcement of the Commission's Rules may be necessary."

When FCC does finalize its rules, it won't be able to force foreign manufacturers to go through certification procedures, nor will it be able to move directly against importers. However, it's believed that public can be made to shy away from sets not certified to meet U.S. radiation standards.

Trouble with foreign sets was called to FCC's attention by RETMA, which has achieved improvement in U.S. sets only through long and strenuous effort. It is presumed that if foreign manufacturers want to continue sales in U.S. they'll move to bring sets into line. Though this will probably make sets most costly, RETMA feels it would not eliminate need for greater tariff protection for U.S. manufacturers -- principally because components makers, not set makers, are hardest hit by imports of foreign-made goods. It's expected RETMA will continue efforts to get current 12½% tariff restored to 35% (Vol. 11:1).

FCC's letter will be directed, presumably, to following companies which are known or believed to be importers of radios or related electronic items: American Elite Inc., N.Y. (Telefunken radios); D.R. Bittan Co., N.Y. (electronic equipment); British Industries, N.Y. (high-fidelity equipment); Leru Laboratories Inc., Paterson, N.J. (Siemens radios); International Standard Trading Corp. (IT&T subsidiary, products unknown); North American Philips Inc., N.Y. (Philips radios); N. Pickens Import Co., N.Y. (Blaupunkt radios); Remco International, N.Y. (Tonefunk radios); Wilcox-Gay Corp. (Metz and Grundig radios).

TRADE WARNED INVENTORY DANGER NOT OVER: Those high TV inventories in December, which prompted authoritative warnings that there's danger ahead if production continued to outstrip public demand (Vol. 10:49-50), have come down slightly since then -- but not enough for one of our leading authorities to modify his note of caution.

Inventories are currently estimated at 2,000,000 at all levels, down between 100,000 & 200,000 from Dec. 1. Though encouraging, the reduction wasn't as great as it normally is in Dec. -- consequently, inventories must come down even further in first quarter of this year to put industry out of danger. Traditionally, however, inventories have gone up in the first quarter to prepare for sales push later.

TV production is still too high, says our informant, one of the industry's top trade experts -- though it dipped to 166,522 in week ended Jan. 14, compared to 190,896 in first week of year. Ideal weekly rate this time of year is regarded as 130,000. For first quarter, it's reckoned, production of about 1,650,000 would be just right, permitting inventories to be worked off gradually. It would also be more in keeping with retail sales pattern, which usually sees 26% of TV sales in the first quarter of year, 17% in second, 22% in third, 35% in fourth.

"Seasonal patterns seem to be forgotten in the industry," we're told. "We should know by now that we can't support that high production rate in the spring and

summer. A lot of manufacturers wail about price-cutting, dumping, and so forth, but they seem to do nothing to avoid those evils. One thing they can do right now is to cut down on production to work off those inventories. But you know what the problem is -- it's always the other guy who's at fault."

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Statement this week by Sylvania chairman Don G. Mitchell reaffirms our theme that industry's No. 1 task this year is to tap the second-set & replacement markets (Vol. 11:1-2). Pointing out that only 16,400,000 homes in U.S. are currently without TV, as contrasted to 23,000,000 at start of 1954, he remarked:

"Virtually untapped is the field of the second-set home. It is in this area where we may start to make big gains, if we use the right approach, by selling sets for the den, the children's bedroom, the upstairs sewing room. It seems to me that 1955 is the time to begin creating such a new market to offset the fast-dwindling ranks of first-time buyers."

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Radio production totaled 267,544 (153,822 auto) week ended Jan. 14, compared to 278,371 in first week of 1955.

Trade Personals: Wm. H. Oelkers, general purchasing agent of Philco since 1952, appointed v.p. in charge of purchasing . . . J. F. O'Brien named manager of theatre & industrial marketing department, RCA engineering products division . . . Louis G. Pacent Jr., manufacturing v.p. of Emerson subsidiary Quiet Heat Mfg. Corp. (air conditioners), appointed works mgr. of parent company, replacing Edward J. Kelly, resigned . . . Inwood Smith, ex-sales v.p. of RCA Estate Appliance Corp., named sales mgr. of GE Appliances Co., Louisville, distributing subsidiary for GE major appliances; he succeeds Jack H. O'Toole, resigned . . . T. Stanton Fremont, Admiral appliance sales mgr., gets new post of appliance merchandise mgr. . . . Harry H. Martin promoted to mgr. of Sylvania TV receiver plant in Batavia, N. Y., replacing Ned Marandino, resigned . . . George McCumber, from Ottawa, O. plant, named supervisor of product engineering at Sylvania's CR tube plant in Hatboro, Pa., recently purchased from National Union (Vol. 10:45, 48) . . . Dr. A. Melvin Skellett, ex-National Union Electric & Bell Labs and holder of more than 70 electronics patents, named director of Tung-Sol color tube planning & development . . . Harry B. Price Jr., Norfolk, NARDA pres., elected a trustee of National Foundation for Consumer Credit, headed by Philco exec. v.p. John M. Otter . . . Joseph Mann promoted to administrative services mgr., DuMont receiver sales div. . . . Milton Binstock appointed v.p.-sales director, Frank Ferdinand sales mgr., Sheldon Electric Co., Irvington, N. J. (tubes) . . . Wm. C. Bainbridge promoted to director of automation, Aerovox Corp. . . . Harold M. Zimmermann promoted to CBS-Columbia purchasing director, reporting to Will James, operations director . . . Harold Desfor, RCA Victor publicity director, Camden, resigns to join public relations dept. of Food Fair Stores Inc., Philadelphia . . . Robert K. Hunsicker, ex-Wickes Engineering & Construction Co., named mgr. of General Precision Labs' new west coast sales office at 21 N. Santa Anita Ave., Pasadena; Thurston LeVay, ex-Hazeltine, named director of military programs at new office . . . N. B. Muir promoted to gen. sales mgr., Northern Electric Co. Ltd., Montreal . . . Lawrence T. LaPatka promoted to mgr. of Burroughs Corp. electronic instruments div., Philadelphia . . . Jack Rife named east central district mgr., Morris F. Taylor Co., 9431 Georgia Ave., Silver Spring, Md. (high-fidelity components) . . . Robert E. Cheshire resigns as Hoffman Electronics southwestern regional mgr. . . . Richard F. Gorman, ex-Foote, Cone & Belding, named Admiral asst. sales promotion mgr. . . . Harold L. Blom, with GE since 1925, appointed mgr. of marketing administration for communica-

tions equipment under marketing mgr. Lacy W. Goostree . . . Wm. J. McCluney, ex-Moore Bros. Distributors Co. & J. A. Walsh Co., Houston, named district merchandiser there for Stromberg-Carlson TV-radio div. . . . Leonard A. Rooney, ex-Raytheon, joins Sylvania on special assignment covering satellites and new products . . . Mrs. Charlotte S. De Armond, ex-Pacific Airmotive Corp., named Hoffman Electronics public relations director.

RCA Victor's annual awards of merit for distinguished service to the company were presented to 20 officers and employes at banquet Jan. 22 in Philadelphia's Barclay Hotel. Gold watches were presented by W. Walter Watts, exec. v.p. for electronic products. Winners: Robert A. Seidel, exec. v.p. for consumer products; Emanuel Sacks, v.p.-gen. mgr. of record div.; Wm. L. Jones, v.p., technical products service, RCA Service Co.; Sidney E. Baker, mgr. of consumer products service in western area, Service Co.; James P. Bannon, field sales engineer, TV div.; E. Gerald Bowman, administrator of plant community relations; Louis A. Connelly, mgr. of govt. dept., engineering products div.; Harry J. Cravens, electronic equipment specialist, Service Co.; Arthur N. Curtiss, mgr. of Los Angeles engineering products plant; Alfred E. Hindle, custom record sales mgr. of Chicago region; Leo F. Holleran, gen. marketing mgr., tube div.; Andrew L. McClay, gen. plant mgr., record div.; Alan B. Mills, merchandise mgr., TV div.; Maxmilian J. Obert, mgr. of transformer development group, parts engineering; John F. O'Brien, mgr. of theatre & industrial marketing; George H. Ritter, mgr. of Indianapolis tube plant; Harry R. Seelen, mgr. of color kinescope operations, tube div.; Joseph Toyzer, mgr. of manufacturing engineering at Indianapolis plant; Nelson J. Van de Lester, operations mgr., RCA Victor Distributing Corp., Chicago.

Brig. Gen. Peter C. Sandretto (USAF) and A. G. Clavier have been named asst. vice presidents of Federal Telecommunications Labs (IT&T)—former as general coordinator for military research & development projects, latter as general coordinator for company-sponsored research & development activities. Both were previously technical directors.

West Coast Electronics Manufacturers Assn. has elected Varian Associates gen. mgr. H. Myrl Stearns president for 1955, succeeding E. P. Gertsch, Gertsch Products Inc. Other new officers: Gramer Yarbrough, American Microphone Co., v.p.; D. C. Duncan, Helipot Corp., secy.; Calvin Townsend, Jennings Radio Mfg. Corp., treas.

Topics & Trends of TV Trade: RETMA's talking points in its plea to Congress to halve the 10% excise tax on black-&-white receivers (and radios & phonographs), and eliminate it altogether on color TV sets, boil down to these main considerations: (1) TV-radio-phonograph industries were victims of discrimination last spring when Congress gave them no relief in voting to halve excise taxes on refrigerators, freezers & other appliances (Vol. 10:14), despite fact that their products are sold in open competition with white goods. (2) Price of \$1000 color set can be reduced by \$100, and color TV development stimulated, by elimination of tax—in keeping with traditional policy of withholding excise on new industries and products.

RETMA officials generally feel they have a better than 50-50 chance of winning at least part of their tax objectives, though they naturally hesitate to go on record with their sentiments.

RETMA's arguments, threshed out at first meeting of its new tax advisory committee in Washington Jan. 18, will be brought before House Ways & Means Committee as soon as bill incorporating RETMA's goals is introduced. RETMA is currently drafting such a measure, which probably will be discussed at next meeting of tax committee in mid-Feb. Following meeting this week, RETMA sent letter to Rep. Cooper (D-Tenn.), chairman of House Ways & Means Committee, asking chance to explain its excise tax reforms as part of any overall tax bill which committee may consider.

Principal spokesman for RETMA's monochrome proposals before Congress probably will be Magnavox's Gerard M. Ungaro, chairman of tax advisory group. The color spokesman has not been determined.

* * * *

TV shipments to dealers totaled 6,147,135 in first 11 months of 1954, when production was 6,513,292, according to RETMA state-by-state tables released this week (county-by-county tables available from RETMA to members on request). Total compared with shipments of 6,043,678, production of 6,765,000 in first 11 months of 1953. New York led in shipments, with 576,344; California second, 440,233; Pennsylvania third, 402,346. Nov. shipments were 774,379, compared to 903,160 in Oct. and 701,628 in Nov. 1953. [State-by-state, year-by-year tabulation of shipments to dealers, 1950 through first 10 months of 1954, plus cumulative totals, will be included in upcoming spring 1955 *TV Factbook*, due off presses this week.]

Capehart-Farnsworth currently has 80 distributors serving over 10,000 retailers, including 78 of largest dealers in country, regional distributors convention in St. Louis was told this week by E. W. Gaughan, v.p. & gen. sales mgr. Shown at convention were 4 new 21-in. TV models—a brown leatherette table at \$180; mahogany & bisque finish table, \$230 & \$250; mahogany & bisque finish table, \$290 & \$310; de luxe open-face mahogany & bisque console, \$340 & \$360. Gaughan also said production will start in June on 3 large-screen color sets, one of them a table model.

Raytheon introduced new line of 41 models at distributors convention in Boston, sets ranging from 17-in. ebony metal table model at \$140 to 21-in. open-face maple console at \$380. Sets have top controls and vertical chassis. Also introduced were 10 radios ranging from mahogany plastic table model at \$20 to leather transistorized portable at \$80. Latter was shown at recent Chicago furniture marts (Vol. 11:2).

Jan. 24 week network color schedules: NBC-TV—Jan. 26, *Norby*, 7-7:30 p.m.; Jan. 30, *Max Liebman Presents*, 7:30-9 p.m.

DISTRIBUTOR NOTES: Hoffman Electronics appoints Sievert Distributing Co. Inc., Milwaukee; Allied Electric Distributing Co., Pittsburgh; Curle Radio Supply, Chattanooga; East Tennessee Wholesalers, Knoxville; Kinde Distributing Co., Bay City, Mich. All except Allied Electric had been Stewart-Warner distributors, whose franchises Hoffman assumed when Stewart-Warner left TV-radio business in U.S. Dec. 30, 1954 (Vol. 10:52) . . . Admiral establishes factory branch at 5000 Baum Ave., Pittsburgh, replacing Keps Electric Co. . . CBS-Columbia establishes factory branch at 2201 Glenwood Ave., Philadelphia (Lester E. Steinman, mgr.), replacing Judson C. Burns, now out of TV-radio business . . . Specialties Distributing Co., Detroit (Leonard F. Turnbull, pres.) relinquishes DuMont franchise . . . Dahl-Conger Inc., Denver (Capehart-Farnsworth) names John Conger pres., replacing Lou Dahl, now with Larson Distributing Co., Denver (Crosley-Bendix); Dahl has sold interest in old firm . . . Maryland Wholesalers Inc., Baltimore (Admiral) names Wm. Oppenheim gen. mgr. . . Lynn Stewart Co., Chicago (Emerson) appoints Reuben R. Schoenberg exec. v.p., Eugene Abrams sales mgr. . . Cannon Distributing Co., Charlotte (Capehart-Farnsworth) appoints Lawrence L. Miller gen. mgr. . . George Spencer Inc., Minneapolis (Admiral) appoints Ray L. Deetz adv. & sales promotion mgr. . . Stuart F. Louchheim Co., Philadelphia (Zenith) promotes Herb Lieberman to adv. & sales promotion mgr. . . Macy's, N. Y., promotes Gerald Levy to TV-radio mgr., succeeding Herbert I. Wexler, now TV-radio merchandise administrator . . . Olympic of Connecticut moves to 210 Forbes Ave., New Haven.

DuMont's "Signature" series of 21-in. custom-cabinet consoles, to be marketed exclusively in N.Y.-N.J. area (Vol. 10:52), comprises: Metropole, cherry & cordovan mahogany \$500, amber mahogany \$525, blonde \$550, ebony \$575; Christina, cherry mahogany \$575, amber mahogany & blonde \$600, ebony \$625; Antoinette, glazed fruitwood \$650, antique white \$675; Normandie, glazed fruitwood \$1400, antique white \$1500.

IT&T's Capehart-Farnsworth Co., TV-radio manufacturing & distributing subsidiary, will be expanded, definitely will not be sold, said IT&T pres. Maj. Gen. Wm. H. Harrison at distributor meeting in N. Y., Jan. 21. Rumors that it was going out of TV-radio fields arose when IT&T recently sold subsidiary Coolerator Corp.

Philco creates factory service subsidiary, Philco Service Corp., for Chicago only, in setup similar to RCA's national organization. Philco spokesman said that new subsidiary was set up to meet special situation in Chicago, and that national service organization is not contemplated.

RCA Victor Ltd., Montreal, is now having first washing machine made to its specifications and for its brand name by Easy Washing Machine Co. Ltd.—leading to renewed speculation that parent U.S. company, which now markets Estate ranges, may soon enter that field, too.

Philco to sponsor *Phonorama Time*, disc jockey show with Johnny Desmond as m.c., on 565 Mutual radio stations starting Feb. 19, Sat. 11:30-11:55 p.m. in Eastern, Mountain & Pacific time zones, 10:30-10:55 p.m. in central zone.

Sparton introduced 7 new models at showing in New York's Copley Plaza Hotel, sets ranging from 21-in. mahogany table model at \$170 to 21-in. blonde "low-boy" combination at \$310.

Miami Beach's swank Bal Harbor Hotel, where many TV-radio executives stay, has installed 17-in. Admiral table receivers in each of its 147 rooms.

Zenith Radio shifts TV-radio receiver advertising from Young & Rubicam to Chicago office of BBDO.

Electronics Reports: Printed circuits, which make possible big savings in direct production labor, may be responsible for an even bigger economy in "indirect savings." So said engineering mgr. M. R. Johnson of GE light military electronic equipment dept. in paper delivered Jan. 20 at RETMA printed circuit symposium in Philadelphia. Drawing on his plant's experience in turning out thousands of printed wiring boards for airborne radar, he cited one case in which use of printed circuitry not only lowered manufacturing cost of end product, but cut drafting man-hours by one-third. In another equipment, use of a printed wiring design cut the number of drawings needed from 55 to 22, saving of almost 60%. Square footage of drawings was cut almost 50%, and the new design required but one special part compared with 9 for conventional wired chassis.

"There is less emphasis and need for detail draftsmen in printing wired designs," Johnson stated, "but there is a greater demand for individuals who can translate vividly and rapidly a schematic or elementary diagram into a circuit." He said standardization of components for printed wiring boards is "possibly the greatest single challenge to management of our electronics industry today."

* * * *

"South's first major TV-radio components plant" is being constructed by General Instrument Corp. at Statesboro, Ga. The \$1,500,000 facility, with 106,000-sq. ft. of floor space, is due for completion around June 1—6th GI plant. It will employ 400-500 within a year, with an eventual goal of about 1000. GI chairman Abraham Blumenkrantz called the new facility part of company's "expansion and dispersion for the future," pointing out that it is equally adaptable to military or civilian production. Plant's design and 33 acres of ground will permit its expansion without loss of production.

Sylvania establishes new electronic systems div. at Buffalo, its 9th operating division, with Henry Lehne, ex-director of Sylvania electronic defense lab, as gen. mgr. New division's present operations are concerned primarily with development and production of electronic systems and equipment for military, but will expand into commercial and industrial fields.

Aircraft Radio Corp., Boonton, N. J. (W. F. Cassidy Jr., pres.) this week acquired Orion Industries Inc., Richmond, Va., paying 10,000 shares of its common stock plus about \$83,000 cash. Orion makes aircraft course directors and related instruments.

Dr. Vincent Salmon, manager of Stanford Research Institute's sonic section, appointed editor of *Journal of the Audio Engineering Society*, succeeding Lewis S. Goodfriend, now editor of *Noise Control*, published by Acoustical Society of America.

New IT&T patent licensing agreement with RCA, effective for 5 years from Jan. 1 and covering IT&T's U. S. patents for commercial radio apparatus and tubes, was announced Jan. 19 by IT&T pres. Gen. Wm. H. Harrison.

Capt. W. H. Beltz, who before World War II headed RCA engineering products on west coast, has returned to duty as director of Naval Research Lab, Washington, after 4 months on sick list.

Vidaire Electronics Mfg. Corp., Lynbrook, N. Y. (TV accessories) reports that pres. George Miller has purchased all outstanding shares and that Joseph DeRosa is no longer with the company.

Douglas C. Lynch, exec. v.p., elected pres. of Brush Electronics, as W. Russell Burwell, vice chairman of parent Clevite Corp., devotes fulltime to that position.

Servomechanisms Inc. leasing 48,000-sq. ft. building at Los Angeles International Airport for \$500,000, replacing 5 smaller structures at El Segundo, Cal.

Financial & Trade Notes: If you want handy statistical references to just about every important TV-electronics manufacturer in the business, we commend the listings headed "Financial Data on Major TV-Electronics Manufacturers" published in our next semi-annual *TV Factbook No. 20*, due off the presses in a few days (432 pp., \$4). It details capitalization, debt, shares issued of 62 different companies, indicates whether and where they are listed for trading, tabulates sales, pre-tax earnings, net per share, dividends, total assets, price ranges for years 1950 through 1953, separately, and for first 3 quarters 1954. This department is compiled and edited for us by Edgar N. Greenebaum Jr., Chicago financial consultant in electronics.

* * * *

Aerovox Corp. has advised stockholders that it will pay no cash dividends for 2 years until Nov. 1 under plan approved by Prudential Life Insurance Co., which will waive loan repayments during that period. Program, pres. W. Myron Owen stated, is calculated to add in excess of \$1,500,000 of working capital, and directors have decided to pay a stock dividend, based on 1955 earning performance, toward end of this year. Company recently acquired Henry L. Crowley Co., W. Orange, N. J., maker of powdered iron cores, microwave components & ceramic-permanent magnet bodies, in exchange for 130,000 shares of common stock; included in acquisition were Crowley's current net assets of \$418,000 plus plant & equipment appraised in excess of \$2,000,000. Aerovox engineers have been perfecting a new revolutionary type of continuous duty A.C. electrolytic capacitor for power factor correction, Mr. Owen stated, and this could add \$10,000,000 to \$15,000,000 of annual sales volume.

Magnavox borrowed \$3,000,000 this week from New England Mutual Life Insurance Co. and Massachusetts Mutual Life Insurance Co. While company is well able to finance current volume of business, said pres. Frank Freimann, 12-year loan is intended to provide for expanding TV, radio & phonograph business. Govt. contracts, he reported, currently aggregate \$25,000,000 backlog, financed by a \$12,000,000 V-loan credit, of which \$6,500,000 is now being used. Only equity capital consists of about 759,000 shares of common stock, small issue of preferred having been retired last year. Jan. 21 *Wall Street Journal* states small stock dividend, perhaps 5%, may be authorized by Magnavox before end of current fiscal year, June 30—this in addition to continuation of \$1.50 dividend rate; firm paid 10% stock dividend in 1949 and 20% in 1946 & 1947. Last fiscal year's total sales were \$62,974,430 (Vol. 10:40); this year's may be somewhat lower but earnings are expected to be higher than the \$2.77 a share of fiscal 1954.

LaPointe Electronics Inc. sales were \$1,982,094 in fiscal year ended Oct. 31, reports pres. J. H. Stillbach, compared with \$3,719,688 for preceding year. Loss from operations were \$23,770 vs. loss of \$489,762 preceding year.

John Slezak, who resigned last week as Undersecretary of the Army to return to presidency of Turner Brass Works, Sycamore, Ill., and his other business interests, including directorship of Illinois Bell Telephone Co., has been elected a director of Hazeltine Corp., which recently elected former Wisconsin Gov. Philip F. LaFollette as pres.

Simon H. Rifkind, onetime Federal judge, now partner in Paul, Weiss, Rifkind, Wharton & Garrison, nominated to board of directors of Emerson Radio, which holds annual meeting in New York's Waldorf-Astoria, Feb. 2. He would succeed the late Richard C. Hunt.

Arthur Godfrey and 2 Cincinnati industrialists, Walter E. Schott & Harrison O. Ash, have purchased the Kenilworth Hotel, Miami Beach, which will continue to be operated under lease by Kirkeby Hotels Inc.

COURT ACTIONS are becoming more and more frequent as defeated applicants for TV facilities refuse to let FCC decisions go unchallenged. Latest are those filed in U. S. Court of Appeals for District of Columbia this week by *St. Petersburg Times'* WTSP (Nelson Poynter) contesting Ch. 8 grant to *Tampa Tribune's* WFLA-TV, due on air next week; and by Louis H. Peterson's radio WSSV, Petersburg, Va., fighting Ch. 8 grant to Tom Tinsley's WLEE, Richmond.

Shift of lawyers at FCC will undoubtedly follow increase in court appeals—more going to office of gen. counsel Warren Baker, just as personnel was shifted from applications processing to hearing div. as applications traveled through FCC.

Also increasing is incidence of uhf stations seeking lower channels. Two more were filed this week: WJMR-TV, New Orleans (Ch. 61), asking move to Ch. 20 and stating that GE stands ready to ship it 1-megawatt transmitter, while CP-holder WBID-TV, Detroit (Ch. 62), which also plans 1-megawatt operation, asked for move to Ch. 50.

Another kind of shift was turned down by Commission when it denied request of KGTW, Des Moines (Ch. 17), that it be permitted to operate on educational Ch. 11 until an educational station began on the channel, as yet unasked for. Request of WKST-TV, Newcastle, Pa. (Ch. 45), to move to Youngstown was opposed by WFMJ-TV, Youngstown (Ch. 21), which asserted third station in town would dilute revenues and harm all TV service there.

Crackdown on TV-radio "pitchmen," who are sometimes accused of cloaking misrepresentations in their fast-talking spiels on behalf of advertisers, was started in N. Y. area Jan. 21 with "invitations" to all networks and to 7 TV & 16 radio stations to send representatives to Kings County (Brooklyn) Federal Court Jan. 24, when Judge Samuel Leibowitz charges a special rackets grand jury which will investigate charges of fraudulent TV-radio advertising. The judge said he wanted to charge the jury "in the presence of these people who make it possible to advertise such bargains." The "invitations" are not summonses and involve no penalty if ignored. Grand jury will receive evidence obtained in 8-month probe by Brooklyn District Attorney Edward S. Silver, who said housewives have been "suckered" out of millions of dollars in high-pressure sales of sewing machines, upholstery services, storm windows, vacuum cleaners, deep freezers, food plans. During his investigation, teams of policemen & police-women posed as married couples and concealed tape recorders in their homes when salesmen of such advertisers called in person. The recorded conversations, he said, showed salesmen evaded promises of "bargains" advertised on TV-radio and tried to sell more expensive merchandise.

Edward Lamb attorneys withdrew motion to call off hearing and render decision immediately (Vol. 11:2) this week, in latest of series of legal maneuvers between counsel for Lamb and for FCC's Broadcast Bureau. In effect, here's what happened: Last week Broadcast Bureau said Lamb dismissal motion was premature because Broadcast Bureau hadn't completed presenting its evidence (Vol. 11:3). This week, Lamb counsel withdrew its motion, will now seek to have Broadcast Bureau complete its evidence before Lamb's side takes over for cross-examination. Presumably, Lamb counsel intends to re-file dismissal motion as soon as Broadcast Bureau finishes presenting its direct case. Oral argument on subject is scheduled Jan. 26 before examiner Herbert Sharfman. Hearing is due to resume Feb. 9.

CBS-TV joined Television Bureau of Advertising (TvB) this week—first network to sign up with fledgling promotion organization. NBC-TV is expected to join soon.

President Eisenhower's televised press conference (see p. 1) gave further impetus to demands that House Speaker Rayburn (D-Tex.) change his adamant stand against televising House committee meetings. Questioned by reporters following the Eisenhower press conference, Rayburn reiterated his opposition to TV or film cameras in hearing rooms. Praising President's use of TV at press conference, Rep. Meader (R-Mich.) Jan. 20 addressed House on behalf of his H. Res. 99 which would authorize each House committee to control use of TV or radio at its own hearings, as is the practice in the Senate. Meanwhile, Oregon joined the list of states recognizing TV-radio as legitimate forms of journalism entitled to treatment equal to that accorded press. State's House & Senate passed new rules setting up broadcast facilities and press rooms, permitting use of TV & radio in certain proceedings. Legislature's opening ceremonies were filmed by KOIN-TV, Portland, then shown on TV for first time.

Cancellation of sale of radio KQV, Pittsburgh, currently in 5-way hearing for Pittsburgh's Ch. 4, to Tele-Trip Policy Co. for \$750,000 (Vol. 10:44) was disclosed this week, following disagreement over retention of some KQV staff members. KQV is owned by Earl Reed & Irwin Wolf, who bought back 45% interest from CBS for \$236,250 in Oct. when latter disposed of station to meet FCC's multiple ownership rule. KQV's CBS affiliation, however, has been extended to June 15, 1957. Tele-Trip, an aviation insurance company headed by John M. Shaheen, owns radios WTAC, Flint & KPOA, Honolulu.

Another satellite application—2nd for Walla Walla, Wash.—was filed this week by KIMA-TV, Yakima (Ch. 29), which also operates satellite KEPR-TV, Pasco, Wash. (Ch. 19). This week's application is for 3.04-kw repeater on Ch. 8. Last week's Walla Walla application, for Ch. 5, was filed by Spokane's KHQ-TV (Vol. 11:3). [For further details about applications, see *TV Addenda 20-B* herewith; complete listings of all grants, new stations, applications, etc., will be found in *TV Factbook No. 20*, due off presses soon.]

KLFY-TV, Lafayette, La. (Ch. 10) this week got FCC permission to buy out share-time CP-holder KVOL-TV for \$45,000 out-of-pocket expenses incurred by grantee *Lafayette Advertiser* and KVOL gen. mgr. George H. Thomas (Vol. 10:49). Presumably, KLFY-TV owners—headed by Paul & Thomas DeClouet—now will begin construction.

New KDKA-TV call letters for Westinghouse's Pittsburgh station, recently bought from DuMont (Vol. 11:2), will be used for first time Jan. 31. Change from WDTV will be announced with appropriate fanfare.

1955 AM-FM Station Directory

All subscribers to the full TV-AM-FM services of *Television Digest* in the next few days will receive copies of our *1955 AM-FM Station Directory*, revised to Jan. 1, loose-leaf, printed on single sheets so that changes and corrections may be added on opposite blank pages as they're reported in our weekly AM-FM Addenda. New directory lists not only all North American AM-FM stations by states and cities (with company names, addresses, frequencies, powers, FM antenna heights, network affiliations) but also includes lists of AM & FM stations by frequencies, AM & FM applications by states & frequencies pending as of Jan. 1, AM & FM stations alphabetically by call letters. It's only handy volume of its kind, and carries no advertising. Extra copies cost \$7.50 each.

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JAN 31 1955

SUMMARY-INDEX OF THE WEEK'S NEWS—January 29, 1955

20th EDITION OF TV FACTBOOK on way to subscribers, along with 1955 TV map of U. S. & Canada, new list of stations equipped for colorcasting (p. 1).

NO DANGER OF MILITARY INROADS on TV channels, say top govt. authorities, including Harold M. Botkin, ODM, and Adm. Ammon, naval communications chief (p. 2).

TAMPA TRIBUNE'S WFLA-TV (Ch. 8) begins operating, first vhf in area; 427 stations now on air, 7 more starters due during Feb. (p. 3).

BITNER FIRM BUYS MINNEAPOLIS-ST. PAUL time-sharing stations, paying \$1,900,000 for WTCN-TV & WTCN, \$1,235,000 for WMIN-TV (p. 3).

ALLOCATIONS ACTIONS large part of FCC agenda; Beaumont & Tampa CPs reaffirmed; Court acts in Portland, Providence, Albany & Sacramento cases (p. 5).

SEN. MAGNUSON TO GIVE VIEWS on TV-radio problems and further investigations; hearings on McConnaughey before Feb. 21 unlikely (p. 5).

CONSUMER INVESTMENT OF \$13.5 BILLION for receivers in TV's 9 commercial years of 1946-54; Jan. sales continued strong pace (p. 9).

SETS-IN-USE CENSUS PROMISED by NARTB by next fall, board approving plan; Florida code meeting seeks improved liaison with film producers (p. 6).

ANOTHER MILLION-WATT UHF station on air with reports of better local pictures, null fill-in, distant coverage; Hawaii satellites plan April start (p. 8).

ONE-YEAR PICTURE TUBE WARRANTIES once again become standard in industry, as RCA, GE, DuMont,ylvania return to plan this week (p. 11).

CBS TO SPLIT STOCK 3 FOR 1, reports record 1954 earnings of \$4.85 per share; stock more than doubled in last year, growth since 1950 traced (p. 12).

ADMIRAL SIGNS WITH RCA, plans to make & lease automation equipment; RCA denied change of venue in Dept. of Justice anti-trust case (p. 12).

ALMANAC OF THE INDUSTRY—20th EDITION: To our full-service subscribers, we send our Television Factbook No. 20 this week -- latest of the semi-annual reference volumes which we were the first to publish and which are often called "the bible of the industry." It's 432-pp., as contrasted with the preceding edition's 404-pp. and with the original 4-p. Directory which we published in 1947.

New 1955 TV wall map, 43x29-in. and in color, goes with each Factbook. It shows all TV cities as well as all existing and projected AT&T and private network interconnections, all cities peculiar to the TV allocation plan, all other cities of more than 10,000 population. Printed thereon is a handy log of stations & channels.

More than 75 reference departments are brought up to date in the Factbook. These are newly added features: stations equipped to telecast color, Armed Forces TV stations in U.S. and abroad, British set & tube manufacturers, bibliography. Among the major features: Directories of U.S. & Canadian stations & networks, with rates, personnel, facilities; lists of all new-station construction permits outstanding and applications pending; channel allocation tables; TV & radio income by years; top advertisers & agencies; educational, newspaper, theatrical, multiple ownership of stations; sales and transfers of stations, 1946-55.

Financial tables covering 62 major electronics manufacturers, along with up-to-date directories of TV set, tube and station equipment manufacturers and complete list of community antenna systems are carried. Trade directories cover FCC, engineers and attorneys, research services, labor unions, trade associations, etc.

One copy of the TV Factbook and one map go to all full-service subscribers; extra Factbooks cost \$4, extra maps \$1. Note: Published last week also was our 1955 AM-FM Directory logging all U.S. radio stations & applications, plus all Canadian, Mexican, Cuban and other American stations -- by states and cities and separately by frequencies. Loose-leaf, punched for binding, it costs \$7.50 per copy.

NO DANGER OF MILITARY INROADS ON TV CHANNELS: "Such reports are wholly without foundation. I would hate to see the TV industry get upset by any such talk, because, as everyone knows, it has had enough problems with allocations."

That's reaction of Harold M. Botkin, asst. director for telecommunications, Office of Defense Mobilization, to published reports that stations operating on TV Channels 2 to 6 may be in danger of eviction due to military demands. The stories in question indicated that the Navy is demanding spectrum covering Ch. 2-6, plus FM frequencies, for communications between widely dispersed ships.

Rear Admiral W.B. Ammon, director of naval communications, had this comment: "The report is totally without basis. I have no knowledge of any such request for frequencies on the part of the Navy."

The two responses are typical of those we obtained at all responsible levels of Govt. when, at the urging of some disturbed telecasters, we undertook to check the basis for the implications that Ch. 2-6 are in jeopardy. IRAC members (that's the Interdepartmental Radio Advisory Committee) denied it as well as ODM, FCC and other military authorities. Their denials were just as unequivocal.

An ex-AT&T executive, Mr. Botkin is the one govt. official in a key position to know, for he sits in the strategic post once occupied by Haraden Pratt and by the broadcasting industry's own William A. Porter. His purview embraces the whole gamut of govt. communications, military as well as civilian. William Plummer, chairman of IRAC, reports to him; he in turn reports to ODM director Arthur Flemming, who is responsible directly to the President. Said Mr. Botkin:

"I've been over the matter pretty carefully, and I know of no work whatsoever going on which would take frequencies from television." Asked if any such efforts could be going on in the military departments without coming to his attention, he stated: "If there is, the Govt. should be looking for a successor to me."

"There has always been a problem of increasing demands for spectrum space, inside and outside the Govt.," Mr. Botkin said, "but the situation today is no different from 6 months ago, a year ago, 2 years ago or 4 years ago."

All FCC commissioners confess they're baffled by the reports. Both Comr. Webster, who sits in on inter-govt. consultations, and his alternate Comr. Lee, say they know of no Navy move to take over TV channels.

During time of war, the President has authority to commandeer any part of the radio spectrum he deems necessary for defense. But that has always been the case -- and all broadcasters know it. However, all responsible govt. officials maintain that no peremptory usurpation of Ch. 2-6 is in prospect. Admiral Ammon puts it this way: "Such action isn't accomplished in any arbitrary manner. You'll recall that there was a Board of War Communications in World War II to see to that."

Engineering authorities agree that the 50-100mc range could be useful for intership communications over long distances, but they argue that even if such use is eventually proved to be essential the frequencies can be shared without problems.

* * * *

Constant crowding of spectrum is what prompts frequent speculation that various services may be shifted around. Recently, FCC Comrs. Bartley & Lee dissented from a proposal which would split 25-50mc and 152-162mc into narrower bands for mobile services to accommodate more users. Their reasoning was that proposal would be a mere palliative; that better allocations can and should be made; that closer look into govt. use of radio may well find that military is squatting on frequencies which could be used by commercial services -- notably vhf TV. Last year, Bartley argued before Potter Committee that Congress should sponsor study of whole spectrum.

Both Bartley and Lee say they know of no move on part of military to take vhf away from TV. Their argument is that they don't know what use military does make of its allocations and that such allocations should be continually justified -- perhaps through system similar to broadcast renewals.

Congress has shown no outward response to this suggestion. However, Sen. Magnuson, new chairman of Commerce Committee, does have strong feelings about conserva-

tion of natural resources -- and he does have a spectrum study in the "think" stage.

Magnuson likens radio situation to that of Columbia River, bordering his state of Washington. It has been studied by govt. engineers for some 30 years, and they have come up with comprehensive plan promising to use it efficiently. Luckily, he says, no "little beaver dams" have been constructed on the river through the years; therefore, long-range plans can be made without hindrance.

Magnuson concedes that radio does have such "beaver dams" and that they may deter any substantial re-allocation. He gives as example 72-76mc band between TV channels 4 & 5; it's too narrow to form a TV channel but too hemmed in by TV to be widely used for the services to which it's assigned -- police, industrial, etc.

Question of spectrum utilization embraces much more than TV -- though any Congressional study would undoubtedly play up TV for its "sex appeal," as one official puts it, and because of uhf stations' difficulties. If Magnuson committee goes into matter, it will be as an extension or modification of current network study. NARTB board got excited enough about encroachment "threats" this week to direct pres. Harold Fellows to get the facts and, if necessary, take preventive action.

TAMPA BAY AREA'S FIRST VHF ON THE AIR: Tampa Tribune's WFLA-TV (Ch. 8) began test operations Jan. 26 preliminary to mid-Feb. debut as an NBC basic. It's the first vhf operation in Tampa-St. Petersburg area, which has been served since May 1953 only by City of St. Petersburg's uhf WSUN-TV (Ch. 38).

Ownership interlocks with Richmond Times-Dispatch and News-Leader, whose WRNL is also a TV applicant. WFLA-TV pres. is John C. Council, publisher of Tampa Tribune and George W. Harvey is gen. mgr. Other station executives are Wm. B. Faber, ex-Headley-Reed, sales mgr.; Paul M. Jones, program mgr.; Paul P. Bergquist, production mgr.; Joe H. Mitchell, chief engineer. RCA 50-kw transmitter and 12-section antenna on 1054-ft. Ideco tower put out 316-kw ERP. Base rate is \$400. Rep is Blair.

That makes 6 starters in Jan., total of 427 now on air, 118 of them uhf. Next starters are expected to be KRCG, Jefferson City, Mo. (Ch. 13) and WTVY, Dothan, Ala. (Ch. 9). These also are scheduled for Feb. debuts: KLOR, Portland, Ore. (Ch. 12); KBET-TV, Sacramento, Cal. (Ch. 10); WDXI-TV, Jackson, Tenn. (Ch. 7); KFIF (Ch. 2) & KTVF (Ch. 11), Fairbanks, Alaska. Also on Feb. calendar, though uncertain, are educationals WTLC, Champaign-Urbana, Ill. (Ch. 12) and WEDB, Birmingham, Ala. (Ch. 10).

BITNERS BUY TWIN CITIES TIME-SHARERS: Two more time-sharing stations are being sold and merged -- the Ch. 11 WTCN-TV, Minneapolis & WMIN-TV, St. Paul -- and that will leave only one other such operation. That one is in Rochester, N.Y., where Gannett Newspapers' WHEC-TV and the Ervin Lyke group's WVEC-TV continue to share Ch. 10, as they have since joint debut in Oct. 1953. Two other time-sharers on a single transmitter -- Ch. 8 KSBW-TV, Salinas, Cal. & KMBY-TV, Monterey -- are also being merged, former's purchase of latter awaiting soon-expected FCC approval (Vol. 10:45).

The new Harry M. Bitner firm, Consolidated Television & Radio Broadcasters Inc., part of whose stock was recently offered publicly (Vol. 10:48), is purchaser of the Twin Cities outlets in deal closed this week and arranged by Philip L. Kelser Assoc., N.Y. Total price is \$3,135,000 after finder's fees -- \$1,900,000 being paid for WTCN-TV and WTCN (5-kw day, 1-kw night, 1280 kc, ABC) and \$1,235,000 for WMIN-TV alone. Studios of WTCN-TV will be used, with joint transmitter on Foshay Tower.

Radio WMIN (250-w, 1400 kc) was also recently sold by the N.L. Bentson group to Wm. F. Johns family for \$75,000. Control of WTCN-TV & WTCN is owned by Minneapolis industrialist and onetime Ambassador to Cuba & Australia, Robert Butler. Personnel under new ownership awaits FCC approval of transfer. ABC network is retained.

Harry M. Bitner Sr., onetime publisher of Hearst's Pittsburgh Sun-Telegraph, founded WFBM-TV, Indianapolis (Ch. 6) in 1949. He and son Harry M. Jr. purchased WOOD-TV, Grand Rapids (Ch. 8) for \$1,382,000 in 1951, were unsuccessful applicants last year for Ch. 12 in Flint, Mich. Company is now headed by young Bitner, also owns radio stations in those 3 cities and an AM in Evansville, Ind. Operations have been consistently profitable, according to financial data in the stock prospectus (Vol. 10:48) -- revenues being \$5,124,186 and profit \$962,589 in 9 months ended Aug. 30, 1954. For fiscal year ended Nov. 30, 1953, revenue was \$6,480,208, net \$824,253.

Personal Notes: James C. Shelby, ex-director of TV-radio, McCann-Erickson, Chicago, now v.p. & TV director, MacFarland, Aveyard & Co., Chicago . . . Herminio Traviesas, TV-radio account executive on American Tobacco Co. account, promoted to BBDO v.p. . . . Gayle V. Grubb, ex-gen. mgr. of WJBK-TV & WJBK, Detroit, has opened San Francisco national sales office at 111 Sutter St. for Storer Broadcasting Co., serving all Storer stations as west coast sales v.p. in collaboration with regular reps . . . John V. Poor, Mutual v.p. & gen. counsel, now exec. v.p. of network; Herbert Rice, program v.p., joins General Tele-radio in program capacity, and B. J. Hauser, v.p. in charge of cooperative programming, becomes network programs v.p. . . . Raymond E. Nelson, ex-NBC & MBS, recently head of own Keystone Adv., N. Y., named director of national spot sales, Television Bureau of Advertising (TvB) . . . Harry E. Travis promoted to gen. mgr. of WNEM-TV, Bay City, Mich., succeeding John H. Bone, resigned . . . Stanley Wilson, ex-v.p. & gen. mgr. of KFDD-TV & KFDD, Amarillo, named asst. gen. mgr., Texas State Network . . . Wm. Balaban, asst. program mgr. of WABC-TV, N. Y., named mgr. of ABC-TV's new closed-circuit dept., reporting to program director Robert Lewine . . . Leon Levine named TV-radio director of Columbia University . . . John M. Borghese named director of TV-radio div., Magna Theatre Corp. . . . Jack O'Mara, promotion & merchandising mgr. of KTTV, elected to board of directors of Electric League of Los Angeles to represent all telecasters . . . Howard Wormser, ex-KTLA, Los Angeles, appointed MCA-TV director of public relations, N. Y. . . . Stephen Strassberg named publicity mgr., Miss Harriet Feinberg adv. & promotion director, WABC-TV & WABC, N. Y. . . . Dale Morgan promoted to program mgr. & film buyer, KFEL-TV, Denver, succeeding Duncan Ross, who joins sales staff . . . Norman Blackburn quits as exec. director, Screen Gems, to devote fulltime to new TV series; Selmer Chalif, from N. Y. office, transfers to Hollywood to replace him . . . George B. Smith, ex-KEDD, Wichita, named chief engineer of WNDU-TV, Notre Dame-South Bend (Ch. 46), which hasn't set on-air target yet . . . I. E. (Chick) Showerman, who resigned as mgr. of NBC central div. in 1951 to enter national spot sales & film fields, named mgr. of WISN, Milwaukee, succeeding Harry D. Peck, resigned; Hearst Radio, owner of WISN, recently made deal to buy new Ch. 12) WTVW, Milwaukee (see adjoining column).

Milwaukee's CBS-owned uhf WXIX (Ch. 19), when it starts network programs Feb. 20, effective date also of change in call letters from WOKY-TV, will have the following key personnel, according to new gen. mgr. Edmund C. Bunker, ex-KNXT, Hollywood: Leon Drew, ex-KNXT, program director; Theodore F. Shaker, ex-CBS-TV Spot Sales, N. Y., gen. sales mgr.; John Lathrop Viemeister, ex-CBS-TV, N. Y., business mgr.; Arthur F. Schoenfuss, ex-CBS-TV, N. Y., director of operations; By Colvig, ex-KNXT, promotion-publicity director. Offices and studios are at 5445 No. 27th St., transmitter atop Schroeder Hotel.

Station Representatives Assn. pres. Adam J. Young Jr. names these 1955 committee chairmen: Ward Dorrell, research; Robert Eastman, station rates; Arthur McCoy, radio sales; Jack Brooke, TV sales; George Brett, trade practices; John P. Blair, nominating; Joseph J. Weed, dues; Robt. Mceker, development of station representation.

Myron L. Broun, TV director, Sterling Adv., leaves for England Feb. 6 to take similar post with Colman, Prentis & Varley Ltd., London.

Norman L. Sper, 59, the football forecaster whose sports films have been syndicated to TV, died Jan. 22 in Hollywood.

Lou Poller's uhf WCAN-TV, Milwaukee (Ch. 25), whose physical facilities he sold to CBS for \$650,000 while retaining the channel and call letters for independent operation (Vol. 11:3), earned a net profit of \$174,047 in the 10 months from Jan. 1 to Oct. 31, 1954. Radio WCAN during same period lost \$20,152. This was disclosed as transfer papers were filed this week with FCC for sale of radio WCAN (5-kw, 1250-ke) to the owners of radio WEMP for \$250,000. WEMP proposes to take over the WCAN wavelength & power in lieu of its 250 watts on 1340 kc, retaining WEMP call; application to buy current WEMP facilities for \$200,000 also was filed this week by Foster & Assoc. Inc., owned by Gordon McLendon family, James Foster & Bill Weaver, latter to be mgr. Poller-controlled Midwest Broadcasting Co. is shown to have total assets of \$984,676, long-term liabilities (notes, etc.) of \$697,880, current liabilities \$163,451. CBS acquired the WCAN-TV studios, etc. when it purchased WOKY-TV, Milwaukee (Ch. 19) for \$335,000 (Vol. 10:43), turning over the WOKY-TV studios to Poller. CBS has received FCC approval to take over WOKY-TV, call letters of which will be changed to WXIX.

Hearst Radio's purchase of WTVW, Milwaukee (Ch. 12) for \$2,000,000 (Vol. 11:2) is being protested by one of the stockholders in selling company, theatreman L. F. Gran, whose counsel Marcus Cohn advised FCC Jan. 27 that Gran Enterprises Co. is preparing an application for CP to operate on Ch. 12 in Milwaukee, also will file petition asking that CP assignment to Hearst be designated for hearing. Mr. Gran's equity in sale deal is 11.64%, and his counsel states that he not only objected to sale at board meeting of last Jan. 7 but offered to purchase the station "on terms and conditions comparable to those of the Hearst Corp." He resigned from board Jan. 26. Around \$900,000 cash would be paid by Hearst, remainder being assumption of liabilities and obligations. Station is ABC primary, is operating from interim 300-ft. tower, holds CP for 316-kw and plans 1105-ft. tower.

Honolulu's KONA (Ch. 11), in filing with FCC this week for switch to Ch. 2, disclosed that its operating losses since new owners acquired it in June 1953 have approximated \$177,107 but that income revenue has increased monthly and losses decreased until net profit ran \$3100 in Oct., \$3700 in Nov., \$8000 in Dec. Projection of 1955 net profit before taxes is \$125,000. Profit-&-loss statement for Jan. through Nov. 30, 1954 shows \$406,122 revenues (about \$238,000 local, \$32,000 network, remainder spot) and \$436,143 expenses (\$378,000 operating, \$58,000 depreciation) for net loss of \$73,818. During Nov., total revenue was \$42,799, total expenses \$39,070, net profit \$3728. Station, which started Dec. 15, 1952 and is NBC affiliated, was practically bankrupt when purchased in 1953 from Herbert Richards' founding group by *Honolulu Advertiser* (KGU), 50%, and J. Elroy McCaw & John D. Keating, 50% (Vol. 9:26).

CBS pres. Frank Stanton gets full words-&-photo treatment in Jan. *Architectural Forum Magazine*, which devotes 6 pages to his and other CBS executive offices. Elsewhere in magazine, he's cited as one of 3 who planned unusual design of Center for Advanced Study in the Behavioral Sciences, of which he is chairman, located near Stanford U, Palo Alto, Cal.

Ex-Gov. Howard Pyle, of Arizona, who used to be a radio executive himself (KTAR, Phoenix), appointed White House administrative asst., \$15,000 post, serving with Bryce Harlow as presidential liaison with the Federal departments & agencies.

Paul Sanche, NBC correspondent captured by Costa Rican rebel forces at outbreak of war, was released unharmed Jan. 19 after captors took his camera, notes & personal possessions.

ALLOCATIONS matters, piled up during Christmas holidays, constituted bulk of FCC actions this week—though several important actions affecting CPs were made. The grants for KFDM-TV, Beaumont (Ch. 6) and WTVT, Tampa (Ch. 13), “stayed” by FCC pending oral argument (Vol. 10:49), were given final go-ahead to complete construction, though not without dissents. In addition, Commission granted Ch. 5 CP to WORA, Mayaguez, P. R.

In Beaumont case, Commission again rejected KRIC-Enterprise’s argument that it had better programming proposals; that it was being discriminated against because it’s a newspaper; that post-decision option of W. P. Hobby (KPRC-TV and *Houston Post*) to buy 32½% of KFDM-TV changed whole character of grantee. Comr. Hennock dissented, said FCC should weigh Hobby option.

In Tampa case, FCC reaffirmed its grant to WTVT (W. Walter Tison, et al.), concluding it was best applicant. Comrs. McConnaughey and Doerfer dissented, former issuing no statement, latter saying that he’d prefer *Tampa Times* and that record of Tison’s radio WALT shows his program promises can’t be relied upon.

On allocations front, the Commission: (1) Rejected petition of grantee KOKE, El Paso (Ch. 13) that it be shifted to educational Ch. 7, saying there’s “no basis for distinguishing between Ch. 7 and Ch. 13.” (2) Turned down petition to add Ch. 13 to Princess Anne (Norfolk), Va., filed by WTOV-TV (Ch. 27), now off air, on grounds sufficient need hasn’t been shown. (3) Rejected petition of KALE, Richland, Wash. to shift Ch. 3 from Lewiston, Ida., stating that bona fide application for the channel in Lewiston has been filed by operators of KIMA, Yakima (Ch. 29) and KEPR-TV, Pasco (Ch. 19). (4) Vacated its proposal to shift Ch. 11 & 6 between San Juan and Caguas, P. R., because Dept. of Education has found new site for San Juan that makes shift unnecessary. (5) Granted shift of Ch. 14 from Annapolis, Md. to Washington and allocated Ch. 53 to Annapolis, at request of grantee WOOK-TV, Washington (Ch. 50), on grounds there’s temporary difference in uhf channels from equipment standpoint; it turned down WOOK-TV’s petition that it be shifted automatically to Ch. 14. (6) Began rule-making shifting uhf channels so that WKNY-TV, Kingston, N. Y. (Ch. 66) can move to Ch. 21 and specify Poughkeepsie as location. In this case, FCC pro-

posed to give station “show cause” order allowing the change in channel and city.

New allocations changes requested this week were: (1) Petition by WMVT, Montpelier, Vt. (Ch. 3) to shift its channel and main studios to Burlington. (2) Petition of KONA, Honolulu (Ch. 11) to change to Ch. 2 and to get permanent authority, instead of STA, to operate at present site. (3) Petition from Suncoast Cities Bestg. Corp. to add Ch. 10 to New Port Richey, Fla., about 30 mi. north of St. Petersburg. Request conflicts with *Jacksonville Journal’s* petition to add Ch. 10 to Bunnell, Fla., near Daytona Beach. Principals of Suncoast are W. H. Holland (attorney), Ed C. Wright (real estate) and Harry R. Playford (banker), who plan to file application. Each bought 1/6 of radio WNEW, N. Y. last year (Vol. 10:16).

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Court of Appeals acted on several hard-fought cases this week. On Jan. 24, it denied motion of Columbia Empire Telecasters that KLOR, Portland, Ore. (Ch. 12) be kept from going on air pending appeal.

After hearing oral argument Jan. 27, Judges Bazelon, Bastian & Washington turned down motion for stay filed by WNET, Providence, R. I. (Ch. 16), seeking to keep WPRO-TV (Ch. 12) from starting. Court said: “While there has been an insufficient showing of injury to the public to warrant a stay, there are substantial and serious questions presented [and] the Court will entertain a motion to expedite the filing of briefs and argument herein.”

Court also denied petition of WTRI, Albany (Ch. 35) that sale of WROW-TV (Ch. 41) to Lowell Thomas group be stayed, stating: “While there are substantial and serious questions in these cases which should be promptly resolved, there is no sufficient showing that the Commission abused the authority conferred by Sec. 309(c) of the Communications Act in finding that the authorization involved is necessary to the maintenance or conduct of an existing service.”

Acting in McClatchy’s appeal in Sacramento Ch. 10 case, Court granted ANPA permission to file amicus curiae brief on question of FCC’s attitude toward newspapers.

Continuing fight against grant of WJRT, Flint (Ch. 12), WFDF and Butterfield Theatres told FCC its Broadcast Bureau acted illegally in granting WJRT more time to build recently.

SEN. MAGNUSON will outline his views on TV-radio and the future course of Senate investigation of network practices and uhf next Wed., Feb. 2, when he’s scheduled to release report by special counsel Harry Plotkin detailing staff work to date and making recommendations (Vol. 11:4). Magnuson, chairman of Senate Commerce Committee, is due to release own statement on investigation and answer questions of the press.

Sen. Bricker (R-O.), the Committee’s ex-chairman who initiated the investigation and named ex-FCC Comr. Robert F. Jones as GOP counsel, was invited by Magnuson to participate in next week’s press conference, but at week’s end his aides did not know whether he would attend. Jones is due to submit his report to Bricker Mon., Jan. 31, and Bricker’s staff said the Senator will decide at that time whether to make it public along with Magnuson’s release of Plotkin report.

Committee’s next regular meeting is scheduled Feb. 9—when it may discuss hearings on President Eisenhower’s nomination of Chairman McConnaughey to the FCC. Since Sen. Magnuson wants to give 10 days advance notice of any hearing, it’s unlikely there will be hearings before Mon., Feb. 21, at very earliest. Meanwhile, House Commerce Committee announced it will begin orientation hearings next week on the various agencies over which it has juris-

dition, but Committee staffers said appearance of FCC probably would be delayed until Senate has acted on McConnaughey.

Judiciary Committee, headed by Sen. Kilgore (D-W. Va.), who wants to investigate “monopoly in TV radio industry,” holds regular meeting Jan. 31, at which time subcommittees may be named. The Senator has announced that TV investigation would be conducted by monopoly subcommittee—but Kilgore aides say this group’s members and chairman have not yet been determined, despite published reports to the contrary.

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Congressional staff appointments: Frank Pellegrini, specialist in admiralty law and close friend of chairman Magnuson, Feb. 1 becomes the chief counsel of Senate Interstate & Foreign Commerce Committee. Martin W. Cunningham, ex-Armed Services Technical Information Agency and CAA, named to staff of House Interstate & Foreign Commerce Committee.

Pope Pius has approved formation of new pontifical commission to study TV-radio-film problems, with Bishop Martin J. O’Connor, of Scranton, Pa., rector of the Pontifical North American College in Rome and president of old film commission, to serve for 6-year term as president of new commission.

SETS-IN-USE CENSUS under NARTB auspices, one of industry's most pressing needs, looks like it will at long last get under way this fall, it was indicated this week following pre-testing progress report submitted to NARTB's TV board meeting in Hollywood, Fla. by research mgr. Richard M. Allerton.

Board approved Allerton's report and authorized continuance of pre-testing field work being conducted for it by Alfred Politz Research Inc., N. Y. It was indicated that all pre-testing would end in June, when further report will be made to board, which presumably will appropriate funds for census at that time.

Meanwhile, in separate action, board authorized expenditure of \$3000 to participate in TV-radio census being planned by Advertising Research Foundation, whose most recent study of TV-radio homes as of May 1954 was released last fall (Vol. 10:39).

Board also defended recent action of NARTB pres. Harold Fellows in urging FCC to observe all rule-making procedures on subscription TV (Vol. 11:2). Zenith pres. E. F. McDonald last week charged Fellows thereby attempted to align broadcasters with theatre owners in opposition to subscription TV (Vol. 11:4).

TV board chairman Clair McCollough wrote McDonald to deny the charge, stating: "It has been the continuing policy of the association since the formative days of the organization, when you served it as president, to encourage appropriate regulatory procedure on all subjects relating to use of the broadcast spectrum when it has become clearly apparent that the public interest was involved."

Code Review Board, also meeting in Florida, approved plan to improve liaison with film producers in effort to get them to comply more closely with code. It was recommended that station operator be given the right in all contracts with film companies to alter any which in his judgment did not conform to code. Also adopted was resolution commending code chairman John E. Fetzer. It was also decided to publish a second "report to the people" this spring on activities of code board.

Mark Ethridge, v.p. of WHAS-TV & WHAS, Louisville, was named to receive NARTB's keynote award at convention in Washington week of May 22. Previous keynote awards went to NBC chairman David Sarnoff and CBS chairman William S. Paley.

Agenda for convention includes address by Ethridge May 24, luncheon address by FCC Chairman McConaughy same day, round table discussion that afternoon, to be addressed by as yet unselected govt. official. TV Day is May 26, with sessions on employer-employee relations, managerial problems and Television Bureau of Advertising objectives. Annual banquet will be held that evening. Radio Day is May 25.

Board also authorized appointment of a special committee to establish a system of 8 regional meetings this year, instead of 17 as in past. It's estimated this action will result in savings of approximately \$12,000 in travel expenses by NARTB officials alone.

A general fund budget of \$760,000 for fiscal year beginning April 1 was voted. An additional 27 TV stations were approved for active membership, bringing total to 264 stations and 4 networks. Radio membership totals 1480 stations, 3 networks.

NARTB creates educational committee to serve as liaison with public and private educational organizations in training qualified students for employment in TV-radio and in bringing needs of industry to attention of educators. Committee members: Herbert L. Krueger, WTAG-AM, Worcester, Mass., chairman; Lee Ruwitch, WTVJ, Miami; Rex Howell, KFXJ-TV, Grand Junction, Colo. On Feb. 9-10, at NARTB's Washington headquarters, committee will meet with 3 educators whose schools offer major TV-radio facilities: Leo A. Martin, chairman of communication arts div., Boston U; Sidney Head, TV-radio dept. chairman, U of Miami; Russell Porter, TV-radio director, U of Denver. Meeting is designed to set up permanent training organization, to be known as Assn. for Professional Broadcasting Education (APBE).

Telecasting Notes: The 5000 marketing men who comprise *Tide Magazine's* "Leadership Panel" and are queried periodically on advertising trade problems give TV rather poor ranking for both public and trade relations. Best public relations they find among magazines, ranked 48%; next, newspapers, 29%; TV, 17%; radio, 14%; outdoor, 1%. Best trade relations: magazines, 70%; newspapers, 12%; TV, 8%; radio, 6%; outdoor, 2%. . . . What's wrong with TV? Each medium got a thorough raking-over, says *Tide*, but none got such sizzling epithets as TV. "The biggest complaint was with TV commercials; the Panel insisted that networks and stations should police them and weed out those which insult the intelligence or talk down to the public" . . . Also condemned were "bunching" of commercials at station breaks, crowding them into too little time. NBC's "shoving" *Voice of Firestone* out of accustomed time slot was cited as typical of a "high-handed supercilious attitude toward advertisers and agencies" . . . Bankers Life Co. ad mgr. Edwin P. Leader is quoted thus: "TV has not given visible evidence of a desire to do the self-policing job needed to overcome public resentment" . . . Old-style commercial announcers, handling multiplicity of products, may be on their way out in favor of "a new breed—most of them entertainers by profession—who have tied their commercial destinies to specific products." So says Jan. 31 *Time*, which notes that "the new look in announcers" is being supplied by such entertainers as singer Vaughn Monroe (RCA), movie actor Wm. Lundigan (Chrysler), ballet dancer Dorothy Jarnac (Stopette) and, most notably, *Toast of the Town's* Ed Sullivan (Lincoln-Mercury) who spends lots of his time with dealers and

even gives wives of big-name guests gift Lincolns . . . Are talent agencies responsible for skyrocketing TV costs? That question has been coming up with increasing frequency in last few weeks (Vol. 10:52 & 11:4). *Sponsor Magazine* seeks answer in 2-part series which began in Jan. 24 issue—worth reading . . . Movie exhibitors are taking an entirely new view of TV, principally as a result of *Disneyland*, which not only has shown old features in their entirety, but scenes and behind-the-scene shots from new ones. Far from killing Disney films at boxoffice, this has proved tremendous hypo—both to *The Living Desert* (in second runs at theatres when excerpts were shown) and *20,000 Leagues Under the Sea* (heavily promoted on TV show before and during first run) . . . Recent National Theatres survey in Kansas City and Denver during runs of *There's No Business Like Show Business* and *20,000 Leagues* produced these results: Of former picture, 61.6% of patrons said they were influenced by newspaper ads, 12.3% word-of-mouth, 11.1% TV promotion. Of latter, 38.5% credited TV for attracting them, 35.1% newspapers, 11.8% word-of-mouth . . . Survey prompted National Theatres to urge producers to utilize TV to greater degree in pre-selling movies—particularly on "programs having established high ratings." As to local TV: "It has value, but is far too costly for the result." (In other words, exhibitors want the plugs free, not paid) . . . Will MCA-TV enter feature film distribution field through deal with Republic to handle old Gene Autry and Roy Rogers films, recently made available to TV after long court battle (Vol. 10:24, 43)? Unconfirmed reports have MCA-TV paying about \$30,000 each for distribution rights to the 138 oldies.

Station Accounts: New daytime program concept—predicated almost exclusively on entertainment rather than on conventional drama, cooking or panel shows—was launched this week by WABC-TV, ABC key. New program, appropriately titled *Entertainment*, starts Feb. 28, Mon.-thru-Fri. 12:30-3 p.m. It will cost station estimated \$30,000 a week to produce, originating from Little Theatre on 44th St., which has been dark for nearly a year. Ted Oberfelder, v.p.-gen. mgr., said program will feature comedy, sketches, etc. by personalities in show business. It will be sold on partic. basis, with tentative provision for 25 one-min. partic. per day, plus station breaks & IDs. Separate production & sales staff will be set up by station, which already has signed first sponsor—one partic. daily for 52 weeks for Raleigh Cigarettes, thru Russell M. Seeds Co., Chicago . . . Bethlehem Steel, in first TV sponsorship on regular basis, buys INS sports show, *This Week in Sports*, WFIL-TV, Philadelphia; WTTG, Washington; WBAL-TV, Baltimore—thru Jones & Brakeley, N. Y. . . A&P Food Stores is sponsor on WRCA-TV of MCA-TV's syndicated *Guy Lombardo & His Royal Canadians*, starting Jan. 27, Thu. 7-7:30 p.m., thru Paris & Peart, N. Y.; it's in addition to his *Guy Lombardo Show* on WRCA-TV Fri. 7-7:30 p.m. . . . National City Bank of N. Y. apparently likes its 3-year experience in TV, signed this week to sponsor *11th Hour News* on WRCA-TV for next 3 years, Mon.-thru-Fri. 11-11:10 p.m., at reported cost of \$2,000,000 for time-&-talent, thru BBDO . . . Necchi-Elna Sewing Machine Sales Corp. spending \$4,500,000 this year for TV and other media, to back intensive selling effort, thru Grey Adv., N. Y. . . Indiana Bell Telephone Co., which last year paid \$10,000 guaranty of reduced boxoffice, this season is again sponsoring Indiana high school basketball tournament at Butler U, Indianapolis, but has cut guarantee to \$7500 . . . F. A. Gosse Co., Seattle (Red Breast Blueback salmon) to use partic. in several women's TV programs in Feb. to back heavy newspaper campaign, thru Fairfax Inc., N. Y. . . Lay's Potato Chips places TPA's *Ramar of the Jungle* in 21 Southern markets, thru Liller, Neal & Battle, Atlanta . . . Libby, McNeill & Libby (food products) and Harold F. Ritchie & Co. Ltd. (Scott's Emulsion) sign as alt. week sponsors for 52 weeks of General Teleradio's repeat-performance *Million Dollar Movie* in 17 Canadian markets, where it's retitled *Movie Nite*, thru McConnell, Eastman & Co., Toronto, and Atherton & Currier, Toronto . . . Among other advertisers currently reported using or preparing to use TV: Burnham & Morrill Co., Portland, Me. (B&M baked beans), thru BBDO, Boston; Texon Inc., South Hadley Falls, Mass. (shoe & luggage material), thru Fuller & Smith & Ross, N. Y.; Louis Sherry Inc., Long Island City, N. Y. (dietetic jelly), thru Paul Smullen Adv., N. Y.; American Home Foods Inc., subsidiary of American Home Products Corp., N. Y. (George Washington broth & seasoning), thru Charles W. Hoyt Co., N. Y.; International Molded Plastics Inc., Cleveland (Brookpark plastic dinnerware), thru Product Services Inc., N. Y.; Kordol Corp. of America, N. Y. (Kordolin arthritic & rheumatic pain reliever), direct; Excel Mineral Co., Los Angeles (Excel-Litter deodorized material for pets' beds), thru Robert B. Selby & Assoc., San Francisco; Golden Gift Inc., Deland, Fla. (orange juice), thru Harris & Whitebrook Advertects, Miami Beach; Schaper Mfg. Co., Minneapolis (plastic games), thru Mullen & Assoc., Minneapolis; Marlo Packing Corp., San Francisco (canned foods), thru Roy S. Durstine Inc., San Francisco; Dura Electric Co., Newark (Dura-Flash bulbs), thru Albright Assoc., N. Y.

NARTB has voted to appoint 9-man ad hoc committee to investigate "reasonableness and validity" of intercity common carrier tariffs filed with FCC.

Network Accounts: Whopping success of NBC-TV's partic. trinity—*Today*, *Home*, *Tonight*—is evidenced by billings of \$10,391,000 already on books for 1955—only \$3,000,000 under 1954's total of \$13,000,000. NBC now estimates 3 shows will gross combined \$17,000,000 in 1955. Of the \$10,391,000 in advance billings, \$4,786,000 is for *Home*; \$4,000,000 for *Today*; \$1,165,000 for *Tonight*. *Home* charges \$6700 per one-min. partic.; *Tonight* \$5100, *Today* from \$1900 to \$5500 . . . California Packing Co. (Del Monte canned foods) is latest sponsor on *Today*, *Home & Tonight*, buying 3 partic. a week for 26 weeks, starting in mid-Feb., thru McCann-Erickson, Los Angeles . . . Revlon (cosmetics) buys 104 partic., starting Feb. 9, on CBS-TV's *Morning Show*, Mon.-thru-Fri. 7-9 a.m., thru Wm. H. Weintraub & Co.; Kendall Co. (textiles), 12 partic. starting April 4, & Hoover Co. (vacuum cleaners), 5 partic. starting April 18, both thru Leo Burnett Co., Chicago; Mullins Mfg. Corp. (kitchen fixtures), one partic. Feb. 25, thru Brooke, Smith, French & Dorrance, Detroit . . . Bristol-Myers, currently sponsoring *Stage 7* on CBS-TV Sun. 9:30-10 p.m., is negotiating with movie producer Alfred Hitchcock for series of films in that time period, thru Doherty, Clifford, Steers & Shenfield; company may use new series to promote its new deodorant, Ban, which is expected to start national distribution about March 15—though CBS, as mysterious on subject as a Hitchcock thriller, could not confirm the plans . . . Lever Bros.' sponsorship of *Uncle Johnny Coons* on CBS-TV will be expanded to 31 stations Feb. 19, Sat. 1:30-2 p.m., thru McCann-Erickson . . . Revlon to drop *Pantomime Quiz* on ABC-TV, Sun. 9:30-10 p.m., effective March 6, asks for another time period . . . Whitehall Pharmacal Co. cancels alt. sponsorship (with Carter Products) of *Name That Tune* on CBS-TV, Thu. 10:30-11 p.m.

Rules governing announcement of mechanical video & audio recordings should be amended, NARTB told FCC this week, to limit such announcements only to such programs "in which the element of time is of special significance and presentation of which would create, either intentionally or otherwise, the impression or belief on the part of the listening or viewing audience that the event or program being broadcast is in fact occurring simultaneously with the broadcast." Such announcements are of no significance to many kinds of programs, NARTB said, stating: "Certainly, the time, energy, ingenuity, and expenditure implicit in the production of a high-quality program should not be allowed to be dissipated through the imposition of required announcements of no affirmative value." Assn. requests amendments of Sections 3.188, 3.288 & 3.653.

Army's \$1,000,000 advertising contract for fiscal year starting July 1, 1955, is now open to competitive bidding, letters of invitation to briefing at Pentagon Feb. 8 having been sent this week to the 102 agencies which have annual billings over \$5,000,000. Primarily for recruiting purposes, contract for current fiscal year is held by Dancer-Fitzgerald-Sample.

First U. S. network telecast originating in Mexico will be Feb. 6 *Colgate Comedy Hour* (NBC) pickup of jai alai championship from Tijuana, across border from San Diego. Feed will be made from Tijuana's XETV, which regularly broadcasts jai alai games.

Long standing \$12,000,000 suit against 13 major league baseball teams by now bankrupt Liberty Broadcasting (Vol. 8:8 & 11:3) was settled this week for \$200,000 upon approval of federal bankruptcy referee D. M. Oldham.

Canned soup, yes; canned laughs, no. Campbell Soup Co., sponsor of filmed *Dear Phoebe* on NBC-TV, Fri. 9:30-10 p.m., has ruled out laugh track on program pending results of current audience reaction survey.

SECOND MILLION-WATT TV station went on air early Sunday morning, Jan. 23, and at end of first week of telecasting at maximum power reported it had received reports of "good reception" as far as 100 mi. and more. ABC-affiliated WILK-TV, Wilkes-Barre (Ch. 34) was first station to use new GE 45-kw transmitter, following by less than a month the debut of RCA's 25-kw uhf transmitter, now providing full 1-megawatt power for NBC affiliate WBRE-TV on Ch. 28 in Wilkes-Barre (Vol. 11:1-3).

WBRE-TV's enthusiasm over improved coverage (Vol. 11:3) is matched by that of WILK-TV managing director Thomas P. Shelburne, who reports better long distance coverage, better picture in former fringe areas. He's particularly pleased by "fill-in of former shadow areas close-in." He also says contrast and quality of picture received on local TV sets have improved since the new equipment was put in service. Though no distance measurements have been made by station or by GE, Shelburne quotes report from Allentown, 50 air miles, indicating strength of 3000 uv/m, as well as reports of vastly improved service from such towns as Danville and Mifflinburg, Pa. 60 & 70 mi.

GE this week shipped 50-kw amplifier and 8-bay antenna as part of \$430,000 equipment package ordered by upcoming KBET-TV, Sacramento (Ch. 10), which has March target. RCA shipped 2-kw standby transmitter Jan. 25 to KARK-TV, Little Rock (Ch. 4) and 50-kw transmitter Jan. 28 to WTVT, Tampa (Ch. 13), due mid-March.

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

KFIF, Fairbanks, Alaska (Ch. 2), having received 2-kw RCA transmitter via air freight last week, plans test patterns Feb. 10, programming by March 1, writes A. O. Bramstedt, gen. mgr. of Midnight Sun Bestg. Co., which recently acquired control of KFIF, along with KFIA, Anchorage (Ch. 2), from Richard R. Rollins (Vol. 10:47 & 11:1). This week, RCA 3-bay superturnstile antenna is being installed on guyed tripod tower atop Lathrop Bldg., giving it height of 200-ft. above ground. Base rate will be \$150. Reps will be Weed and Moore & Lund (Pacific Northwest).

WDXI-TV, Jackson, Tenn. (Ch. 7), plans Feb. 20 test patterns, hopes to start programming March 1, reports pres.-gen. mgr. Aaron B. Robinson, who also controls radio WDXI and 5 other Tennessee AMs and publishes *Corinth* (Miss.) *Corinthian*. It has 10-kw Federal transmitter on hand, will use 500-ft. Stainless tower with

12-bay antenna. Only TV outlets within 100 mi. are 2 vhf's in Memphis, 77 mi. away. It has signed for CBS Extended Market Plan, has set tentative \$150 base rate. Rep. will be Burn-Smith.

KRCG, Jefferson City, Mo. (Ch. 13), now plans Feb. 1 test patterns, programming Feb. 13, according to owner Mrs. Betty G. Handy, whose family also controls local radio KWOS and *Jefferson City Capital News & Post Tribune*. Studios & transmitter will be at model Callaway Hills Farm, 10 mi. SE of U of Missouri's commercial KOMU-TV in Columbia. Stainless 500-ft. tower is ready, installation of 10-kw RCA transmitter and 12-section superturnstile antenna is under way. Base rate will be \$200. Rep will be Meeker.

WTVT, Tampa, Fla. (Ch. 13), whose CP was reinstated this week after being held up by protests (Vol. 10:49), plans March 15 test patterns, April 1 CBS programming, reports v.p.-gen. mgr. W. Walter Tison, also operator of Tampa radio WALT. It's third area outlet, WFLA-TV (Ch. 8) having started this week, WSUN-TV (Ch. 38) in 1953. It has transmitter house ready for 50-kw RCA unit due Feb. 1, will use 12-bay antenna on 838-ft. Ideco tower scheduled for completion Feb. 10. Tison is largest individual stockholder with 20%, other principals including politicians ex-Gov. Doyle E. Carlton, pres., 15%; ex-state sen. David E. Ward, secy.-treas., 10%; ex-Clearwater mayor H. H. Baskin, 10%; ex-circuit judge O. K. Reaves, 5%. Base hour will be \$400. Rep will be Avery-Knodel.

Satellites of KGMB-TV, Honolulu, on islands of Maui and Hawaii, will begin operation next April using RCA transmitters, reports v.p.-gen. mgr. G. Richard Evans. First to start will be at Wailuku, Maui (Ch. 3), KGMB-TV planning to send live cameras there in order to telecast ceremonies marking its April 3 debut. RCA transmitter has been ordered and antenna will be 100-ft. above ground atop guyed steel tubular mast on slope of 10,000-ft. Haleakala crater. Maui outlet is expected to improve reception on Molokai and Lanai, according to Mr. Evans. Hilo, Hawaii (Ch. 9), has April 10 target, using KGMB-TV's original equipment, including 500-watt RCA transmitter, with installation already underway. Antenna will be located on radio Hilo's KHBC tower. One technician will be added to KHBC staff to help operate Hilo TV; Maui will have engineering staff only. Stations will be sold only in combination with KGMB-TV. Rep will be Free & Peters.

Industry-govt. study of high towers and issues involved in joint use of airspace by TV and aviation industries—ordered 2 wks ago by govt.'s Air Coordinating Committee (Vol. 11:3)—may get under way next week with organizational meeting. All interested organizations have been invited to name representatives. FCC Comr. Webster is expected to be named chairman or co-chairman, with CAA administrator F. B. Lee slated as co-chairman if group has 2 heads. Other members already named: Joseph Adams, CAB; Rear Adm. W. L. Rees, Navy; Maj. Gen. W. D. Ganey, Air Force; Robert Kennedy, Assn. of FCC Consulting Engineers; A. Prose Walker and Vincent T. Wasilewski, NARTB; Robert M. Booth, FCC Bar Assn.; Cyril Braum, JCET. Other agencies and groups invited to participate, which have not yet named representatives: Army, Air Transport Assn., National Business Aircraft Assn., National Assn. of State Aviation Officials, Aircraft Operators Council, Aircraft Owners & Pilots Assn., Air Line Pilots Assn.

RCA takes over distribution of Ideco towers manufactured to its specifications, to be marketed under RCA brand.

Broadcasters drew praise of law enforcement officials in N. Y. this week for their cooperation in trying to crack down on so-called "pitchmen" whose spiels are currently subject of grand jury investigation of fraudulent on-air advertising (Vol. 11:4). Federal Judge Samuel Leibowitz, in charging grand jury Jan. 24 in Kings County (Brooklyn) Court, commended their public-spirited response in accepting his invitation of last week to witness his charge to the jury. All stations and networks in metropolitan N. Y. sent representatives in reply to invitation. District Attorney Edward S. Silver, who had been conducting own investigation, also thanked broadcasters for attending, saying they shared desire to "clear out the unscrupulous few who would prey on the unsuspecting public." He said: "I have not the slightest doubt that the broadcasters are just as anxious as I am to clean out the fakers." In his charge, Judge Leibowitz outlined laws and penalties covering misrepresentation. On Jan. 27, station representatives met with Silver to assure him of their "full cooperation." Stations told him they would work closely with local Better Business Bureau to stamp out the practice.

PUBLIC'S TV INVESTMENT—\$13.5 BILLION: Illustrative of TV's dynamic growth, which in 9 commercial years from 1946-54 has seen sets go into 70% of America's homes, is investment of about \$13.5 billion by the consumer for receivers during that period. Though figures are necessarily unofficial, they may be broken down as follows:

Retail value of receivers, \$9 billion (projected from the cumulative factory sales of \$6.451 billion); servicing, \$2 billion; components, antennas, etc., \$1.5 billion; receiving tube replacements, \$518,230,000; replacements of picture tubes, \$435,251,000. Tables setting forth set production, sales & inventories year by year are in our TV Factbook No. 20, released this week.

Average retail price of the 33,500,000 sets in hands of public on Jan. 1 is estimated at \$270 for the 9-year period, average having come down from the \$500-plus of 1946 to about \$200 in 1954. That's the consensus of trade statisticians, some saying \$270 average is too high, others too low. In marking up factory sales to \$9 billion, account has been taken of narrowed margins & the trade's seemingly perpetual 3 Ds -- distress, discounts, dumping.

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TV sales performance in Jan. gave all levels of trade a shot in arm, though there's still the 2,000,000 inventory to contend with (Vol. 11:4). Pending analysis of retail statistics, which normally trail factory and distributor data by week or two, there's ample reason to believe TV sales were at least as good as in Jan. 1954, when 525,257 TVs were sold by factories, 612,622 by distributors, 731,917 by dealers. And that was considered a comparatively good month.

The sales picture takes on added rosiness when it's remembered that many in trade had their fingers crossed about Jan. sales, worried lest TV would suffer a bad letdown after racking up a record 7,300,000 retail sales year in 1954. No letdown beyond normal seasonal adjustments apparently has materialized thus far.

How much of those sales represent second-set buys? That question is being kicked around a lot these days among trade's marketing experts -- and judging from their replies to our queries, we'd say 10% would be a very conservative estimate. It's somewhat higher than that, of course, in big metropolitan pre-freeze markets but, nation-wide, a 10% average is considered fair right now.

Low prices, quality merchandise, big promotions and sluggishness of color -- those are the major reasons being advanced for public's apparent willingness to go for the second set much sooner than many had anticipated. Said one set maker:

"We're really stealing sales from the future these days. The sales we are making today are the ones we figured on making 6 months or even a year from now. They're second-set purchases, as we've determined from our own surveys. Now I do not mean to imply that everybody's on the second-set bandwagon. Far from it. We do know, however, that there has been a perceptible rise in second-set purchases over the last 6 months -- many in the low-end categories -- and I feel that this constitutes enough of a trend to make the outlook for 1955 quite promising."

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TV-radio made a good showing at Western Winter Mart in San Francisco this week, judging from reports. The handful of manufacturers who showed reported brisk ordering by dealers -- generally better than year ago. "Special deals" were reported harder to find than in previous years. Of particular interest, too, were the high-fidelity displays, which claimed a spotlight of their own.

Discount house competition gave dealers at mart plenty to talk about, as it does whenever 2 or more dealers meet nowadays. New NARDA pres. Harry B. Price Jr., in first major address since election 2 weeks ago, told dinner meeting at mart that

TV-radio-appliance dealers are in a paradox of higher volume and lower profit in competition with discount houses. He commented:

"The war is on. At the manufacturers' level, it is be competitive or die. At distributors' level, it's justify your existence or close up. And at the level of the dealer, we must recognize the change and adjust to it...

"The doing away with list price isn't shocking. Retailers who have been selling below list did away with list price a long time ago. We all must understand -- neither you, your distributor nor your manufacturer establishes the ultimate selling price of our products. The public determines what it will pay. Decide now you will adapt yourself to a changing market. There never will be a substitute for integrity, value or service, but if someone develops a more economical way to deliver all three -- watch out! It is a human shortcoming to resist change. However, failure to recognize sound progress can relegate one to failure."

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TV production totaled 150,985 week ended Jan. 21, third week of current year, compared to 166,522 preceding week and 190,896 week ended Jan. 7. Three-week total is slightly over 500,000. Radio production totaled 262,949 (147,313 auto) in week ended Jan. 21, compared to 267,544 preceding week and 278,371 in week before. For 3 weeks, radio production was slightly over 800,000.

Trade Personals: F. P. (Fritz) Rice, mgr. of DuMont CR tube div., appointed to new position of director of manufacturing & purchasing—supervising instrument, CR tube, communication products, govt. contracts & receiver manufacturing divisions . . . Herbert E. Taylor Jr., ex-mgr. of DuMont communications products div., named commercial sales mgr., Federal Telephone & Radio Co., under J. A. Frabutt, gen. sales mgr.; company plans expansion in microwave and other industrial fields . . . Joseph A. Lagore, gen. mgr. in charge of operations, Philco govt. & industrial div., and James D. McLean, gen. sales mgr. of that division, promoted to v.p. manufacturing and v.p. sales, respectively . . . Alfred A. Medica, Admiral sales mgr. of national accounts, assumes added duties of radio sales mgr. . . . J. M. Tenney, ex-Admiral, named mgr. of Kelvinator's new major dealer div. . . . Henry Lehne, director of Sylvania electronic defense lab, named mgr. of new electronic systems div., Buffalo, concentrating on developing electronic systems & equipment for military . . . Gilbert Hoffman, comptroller of CBS-Columbia's N. Y. factory branch, appointed comptroller of all branch distributing operations . . . Clarke Latimer, from TV div., named service mgr. of Hoffman Electronics Sales Corp., succeeding Hal Grey, now field engineer of Hoffman's KOVR, Stockton, Cal.; John Charlesworth named Hoffman sales promotion mgr. in San Francisco area . . . Edward K. Doherr promoted to asst. director of Raytheon govt. field engineering dept., Waltham, Mass., handling field service requirements; G. Edward Dodge named govt. field engineering supervisor . . . Jack Ravdin, Olympic Radio engineering v.p., placed in charge of all manufacturing operations; Benjamin Parzen promoted to Olympic director of engineering & research . . . J. J. O'Connor resigns as Sylvania southwestern district sales mgr. to form own merchandising rep firm in Dallas . . . Wm. Horn, adv. mgr. of Philco air conditioner & electric range divs., named adv. & merchandising mgr., accessory div. . . . Robert N. Gillmor promoted to mgr. of new GE materials & processes lab, Syracuse . . . Robert H. Newton, ex-RCA Service Co., named mgr. of new gen. service dept., RCA Victor Co. Ltd., Montreal . . . F. J. Gaffney, ex-Fairchild Engine & Airplane Co., elected engineering v.p. of Marion Electrical Instrument Co., Manchester, N. H. . . . Dan Roseman named asst. sales mgr., James B. Mannion exec. asst. of sales dept., Sheldon Electric Co., Irvington, N. J. (tubes) . . . Joseph Kerr, ex-GE & Motorola-New York, named N. Y. district mgr., Granco Products Inc.

DISTRIBUTOR NOTES: Hoffman Electronics, continuing national expansion program, appoints Independent Distributors Inc., Denver; Wabash Distributing Co., Terre Haute; Boetticher & Kellogg Co. Inc., Evansville, Ind.; Ferguson Co., Paducah, Ky.; Triangle Supply Co., Bowling Green, Ky. . . . Capehart-Farnsworth: Lehigh Valley Distributors, Hazleton, Pa. (O. J. Mannen, pres.) . . . Long's Distributors Inc., Binghamton, N. Y., relinquishes Motorola franchise . . . Gould-Farmer Co., Syracuse (GE) elects Charles H. Wittenburg pres., succeeding Earland M. Farmer, who moves up to chairman . . . Westinghouse Electric Supply Co., Charlotte, plans to move about Aug. 1 to new site on W. Morehead St. . . . Raymond Rosen & Co., Philadelphia (RCA) names James Davis adv. director, succeeding Jack Moses, retired.

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Shakeup of Westinghouse consumer products personnel, including TV-radio div., was disclosed this week, with these changes: Edward J. Kelly, ex-Emerson production v.p., named TV-radio div. mgr., replacing T. J. Newcomb, whose new assignment has not been disclosed; John F. Myers, pres. of Westinghouse Electric Supply Co., appointed v.p. & gen. mgr. of consumer products, reporting to John M. McKibbin, who remains as group v.p. of consumer products; Victor D. Kniss, gen. sales mgr. of consumer products, named pres. of Westinghouse Electric Supply Co., succeeding Myers. The changes disclosed this week follow in wake of several recent transfers and resignations and reports persisted that more changes would follow, as company fights for bigger share of consumer products market—particularly TV-radio.

H. Ward Zimmer, 57, a 36-year veteran of Sylvania who rose through ranks to presidency in April 1953, died Jan. 28 at New York Hospital after 2-month illness. He became operations v.p. in 1947, exec. v.p. in 1950. He was a native of Emporium, Pa.

W. Paul Jones, 53, ex-pres. of Servel Inc. and v.p. in charge of all Philco appliance operations from 1939-49, died last week in Evansville, Ind. of heart attack. At time of his death, he was pres. of Kellett Aircraft Corp., Camden, N. J. (helicopters).

George A. Rogers, 48, ex-mgr. of operations of Westinghouse TV-radio div. and formerly with Emerson Radio, died Jan. 25 in Cornell Clinic, N. Y. Survivors are his widow, a son, 2 daughters.

Topics & Trends of TV Trade: Flat one-year warranties on picture tube replacements sold through distributors—an on-again off-again proposition for last 6 months or so—have once again become standard in TV industry. RCA, GE, Sylvania & DuMont this week disclosed they have gone back to outright one-year warranties because of competitive reasons—citing fact that other unidentified manufacturers, including rebuilders, had refused to change with them. Distributors were notified this week of the return to one-year warranties.

RCA last July had adopted a 12-month pro-rata warranty policy similar to that in effect for automobile batteries, in which value is diminished each month. Sylvania likewise had adopted a 12-month pro-rata policy recently. GE and DuMont had previously changed to a flat 6-month warranty.

Primary reason for switch from one-year warranties was that picture tube no longer represents as large an investment as other parts and consequently should not have the extended warranty protection.

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“A deliberate lie, intended to injure unjustly the reputation of Mr. Wasserman” was the way the prosecutor Arthur McLaughlin characterized the sensational testimony of Arthur A. Mills, an ex-convict from N. Y., that George Wasserman, owner of George’s, big Washington retail chain, hired him to rob George’s safe on Labor Day week-end. Mills was convicted by a Federal court jury in Washington of the safecracking, in which \$20,000 in cash and \$3500 in jewels were taken. Wasserman denied ever having seen Mills.

Radio shipments to dealers, excluding auto radios, totaled 5,128,337 in first 11 months of 1954, according to RETMA’s state-by-state tabulation released this week. Nov. shipments were 711,554, compared to 639,624 in Oct. Comparisons with 1953 are not possible because only quarterly compilations were made then.

CBS-Columbia added 9 basic models to line at regional distributor meeting Jan. 25 at New York’s Plaza Hotel. Prices range from \$180 for 21-in. ebony table model to \$260 for 21-in. open-face blonde console. Two of new models will be priced by distributors according to local conditions. New models consist of 6 tables, 3 consoles.

British TV-radio sales set record in 1954—TV sales estimated at slightly higher than 1953’s 1,145,000 and radio at about 1,500,000, or double 1953 figure. British TV sets-in-use now total more than 4,250,000. In France, 1954 TV sales were estimated at 80,000, compared with 37,000 in 1953.

Individual TV speakers with own volume control are now being marketed at \$13.95 list under name “TV Hush” by Aer-Vue Industries, 1460 Bushwick Ave., Brooklyn. Rectangular-shaped gadget is placed on chairside table to permit viewer to listen without disturbing others in house and to vary volume without leaving chair.

Business failures in 1954 were at a higher rate among TV-radio-appliance dealers than any other group of retailers, reports Dun & Bradstreet’s Feb. *Service Magazine*. Rate of failure was 162 per 10,000 dealers vs. 116 per 10,000 in 1953. Actual number of failures was not disclosed.

One of bright young men mentioned in Feb. 4 *Collier’s* article “How to Think Your Way to the Top” is Milton J. Shapp, 43, pres. of Jerrold Electronics Corp., manufacturer of TV distribution equipment for community antenna systems, hotels, etc.

National Assn. of Music Merchants scheduled annual convention and trade show July 18-21 at Chicago’s Palmer House. Advance registrations may be made at NAMM headquarters, 25 E. Jackson Blvd., Chicago.

PROPOSED MERGER of Hoffman Electronics Corp. and Packard-Bell Co., both of Los Angeles, was subject of serious negotiation during the last week—but the negotiations were terminated Jan. 25. Said joint statement by H. Leslie Hoffman and Herbert A. Bell, presidents:

“Consideration of a merger agreement whereby shareholders would exchange 2½ shares of Packard-Bell common stock for one share of Hoffman Electronics common stock has been under discussion by representatives of the two companies for the past ten days. Inability of the two companies to reach a mutually satisfactory agreement was responsible for Hoffman’s and Bell’s decision to end the negotiations.”

Hoffman’s assets as of Sept. 30 were about \$17,043,043, Packard-Bell’s \$9,358,050. Hoffman, recently admitted for trading on the N. Y. Stock Exchange, showed net profit of \$1,139,421 on sales of \$32,750,904 for 9 months ended last Sept. 30 compared to \$1,115,553 on sales of \$38,153,871 for same 1953 period (Vol. 10:44). Packard-Bell’s fiscal year ended last Sept. 30 with sales of \$17,744,136 and profit of \$164,295 compared to sales of \$32,152,749 and profit of \$1,139,642 in same 1953 period (Vol. 10:52). This week, Packard-Bell reported net profit of \$217,237 (31¢ a share) on sales of \$5,855,831 for its first quarter ended Dec. 31, compared with \$269,575 (39¢) on sales of \$6,333,922 for same 1953 period.

Reorganization petition of Wilcox-Gay Corp., parent of Majestic Radio & Garod Radio, will be argued March 21 when creditors meet with Referee Chester C. Woolridge in Grand Rapids Federal Court. Signed by chairman Leonard Ashbach, petition for reorganization under Chapter X of Bankruptcy Act was approved last week-end by Grand Rapids Federal Judge W. Wallace Kent. It lists assets of \$5,990,606 and liabilities of same amount as of Nov. 30, 1954. It contends company is solvent and can pay current debts, but cannot continue to do so under pressures exerted by Garod’s creditors, one of whom has levied a \$39,000 judgment against company’s bank accounts and has forced Brooklyn TV plant to shut down as result. Wilcox-Gay stated it is directly affected by Garod’s losses, as guarantor of all contract obligations of its subsidiary. Petition contends Garod was forced to sell TV sets at a loss to obtain operating capital. Another factor was termination of several of Garod’s govt. contracts, it is stated. Company proposes to consolidate all operations at Charlotte, Mich. headquarters and asks court permission to continue in business, citing \$1,000,000 worth of present and prospective U. S. orders at Garod and a Wilcox-Gay contract with an unidentified electronic manufacturer for delivery of 10,000 private-label tape recorders in first quarter of 1955, at selling price of about \$900,000. Wadsworth Bissell, Grand Rapids, was appointed trustee, with authority to file list of creditors by Feb. 15.

Industry figures included in recent Honors List published by Queen Elizabeth: R. C. McCall, BBC asst. director of TV (C.M.G.); E. H. Clarke, BBC appointments officer (O.B.E.); Miss Frieda V. Lingstrom, BBC head of children’s TV programs (O.B.E.); A. J. Clarricoats, gen. secy., Radio Society of Great Britain (O.B.E.); V. M. W. Roberts, commercial mgr., electronics dept., British Thomson-Houston Co. (O.B.E.); Miss Ruth M. Cockerton, BBC pictorial publicity officer (M.B.E.); M. M. Dewar, BBC asst. to director of home sound broadcasting (M.B.E.); J. J. Sarche, chief inspector, Ultra Electric Ltd. (M.B.E.).

National Retail Dry Goods Assn., 100 W. 31st., N. Y., issues new *Expense Center Accounting Manual*, setting up new accounting procedures to enable retailers to keep closer check on expenses. NRDGA anticipates new system will become standardized in retail trades by mid-1955.

Financial & Trade Notes: Columbia Broadcasting System Inc., which has shown steady increases in gross and net, its stock going from a 1954 low of 41% to a high this week of 93%, will propose to April 20 stockholders meeting that shares be split 3 for 1 and that authorized stock be increased from 3,000,000 to 12,000,000 shares, of which half will continue to be Class A and half Class B. Board meeting this week decided such a split-up would make possible wider distribution of the stock, which Chairman Paley said was desirable because, in addition to its broadcasting activities, CBS manufactures consumer products through its various divisions: CBS-Columbia div. (TV-radio sets); Columbia Records (Columbia, Epic, Okeh & Playtime label phonograph records and Columbia phonographs); CBS-Hytron (picture & receiving tubes, semi-conductors). There are no present plans to issue any shares other than those required for the stock split-up.

Mr. Paley revealed that sales & profits for fiscal year ended Jan. 1 will be largest in company's history, preliminary figures indicating net earnings of approximately \$4.85 per share, up \$1.05 per share from 1954. In addition, some \$5,300,000 of non-recurring capital gains have been realized. Audited figures will be released in March.

Last CBS report, for first 9 months of 1954, showed gross sales up 18% to \$263,746,543 from previous record of \$223,109,649 in same 1953 period; net earnings after \$8,970,000 taxes up 14% to \$7,299,130 (\$3.12 a share) from \$6,411,343 (\$2.74) after \$8,550,000 taxes (Vol. 10:46). Company's 1953 gross was \$313,908,771, net \$8,894,642 (\$3.80); 1952, gross \$251,594,490, net \$6,445,506 (\$2.75); 1951, gross \$192,384,608, net \$6,360,097 (\$3.10); 1950, gross \$124,105,408, net \$4,105,329 (\$2.39).

CBS split its stock 2 for 1 in March, 1937 and 5 for 1 in Feb. 1934, and last Dec. 20 declared a 2% stock dividend. Last year it paid 40¢ quarterly cash dividends on both A & B stock plus a special 30¢ dividend on Dec. 10. First dividend this year is 50¢ payable March 11 to stockholders of record Feb. 25.

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Magnavox earned \$1,532,408 (\$2.02 a share) on sales of \$28,019,000 in 6 months ended Dec. 31, compared to \$1,702,354 (\$2.24) on \$35,921,000 in corresponding period of 1953. For 3 months ended Dec. 31, earnings were \$1,200,679 (\$1.58) on \$17,671,000 vs. \$779,006 (\$1.03) on \$19,869,000 in same 1953 quarter. Pres. Frank Freimann estimated earnings for current fiscal year ending June 30 will exceed the \$2.77 a share earned in preceding fiscal year. He said several research & development contracts are expected to boost company's volume substantially.

Cornell-Dubilier pres. Octave Blake predicts that sales for current fiscal year ending Sept. 30 will increase slightly over last year's \$37,149,778, though profit margins may be narrowed slightly due to price competition. He told annual meeting that sales for quarter ended Dec. 31 declined to \$9,950,000 from \$11,434,918 in like 1953 period. He gave no report on earnings. Company will redeem March 1, \$175,000 principal amount of 3% debentures due 1972 at par plus accrued interest to redemption date. Chase National Bank is trustee.

Dividends: Television-Electronics Fund, 8¢ payable Feb. 28 to stockholders of record Feb. 1; International Resistance, 5¢ March 1 to holders Feb. 15; Weston Electrical Instrument, 25¢ March 10 to holders Feb. 25; Servomechanisms, 10¢ Feb. 15 to holders Feb. 1; Cornell-Dubilier, 20¢ extra & 30¢ quarterly, March 25 to holders March 8; Mallory, 50¢ March 10 to holders Feb. 18; Stewart-Warner, 40¢ March 5 to holders Feb. 11; Westinghouse, 50¢ March 4 to holders Feb. 7; CBS "A" & "B," 50¢ Feb. 25 to holders Feb. 12; Aircraft Radio, 20¢ Feb. 24 to holders Feb. 11; Avco, 10¢ Feb. 27 to holders Feb. 7; Standard Coil Products, 25¢ Feb. 17 to holders Feb. 7.

ADMIRAL SIGNED RCA patent license renewal this week, at same time reporting that it has also licensed RCA for 5 years under its own patents, including automation equipment. Pres. Ross Siragusa revealed Admiral is currently contemplating setting up a division to make and lease automation equipment for the rest of the industry. The Admiral signature leaves Philco the only major entity in the field (with exception, of course, of litigating Zenith) which has not signed the RCA renewal, and Philco officials are saying nothing about their plans.

Change of venue in Dept. of Justice's civil anti-trust patent suit against RCA (Vol. 10:47) was denied Jan. 20 by Judge John C. Knox in U. S. court for the southern district of N. Y. He stated: "If I could, in good conscience, transfer the trial of this suit to the District of Delaware, I would gladly do so. However, the Government's complaint had to do with defendants and transactions that have taken place subsequent to the litigation that was held in Delaware some 21 years ago." Next step in this suit is RCA answer, which is due March 25.

In Zenith-Rauland \$16,000,000 triple damage counterclaim suit against RCA, based on anti-trust charges in connection with patent pooling, Federal Judge Igoe in Chicago this week took under advisement RCA motion for dismissal and indicated he would rule next week.

Philco has been granted extension until Feb. 14 for its answer in Dept. of Justice suit charging illegal restrictions on distributors and dealers (Vol. 10:51). Anti-trust suit was filed Dec. 15 in Federal court for eastern district of Pa., and Judge Thomas J. Clary approved agreement of counsel on the extension.

Note: Full texts of complaints in both the RCA and Philco suits were published by *Television Digest* as Special Reports last Nov. 20 & Dec. 18, respectively.

Edward J. Noble, chairman of AB-PT finance committee, chairman of Life Savers Inc. and onetime chief owner of ABC, has given 200,000 shares of AB-PT common stock, valued currently at about \$4,500,000, to the Edward John Noble Foundation, his charitable endowment. This reduces his AB-PT common stock holdings to 8949 shares; he also holds 324,601 shares of 5% preferred. In Dec. (Vol. 10:51), Mr. Noble gave \$5,000,000 and in 1953 he gave \$2,000,000 to the Foundation, which he organized in 1940.

Hartley Baird Ltd. major British TV-radio manufacturer, has acquired Ambassador Radio & Television Ltd., which continues under own name as wholly owned subsidiary with R. N. Fitton remaining as managing director and joining Hartley-Baird board as director in charge of TV & radio. Ambassador shareholders received 1,000,000 shares of HB, which will also issue 100,000 shares of 7% second cumulative £1 pfd. shares.

Electrical & Musical Industries Ltd., big British electronics firm which has contracted to purchase control of Capitol Records Inc. for about \$4,350,000 (Vol. 11:3), will finance it by offer of 3 million £1 (\$2.80) cumulative second preference shares at 5½% to EMI stockholders.

Norden Laboratories Corp. stockholders have voted to merge with Ketay Instrument Corp. on basis of one Ketay common for 4 Norden and one Ketay common for each 2.7 Norden Class B; plan is to change name to Norden-Ketay Corp.

Daystrom Inc. has acquired or holds voting rights to 214,212 shares, or more than half of the 428,221 outstanding, of Weston Electrical Instrument Corp., Newark, according to Daystrom pres. Thomas Roy Jones.

Storer Broadcasting Co., now traded over the counter, expected shortly to apply for N. Y. Stock Exchange listing. Wall Street rumors are it may also split stock.

Color Trends & Briefs: Implementing his color "blockbuster" theory—that of stimulating public interest in color through occasional major 1½ & 2-hour spectaculars rather than through simple increase in miscellaneous color programming (Vol. 11:3)—NBC pres. Sylvester L. Weaver is busily lining up bigger & bigger names and programs. Items:

(1) Complete uncut version of current Broadway play *Peter Pan*, starring Mary Martin, is to be presented 7:30-9:30 p.m. March 7—an extra half-hour being added to regular *Producers' Showcase* period. Price reported: about \$300,000.

(2) Sol Hurok, the concert manager, has been retained to develop "new production ideas and artistic vehicles" for *Producers' Showcase*, colorcast every 4th Mon. He has left for Europe to scout talent.

(3) Dedication of NBC's new west coast color studios in Burbank, Cal. March 27 is to be marked with major spectacular built around "cavalcade of show business" motif—to be produced by Tony Miner, feature big names, include comments on color by RCA chairman David Sarnoff.

(4) Actor Maurice Evans has agreed to present eight 90-min. plays in color this fall, one every 4th Sun. afternoon, starring in 2 of them himself—in *Hamlet* and either *Man and Superman* or *The Devil's Disciple*. Jack Rayel will be exec. producer, George Schaefer director.

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Though drop in color set prices from current \$895-\$1000 level was declared by many manufacturers to be impractical, despite RCA's reduction of 21-in. picture tube price from \$175 to \$100 (Vol. 11:3), Magnavox pres. Frank Freimann has announced plans to begin shipping sets using the RCA tube by July and stated "we're shooting for a price somewhere between \$650 and \$695." Only other set maker talking about that price range is Emerson pres. Ben Abrams, who said he hopes to have price down to about \$600 by July-August (Vol. 11:3). This week, Admiral started shipments, quantity undisclosed, of \$895 receivers using RCA tube.

Eastman Kodak, unhappy about Wed. 7-7:30 p.m. time period for its color film series *Norby*, has asked NBC-TV to give it a segment later in evening. It contends a \$3,000,-000 investment in film is not justified on current period.

Jan. 31 week network color schedules: CBS-TV—Feb. 2, *Best of Broadway*, 10-11 p.m. NBC-TV—Feb. 2, *Norby*.

Our recent roundup—"The Color Doldrums—Whys & Wherefores" (Vol. 11:2)—prompted *Washington Star* TV-radio columnist Harry MacArthur to give his analysis in Jan. 16 column, and he puts blame squarely on insufficient programming. "It ought to be clear now," he writes, "that the broadcasters cannot wait until the country is flooded with color sets before flooding their channels with color TV. A look at the list of color programs scheduled for this or any other week is ample answer to any puzzlement over the general public reluctance to wax enthusiastic over tint TV . . . Even when the price comes down, those color TV sets are going to gather dust in the showrooms until they can be used regularly to receive color programs."

Two color notch filters, to attenuate radiations of stations transmitting color, are now being offered by DuMont. Also offered are new spurious emission filters. Both types are designed to meet FCC requirements. Additional device announced this week is a multi-channel waveform monitor for displaying 4 video signals simultaneously on a single multi-gun CR tube. It's said to be particularly useful for stations transmitting color—permitting monitoring of all 3 color signals and encoded output of one color channel.

As test of dealer interest in color, *Retailing Daily* asked its subscribers whether it should continue weekly listings of color program schedules. TV-radio editor Martin P. Rosenblum tells us: "The reaction has been overwhelming. Frankly, we were quite surprised. Oddly enough, the bulk of the response was from small cities I have never heard of, like Ravenna, N. Y. and Huron, O., etc. Because of the size of the response we intend continuing the listings."

Live color programming experience of 3 stations, with 16 pages devoted to each, constitutes most of RCA's Dec. *Broadcast News*. Stations covered are the local color-casting pioneers WKY-TV, Oklahoma City; WBAP-TV, Ft. Worth; WTMJ-TV, Milwaukee. Articles include considerable detail on major aspects of live color originations.

CBS's technique for equalizing and terminating coaxial cables for color in studios is described by W. B. Whalley in January *Journal of the SMPTE*.

Latest 3-V color film camera shipments reported by RCA were to WFIL-TV, Philadelphia; WTVR, Richmond; WJAC-TV, Johnstown, Pa.

GE has opened new "systems center" at Syracuse for its heavy military electronic equipment dept. New 100,-000-sq. ft. 2-building center will house 700 of dept.'s 3300 employes in Syracuse area and will coordinate military development and production programs in such fields as radar, communications, anti-submarine warfare, missile control, radiation instrumentation, air navigation, traffic control.

Long-distance vhf & uhf propagation experiments at Bureau of Standards' Cheyenne Mt. (Colo.) facilities area described in new publication, *Cheyenne Mt. Tropospheric Propagation Experiments*, National Bureau of Standards Circular 554, available for 30¢ from Govt. Printing Office, Washington 25, D. C.

Another big company expanding into electronics field is Studebaker-Packard Corp., which this week announced it has acquired Aerophysics Development Corp., Los Angeles research firm specializing in guided missiles.

Marvin Hobbs, ex-Harvey Wells Electronics v.p. and former electronics advisor to chairman of Munitions Board (Defense Dept.) Jan. 31 becomes director of marketing, American Machine & Foundry Co. electronics div., Boston.

Dr. Mervin J. Kelly, Bell Labs exec. v.p., named chairman of Air Force Scientific Advisory Board, succeeding Dr. Theodore von Karman, resigned.

Electronics Reports: First public demonstration of a 2-color radar tube was conducted this week at Washington's National Airport by Chromatic TV Labs, developer of Lawrence tube. As shown, one kind of information (a map, in this case) was displayed in yellow, aircraft in orange. Chromatic research director Robert Dressler explained that many demonstrations had been conducted for the military, using different colors to distinguish between friendly and enemy planes, etc. Contrast between the 2 colors was quite good, and Dressler said that a good green long-persistence phosphor had been developed by GE and would be tried—to get even more contrast. Conventional P7 & P17 phosphors were employed because of their availability. Plans are to add a third color to give other kinds of information on same tube. Advantage claimed for Chromatic tube over 3-gun tubes for radar, according to Dressler, is that former is undisturbed by earth's magnetic field and man-made noise—particularly advantageous in aircraft. Device was developed under Navy contract.

Comdr. Clifton Shumaker, 48, Naval member of the Electronics Production Resources Agency, joint service board, pioneer in radio and formerly with electronics design section, Bureau of Ships, died Jan. 20 at his home in Alexandria, Va.

NCAA's 1955 football TV program will be completed next month, NCAA exec. director Walter Byers announced this week after first meeting of 12-man TV committee. Headed by new chairman E. L. (Dick) Romney, Skyline Conference commissioner, committee "came to no conclusions" at first meeting Jan. 27, hopes to hold hearings Feb. 10-11 in New York to get ideas for new control plan, draw up program Feb. 17-18 in Chicago and poll NCAA members by mail Feb. 25 on plan. Meanwhile, U of Michigan pres. Harlan Hatcher, addressing Detroit Athletic Club Jan. 27, attacked "game of the week" plan as "folly" and said "all the collegiate sports will be telecast in the near future, along with other university activities." He reiterated hints made by other Big Ten and Pacific Coast Conference spokesmen of withdrawal from NCAA if 1955 plan is as rigid as previous ones. However, he opposed bills pending in 6 state legislatures to force state-supported colleges to televise their games. Legislative committee in a 7th state, Maryland, killed resolution to seek telecasting of all U of Maryland games after coach Jim Tatum told it such a move would embarrass the university and probably prove unprofitable.

Quantity of documents made available to public by FCC is being cut down to permit issuance of additional material. Commission has been mimeographing 800 copies of all decisions, etc., giving them out freely. Demand for documents covering services other than broadcasting has become so great that Commission is cutting number of copies of documents to 200, limiting number to be taken by each person or firm. Extra copies may be obtained only upon specific request and in restricted numbers. Commission states that its distribution of documents will still be far more liberal than that of other govt. agencies. New fields to be covered in releases will be weekly lists of applications and grants for public coast stations, aeronautical stations, airdrome control stations, radiopositioning stations in 1750-1800 kc band, disaster communications stations, operational fixed stations. Also to be issued are lists of certain petitions affecting rules in Safety & Special services. FCC consulted bar and engineering groups before making the changes.

Georgia's ex-Gov. E. D. Rivers Sr. is selling CP for WCTV, Thomasville, Ga. (Ch. 6) for \$88,700 to John H. Phipps, of Phipps polo-playing family, who will also take over \$331,464 GE equipment contract. Rivers gets \$74,000 as partial reimbursement for \$82,000 out-of-pocket expenses and remainder for equipment he acquired from Storer following sale of his CP for WMIE-TV, Miami (Ch. 27), which Storer now operates as WGBS-TV (Ch. 23). Phipps' home base is Tallahassee, Fla., where he operates radio WTAL, about 30 mi. from Thomasville; he also operates WTYS, Marianna, Fla. Contingent on transfer of TV, application also was filed for Rivers to buy Thomasville radio WKTG (1-kw, 730 kc) from Fred Scott Jr. and family for \$100,000. Rivers still holds 60% of CP for WOBS-TV, Jacksonville, Fla. (Ch. 30).

KSBW-TV, Salinas, Cal. (Ch. 8), is selling KMBY, Monterey (250-watts, 1240 kc, CBS) for \$70,000, according to application filed this week. Buyer is veteran radio engineer Frederick A. Gwynn, now with NBC, Hollywood. Sale is part of merger deal whereby KSBW-TV is buying out time-sharing KMBY-TV, Monterey, along with KMBY for \$230,000 (Vol. 10:45). In order to retain KSBW (1-kw, 1380 kc, MBS), it must sell Monterey radio outlet.

Now interconnected to Bell System TV network lines are 359 stations in 233 American cities, latest being KLRJ-TV, Henderson, Nev., which began network programming last week end. Next on schedule: WMVT, Montpelier, Vt. (replacing private link), Feb. 1; KRCG, Jefferson City, Mo., Feb. 13; WMFD-TV, Wilmington, N. C., Feb. 14; WFLA-TV, Tampa, and KBET-TV, Sacramento, Feb. 15.

NBC's total assets are placed at \$68,931,262 as of last Nov. 30 in formal application filed with FCC this week in connection with proposed acquisition of WKNB-TV, New Britain-Hartford (Ch. 30), its first venture into uhf ownership (Vol. 11:2). Earned surplus is listed as \$34,577,630. Network's plant & equipment are placed at \$41,652,617. In addition to \$606,000 cash, NBC assumes responsibility for liabilities not to exceed \$840,000 as at last Oct. 31, acquiring total assets of \$855,185 of which \$618,636 is in real estate and equipment. WKNB-TV liabilities on that date were: current, \$180,435; long-term notes, \$110,607; debenture bond, \$260,287. Capital as of Oct. 31 was \$303,856, earned surplus \$49,193. Sale agreement also includes provision whereby chief stockholder Julian Gross, Hartford adman, gen. mgr. Peter B. Kenney and secy. Wm. B. Ray will be employed for 3 years—first 2 at \$15,000 yearly, Ray at \$9000.

First concrete FCC action on subscription TV came Jan. 26 when Commission instructed staff to draft notice of proposed rule-making. Draft should be ready in about 2 weeks, will be issued any time thereafter. As expected, notice will be in broad, general terms, designed to elicit industry response to many controversial questions, such as: (1) Does FCC have legal authority to authorize fee TV? (2) Is it common carrier or broadcasting? (3) Should hours of operation be specified? (4) Should rules differ according to size of market and number of stations? (5) Should it be restricted to uhf? (6) Should a patent issue be interjected? (7) Should single or multiple system be authorized? It's obvious from Commission's approach that it is in no hurry and that consideration of matter will take many months, if not years, even without complications such as intervention of Congress—which is always a possibility.

Request by Edward Lamb's attorneys to order FCC Broadcast Bureau to complete its direct case before Lamb's side begins cross-examination (Vol. 11:4) was turned down this week by examiner Herbert Sharfman after conference with attorneys for both sides. Philip Bergson, representing the Toledo broadcaster-industrialist, also asked Sharfman to require FCC attorneys to disclose whether they plan to call more witnesses. Examiner said he would decide whether they could call new witnesses if and when they announce plans to do so. Hearing is scheduled to resume Feb. 9.

Bill to remove Communists and front members from equal time provision of Communications Act was introduced this week by Sen. Butler (R-Md.) on behalf of himself, Sen. Jenner (R-Ind.) & Sen. Potter (R-Mich.). S-771 would allow TV-radio stations to deny political time to any candidate convicted of espionage, treason, sabotage or subversive activities, or any member of any group determined to be communist-controlled or infiltrated.

Authority to look into purchasing defunct KFAZ-TV, Monroe, La. (Ch. 43), for possible use as educational station, was granted Louisiana supt. of schools this week by state board of education. It's an authorization only; funds must be appropriated by legislature. KFAZ-TV went dark May 1, 1954 after 9 months on air (Vol. 10:19).

Strike of 770 CBC employes represented by NABET (CCL-CIO) was threatened this week after Canada's Federal Conciliation Board was reported to have rejected wage and other demands. Though decision hasn't officially been announced, NABET was said to be planning strike vote Feb. 2.

Power Increases: WXEL, Cleveland (Ch. 8) Jan. 18 to 316-kw; WKNB-TV, New Britain-Hartford (Ch. 30) Jan. 25 to 210-kw.

Teleprompter Corp. signs long-term contract with NBC-TV, similar to one last year with CBS-TV, reports chairman Irving B. Kahn.

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SUMMARY-INDEX OF THE WEEK'S NEWS—February 5, 1955

FAR-REACHING NETWORK CHANGES proposed in Plotkin memorandum to Senate Committee—but neither FCC nor Congress is seen disposed to go along (pp. 1 & 8).

SENATE'S INVESTIGATION OF TV may run gamut from programming to free TV to newspaper ownership, but its keystone is controversial Plotkin memorandum (p. 2).

4 UHF's GOING OFF AIR—Milwaukee's WCAN-TV, Albany's WTRI, Charleston's WKNA-TV, Oklahoma City's KMPT. New VHF's in Alaska and Missouri (p. 4).

ELECTRONIC MUSIC SYNTHESIZER is most remarkable of electronic developments disclosed in progress report by RCA's Gen. Sornoff at AIEE meeting (p. 5).

CUSTOM-BUILT TRANSMITTER and camera chains for new Tupelo, Miss. station; Howii vhf satellite and Detroit uhf educational transmitters shipped (p. 8).

FCC GRANTS 3 CP's—in Savannah, Anderson, Ind. and Son Juan, P. R.—as struggles over decisions, channel shifts and sales grow more bitter (p. 10).

SET SALES EXCEED NORMAL SEASONAL PACE, some TV makers reporting shipments of or near record; Philco raises price of 4 models (p. 12).

DR. ALLEN B. DuMONT scans electronic horizons, reports combination TV-film camera almost ready, speculates on "electronic learning" (p. 10).

STANDBY PRICE & WAGE CONTROLS apparently aren't going to be requested by President now, in effort to avoid war "psychology" (p. 14).

LONG-DISTANCE WAVEGUIDE successfully tested over 40-mi. distance by Bell Labs, which sees eventual use for carrying network programs to stations (p. 15).

NBC EXECUTIVES PUSHING COLOR, making gross-roots speeches; Robert Sornoff urges set makers to pioneer color sponsorships in self interest (p. 15).

NETWORK TV BILLINGS IN 1954 show tremendous advance over 1953—\$320,154,274 vs. \$227,585,656—according to full-year PIB report (p. 16).

'PLOTKIN MEMORANDUM' STIRS TEMPEST: The far-reaching changes in networking practices as suggested by its counsel Harry Plotkin in his report to Senate Interstate & Foreign Commerce Committee this week are unlikely to find wholehearted endorsement by any sizeable segment of the current Congress or by the FCC.

The memorandum submitted by the former FCC asst. gen. counsel on basis of 4-month study for the committee is a staff report, signed only by Plotkin himself, and without stamp of committee approval. Nevertheless, memorandum does have deep significance -- and the key word for the future is "study." It is destined to become a focal point for \$100,000 Senate inquiry (see story, p. 2), a rallying point for many stations and a target for the big networks and some of their affiliates.

Neither Congress, FCC nor Justice Dept. can be expected to fall all over itself to comply with Plotkin's recommendations. On Commission level, it should be remembered that the present members have shown no disposition to support any such substantial changes in the status quo. Obviously, Plotkin himself hardly expects his recommendations to be adopted unchanged. Even during his tenure on Commission staff -- with a chairman, Wayne Coy, who frequently saw eye-to-eye with him -- he was unable to get FCC majority to go along with many of his ideas.

Much depends on the fervor with which Sen. Magnuson pushes for the recommendations. It's known he has received much mail from station operators and others -- but this is his first year as a "TV specialist." Plotkin's principal targets -- CBS & NBC -- are certain to get their innings before the committee, to tell their side of the story. Another critical factor is the new staff for the investigation; with Plotkin gone, the direction may change again.

Plotkin's most controversial proposals: (1) Modify or ban network option time. (2) Require networks to make affiliations available to any station serving "substantially different area" than that served by regular affiliate. (3) Restrict amount of time any vhf station in a market with fewer than 4 vhf outlets can devote

to each network. (4) Bar networks from acting as station reps. (5) Change affiliation contracts which "favor the networks," and make terms of contracts public.

He recommended further study of: (1) Whether networks should be permitted to own stations other than those required for origination of programs. (2) Multiple ownership rules, with suggested 3-station limit. (3) Divorcing TV & radio networks from common ownership.

As to the uhf problem, he said all-uhf allocation would have been preferable in the first place, but it's too late for that now. He strongly backed principle of "selective de-intermixture" and recommended that FCC reconsider all de-intermixture petitions which it has "summarily denied."

He asked that Justice Dept. study whether present network practices violate anti-trust laws and called on FCC to institute formal proceedings looking into AT&T cable-microwave line charges.

To increase uhf set circulation, Plotkin proposed modified form of the bill backed last fall by Potter communications subcommittee to exempt from excise tax all receivers containing uhf tuners. Plotkin version would provide exemption only if the manufacturer devotes entire TV output to all-channel sets, with certificate from a govt. agency required as proof that set will get all channels in home use.

[We have a limited number of copies of full text of Plotkin memorandum, and will send them to subscribers on request, on first-come-first-served basis while they last. For further details of report's highlights, see pp. 8-9.]

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Sen. Magnuson sent copies of report to FCC and to Justice Dept. for comments. Justice was asked to respond within 30 days, FCC to make "first preliminary report" in 30 days, interim progress reports at 60-day intervals, final report in 6 months.

Commission was asked if it agrees with report -- and if not, what corrections should be made. If it agrees it has authority to carry out recommendations, it's requested to report what it has done so far and to "furnish a detailed schedule showing specifically what further steps are planned for the future." If it doesn't believe it has authority, it's asked to recommend legislation.

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Only network comment on Plotkin memorandum came from CBS pres. Frank Stanton, who branded its network proposals as "mistaken, impractical and unwise." If they were adopted, he said, "network TV as it is known today would be gravely crippled and the public's investment of \$13.5 billion in receivers would be substantially depreciated." He added: "The failure to test theories against facts has resulted in unrealistic and extreme proposals. The memorandum attempts to resuscitate concepts and approaches which during the last decade have been specifically and uniformly repudiated by the Congress and the FCC."

Other networks declined comment, though one NBC official stated: "This is a report by one staff member, with no endorsement by any official group."

FCC Chairman McConnaughey will be questioned on Plotkin report when Committee holds hearings on his nomination, Magnuson indicated. He said an "early hearing date" will be set by committee next week, and that both he and Sen. Monroney (D-Okla.) have questions they want to ask McConnaughey.

TV PROBE PACED BY PLOTKIN MEMORANDUM: Sen. Magnuson's guarded endorsement of stern medicine for networks, as proposed in Plotkin memorandum (see story above), heralds a rough-&-tumble year ahead in Congress for telecasting industry.

Fanning the controversy will be next week's release of report by ex-FCC Comr. Robert F. Jones, co-counsel for the Senate inquiry under the aegis of former committee Chairman Bricker (R-O.). Jones is expected to push common carrier concept of networks and reiterate his dissent from FCC allocation plan -- and it begins to look as if industry's legislative representatives will be kept busy this session of Congress. Bricker, incidentally, has re-introduced his bill to give FCC control over networks (S-825), which was starting point for the whole investigation.

In his first public comments on TV problems, Chairman Magnuson (D-Wash.) gave

the distinct impression this week that TV investigation will be the major project of his Interstate & Foreign Commerce Committee.

The Senator's principal concern -- as he told press conference -- is for "the owners of the more than 30,000,000 TV sets, 55% of which have been purchased on credit." He is disturbed, he says, lest TV sets be "obsoleted even before they are taken home from the store" -- presumably by developments in uhf, color and fee TV.

More than \$100,000 will be spent for investigations of TV and other communications matters, Sen. Magnuson indicated this week -- or over half of the \$200,000 approved by Senate this week for 1955 Commerce Committee "studies & investigations." Senate's action permits the hiring of staff of 9 to investigate TV-communications, at total salaries of \$60,929 for year. Headed by chief counsel -- whom Magnuson says will be appointed within 2 weeks -- staff will include asst. counsel, research analyst, technical consultant, communications rate consultant, clerical employes.

Committee's TV investigations will cover just about everything from "abuses within the FCC" to televised boxing, according to Magnuson pronouncements -- but the contents of Plotkin report are expected to be keystone. While the Senator's formal statement on the report was non-committal, in answer to a question he declared: "I would say offhand that I approve a lot of it."

Neither Plotkin nor Jones will remain on staff for new investigation, both having returned to their private communications law practices. Inquiry is not due to begin until both FCC and Justice Dept. have had 30 days to give their opinions of Plotkin memorandum. But Magnuson's statements indicate the directions he currently wants the investigation to take.

He already has asked ex-Sen. Clarence Dill (D-Wash.), co-author of original Communications Act, to "take the Plotkin memorandum and make legislative recommendations for changes in the Communications Act." This assignment may well put Dill in a pickle, since Plotkin says in his report that he feels no legislation necessary, that FCC and Justice Dept. have "ample authority under present statutes."

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These are the phases of TV which need study, according to Magnuson's written and spoken views on the subject:

(1) FCC -- "It is now more than 2 decades since the Communications Act of 1934 was enacted. No comprehensive study or analysis -- no survey broad enough to appraise the developments in this field during the past 20 years -- has, to my knowledge, taken place during that time. [Congress and FCC have] a continuing responsibility to insure that law and regulations are kept abreast of the growth of the industry and the needs of the American people; that procedures do not serve bureaucrats and lawyers first and the people second or last..."

"I, myself, have been distressed by the delays in getting decisions from regulatory bodies like the FCC...I am informed that some Commission hearings have taken years to complete and that rules of evidence are followed which result in irrelevant and unnecessary testimony." Magnuson also said he was "concerned" about FCC's attitude toward newspaper ownership, but did not elaborate.

(2) Programming -- "This inquiry -- I suppose, one facet of it -- will go into programming," he told press conference. "We might have some very salient recommendations as to types of programming." He later modified statement to say that "the industry does a remarkable job of policing itself," and that his concern was mainly with "availability of programs."

(3) Spectrum utilization -- Military vs. civilian use of frequencies is "one of the things we're going to look into," he said at press conference. "What use are the military making of the parts of the spectrum suited to TV?"

(4) Subscription TV -- "It is already clear that many hundreds of American towns and cities will never have their own TV stations under the existing system... One proposal that has been advanced, with the support of many TV station licensees, is to authorize a fee system whereby viewers would pay for some programs...This toll TV (applications have been before the FCC for more than a year) will require some

study by this committee since it is pertinent to the uhf problem in particular and since the economic health of the entire TV industry is involved."

(5) Line charges -- "The committee also believes that constant surveillance must be maintained over common-carrier communications operations, such as the telephone service. It has noted in the past 2 years a mounting number of complaints from broadcast licensees on the high cost of interconnections for TV stations, coupled with an inadequacy of services to cities which do not lie athwart transcontinental cable and microwave lines."

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There's an aura of rivalry between Commerce Committee and Judiciary Committee, whose Chairman Kilgore (D-W.Va.) has announced "TV monopoly" investigation, which would appear to cover much the same ground as Magnuson's inquiry. Magnuson said this week he had conferred with Kilgore Feb. 1, and was assured latter's probe would be concerned only with "legalistic monopoly features" of network field. Magnuson speculated that Judiciary Committee does not have jurisdiction over much of the territory it has announced it will cover.

"There's bound to be considerable duplication," he said -- and then asked rhetorically: "Will the Rules Committee approve an appropriation for the Judiciary Committee after it has already approved one for Commerce for the same purpose?"

4 UHF's LEAVING AIR AS 2 VHF's BEGIN: New stations went on air in Jefferson City, Mo. and Fairbanks, Alaska, this week -- even as uhf WTRI, Albany, went dark, and Lou Poller's WCAN-TV, Milwaukee, and other uhf outlets in Oklahoma City and Charleston, W.Va. indicated they intend to call it quits, at least temporarily. Number of on-air stations thus will be reduced to 425, of which 114 are uhf. Week's starters:

KRCG, Jefferson City (Ch. 13), which becomes CBS affiliate Feb. 13, started test patterns Feb. 3, wires owner Mrs. Betty G. Handy. Call letters are in memory of her late father, Robert C. Goshorn, who applied for the channel before freeze. Family also controls local radio KWOS and Jefferson City Capital News & Post Tribune. RCA 10-kw transmitter and 500-ft. Stainless tower with 12-bay antenna are located at Callaway Hills Farm, 10 mi. SE of Columbia, where U of Missouri operates commercial KOMU-TV. Mrs. Handy is gen. mgr.; Ralph Rose, program director; Ed Schuelein, ex-WDAF-TV, Kansas City, chief engineer. Base rate is \$200. Rep is Hoag-Blair.

KFAR-TV, Fairbanks (Ch. 2) began test patterns Feb. 2, plans program debut on March 1, wires Al Bramstedt, gen. mgr. of licensee Midnight Sun Bcstg. Co. Station changed its call letters this week from KFIF, claims to be "northernmost TV station in the world by 150 ft." Second Fairbanks outlet, KTVF (Ch. 11), is due to start in week or so. Midnight Sun recently bought control of KFAR-TV and KFIA, Anchorage, for \$100,000 from Richard R. Rollins, who retains 19% (Vol. 10:47 & 11:1). Principal owner is Lathrop Co., operating 4 Alaska AM stations and other Territory enterprises. KFAR-TV has 2-kw RCA transmitter, 3-bay antenna on guyed tripod tower atop Lathrop Bldg. Base rate is \$150. Reps are Weed and Moore & Lund (Pacific northwest).

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Network problems and vhf competition are blamed for week's uhf casualties. WTRI, Albany-Schenectady-Troy (Ch. 35) attributed its Jan. 31 suspension to loss of CBS affiliation to WROW-TV (Ch. 41). Headed by Col. Harry C. Wilder and half-owned by Stanley Warner Theatres, WTRI started last Feb., later built new studios, bringing investment close to \$1,000,000. WTRI has been protesting sale of WROW-TV to group headed by Lowell Thomas, alleging that he had "secret" agreement with CBS to switch affiliations. Last week, in appeals court, WTRI counsel Paul Porter sought stay of sale, stating WTRI would go off air if switch in affiliation went into effect Feb. 1. Court denied stay. FCC is considering protest, has scheduled oral argument Feb. 14.

WCAN-TV, Milwaukee (Ch. 25) plans to suspend operation Feb. 20, when new CBS-owned WXIX (Ch. 19) starts operating there under mgr. Edmund C. Bunker, ex-KNXT, Los Angeles (Vol. 11:5). Managed and principally owned by Lou Poller, WCAN-TV as a CBS affiliate was reputed to be one of most successful uhf operations, having earned net profit of \$174,000 in first 10 months of 1954 (Vol. 11:5). CBS crew takes over WCAN-TV studio and transmitter site under \$650,000 deal to purchase its physical facilities

coincidental with CBS purchase of WOKY-TV (Ch. 19) for \$350,000 (Vol. 10:43). Though WOKY-TV's former studios go to Poller, he has gone to Florida until April, has dismissed mgr. Burt Levine and staff as of Feb. 20. Last week Poller asked FCC permission to sell unprofitable radio WCAN to owners of local WEMP (Vol. 11:5).

WKNA-TV, Charleston, W.Va. (Ch. 49), which went on air in Sept. 1953, reverts to CP status Feb. 12. Owner Joe L. Smith blamed vhf competition and difficulties of uhf propagation in mountainous terrain. "We've got to stop and take bearings," he asserted. "After all, it's very hard to try to shoot a bear for yourself if you're armed with a BB gun and the rest of the party have high-powered rifles -- especially when you're after the same bear." Smith said he will not dispose of his equipment, in hopes of resuming telecasting. He says he has no immediate plans to exercise 40% option he holds for WOAY-TV, Oak Hill (Ch. 8), with which he had joint time-selling arrangement. He intends to concentrate on his AMS in Charleston and Beckley.

KMPT, Oklahoma City (Ch. 19), which has been in receivership for nearly year, got FCC permission Feb. 4 to go off air. Local attorney Everett Cotter is receiver. Station went on air in Nov. 1953, was headed by Byrne Ross (KLPR), principally owned by theatreman R. Lewis Barton.

PUSHING BACK THE ELECTRONIC FRONTIER: "Electronic music synthesizer" -- a startling new device that can create any sounds known or imagined by man, including those produced by voice or by any musical instrument -- was unveiled this week by RCA chairman David Sarnoff, speaking before the American Institute of Electrical Engineers.

It was a startling addition to progress reports on 3 devices which in 1951 (Vol. 7:39) he challenged RCA scientists to develop by 1956 when he observes his own 50th year in electronics, namely: (1) TV tape recorder. (2) Light amplifier. (3) Electronic air conditioner.

Gen. Sarnoff disclosed progress on the tape recorder in 1953 (Vol. 9:49) and on the light amplifier last year (Vol. 10:52). They literally indicate reality out of fantasy -- but his demonstration of the "synthesizer" via film and tape recording produced effects that left observers awestruck.

Wrote N.Y. Times music critic Howard Taubman: "The piano tone this observer heard in an excerpt from a Chopin Polonaise was like that of a Steinway grand. A Bach excerpt was close enough to a clavichord to be credible. 'Holy Night' was played as though an electric organ had been used. A Stephen Foster medley was made to sound as if it came from a believable hillbilly band."

"It can mimic any instrument electronically," wrote Herald Tribune's J. S. Harrison, "and only an extremely sensitive ear could detect discrepancies in tone. There were moments when the peculiar sonority of an electronically produced tone was discernible...But in the simulation of instruments of the piano family, the synthesizer performed like a concert grand."

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Everyone's imagination was jarred into action. Some visualized creation of a complete symphony without musicians, or an aged singer re-creating his voice in the full vigor of his prime -- or even the fabrication, for psychological warfare, of a speech that was never delivered, in the voice of any desired person. Others looked for more immediate uses in helping the deaf to speak, in teaching musicians, in recording and reproducing sound, in improving communications of all kinds.

Principle of synthesizer is that any sound can be broken down into specific components -- frequency, intensity, growth, duration, decay, etc. -- and that these can be created individually and combined electronically to produce any sound. The "composer" presses series of keys, like those on typewriter keyboard, punching a tape. Tape activates some 300 circuits, producing the sound.

System is very complicated at present, involves some 2 tons of equipment. The sound of only one instrument or voice can be produced at one time -- so it would require tedious re-runs of tape to build up effect of orchestra or choir.

Despite capabilities of the synthesizer, Gen. Sarnoff carefully reminded: "The vital factors of correct 'interpretation' of the music written by the composer

-- the heart, the soul and the mood of the composition -- will continue to be the task and function of the human being who synthesizes the music from the score."

Development was under direction of Dr. Harry F. Olson, the genius in acoustics who also supervised work on TV tape and recently described method of reducing noise by projecting sounds out of phase with the noise.

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An electronic cooler without moving parts, also disclosed by Gen. Sarnoff, was of greater commercial interest. Employing principle discovered more than 120 years ago by French physicist Jean Charles Peltier, RCA scientists have built a device capable of making 6 oz. of ice. It was made clear that commercially practicable refrigerator, freezer or air-conditioner is still in future.

Peltier discovered that a cooling or heating effect was produced when electric current passed through dissimilar metals. This has remained only a "scientific curiosity," Sarnoff said, until recent discoveries in solid-state physics and new alloys made possible greater and greater cooling effects.

Memorandum submitted by RCA's Nils E. Lindenblad stated that best performance achieved prior to RCA's work was temperature drop of 9 degrees Centigrade. "The new alloys developed by RCA," he said, "achieve a temperature drop several times greater, and our continuing quest for improved materials so far has discovered no indication that a limit has been reached." At present, running water is used to carry away heat produced in cooling process, but Lindenblad reported "encouraging progress" in development of a closed system would make possible self-contained unit such as is used in standard room air-conditioner. Goal is to dispense with moving parts completely -- even eliminating fan in air-conditioner.

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Prototype TV tape equipment is now being installed at NBC, Gen. Sarnoff said, and he stated that "TV tape recorders for home use are certain to be developed in the future. These will enable the TV set owner to accumulate a library of favorite TV programs which can be seen whenever desired, in the same way that a library of phonograph records now makes it possible to hear favorite records at will."

Dr. Olson's memorandum outlined 3 areas in which tape has been improved: (1) System can now accept and reproduce standard NTSC color signal. (2) Tape speed has been cut from 30 to 20 ft. a second, bringing in sight goal of 19-in. reel with 15-min. program. (3) Fidelity, steadiness and freedom from noise are improved.

Light amplifier was discussed only briefly, having been described recently (Vol. 10:52). Visualizing "mural television," with thin screen on wall, Gen. Sarnoff stated: "Indeed, simplicity, compactness and flexibility will be the features of TV in the future. The electronic light amplifier and tiny transistors...will eliminate the need for using the picture tube and all other electron tubes in a TV set."

Summarizing his report, Gen. Sarnoff told the engineers: "You may wonder what philosophy prompts me to reveal these new developments publicly while they are still in the experimental stage...We welcome competition. It spurs our own activities and increases the possibilities for earlier achievement of desired results...Whether we succeed in completing an invention before others whom we stimulate to work along similar lines, is not as important as it is to bring a new product or a new service into existence and use.

"In helping industry grow and prosper, we believe that we contribute to the public benefit and in the long run, our own as well. If an organization is to progress it must not stand in fear of obsolescence or competition."

Transatlantic TV cable, made possible through use of transistors, is definitely in realm of possibility, Bell Labs pres. M. J. Kelly told AIEE meeting in New York this week. Such cable, he said, "is a long-range goal worthy of serious study and by no means to be dismissed as impractical of eventual attainment." Phone company officials say transatlantic cable now being laid has much too narrow bandwidth for TV.

Next closed-circuit sessions are Feb. 8 and 9, both featuring talks by President Eisenhower. On Feb. 8, ABC is handling 35-city hookup for Crusade for Freedom. On Feb. 9 Smith, Kline & French pharmaceutical labs is sponsoring one of most elaborate hookups to date, handled by TNT—a "Videoclinic" feeding President's talk and clinical sessions to physicians in 31 cities, with originations in Boston, Cleveland, Washington and New York.

Personal Notes: Linus Travers, who resigned Dec. 1 as Yankee Network exec. v.p., in charge of WNAC-TV, Boston, among other General Teleradio properties, named exec. asst. to John C. Dowd, pres. of ad agencies John C. Dowd Inc., Boston, and Dowd, Redfield & Johnstone Inc., N. Y. . . . Luther Alva Pierce Jr., ex-CBS, N. Y., named technical operations mgr., WBBM-TV, Chicago, succeeding Joseph Novy, who recently bought radio WJOL, Joliet, Ill. . . . Robert Heuberger, from CBS, N. Y., named chief engineer of CBS's new uhf WXIX, Milwaukee (formerly WOKY-TV) . . . Wm. Alcine promoted to production mgr. of KNXT, Los Angeles, succeeding Leon Drew, now program director of WXIX; Miss Alberta Hackett named KNXT production coordinator . . . James Denning, from legal dept., named mgr. of NBC talent & program contract operations, reporting to v.p. Gus Margraf . . . Jay Eliasberg, ex-ABC and Foote, Cone & Belding, named CBS research projects supervisor, reporting to research director Oscar Katz . . . Stanley H. Durwood, pres. of KEDD, Wichita, takes over as gen. mgr., as John North resigns to return to east . . . John H. Reese named mgr., WATE, Knoxville . . . Shaun F. Murphy, ex-WFIE, Evansville, Ind., named station mgr., WTVP, Decatur, Ill. . . . Red Barber resigns as CBS sports consultant to devote full-time to free lance sportscasting . . . Andrew P. Jaeger, onetime DuMont film director, promoted to sales v.p., Prockter Television Enterprises Inc. . . . Robert Marchman, ex-WMBR-TV, Jacksonville, named asst. chief engineer, WFLA-TV, Tampa . . . George C. Castleman, ex-mgr. of sales development, CBS Spot Sales, joins reps Free & Peters . . . Claude Garneau heads CBC's new centralized TV-radio casting & auditioning bureau in Montreal . . . Robert Nashick, ex-Loew's MGM, named adv. mgr., WGBS-TV, Miami . . . Keith Baldwin resigns as sales mgr., WAKR-TV, Akron . . . Victor M. Ratner, McCann-Erickson v.p., conducts seminar on communications at U of Chicago starting Feb. 21 under title "Six Levels of Communications" . . . Don Staley, mgr. of Weed & Co. San Francisco office, promoted to west coast operations mgr., Hollywood, replacing late Lincoln P. Simonds . . . George Prideaux named TV-radio director, Michael Newmark Adv., N. Y. . . . Garfield C. Packard resigns as Raymer v.p. & gen. mgr., Chicago, to become pres.-gen. mgr. of radio KICA, Clovis, N. M., purchased last year from DeWitt Landis . . . Howard Garland, ex-KFMB-TV, San Diego, named program director of KCMC-TV, Texarkana, Tex. . . . Robert S. Kieve, special asst. in White House and onetime CBS-TV promotion dept., named special asst. in office of Theodore C. Streibert, director of U. S. Information Agency.

John Dunn, ex-program director, CBOT, Toronto, now asst. to CBC director of program coordination, has been awarded the Imperial Relations Trust Bursary for 1955, enabling him to study operations of BBC and European broadcasting organizations under an endowment designed "to strengthen the ties that bind together the countries of the Commonwealth." He sails for England Feb. 8. The bursary previously was held by S. R. Kennedy, now CBC regional director for the Maritimes; J. D. Nixon, program director for British Columbia; Almont Tilden, CBC Toronto announcer.

Co-equal winners of Voice of Democracy essay contest, sponsored by RETMA & NARTB for high school students for 5-min. script on subject "I Speak for Democracy," are: Judy Abramson, 17, Yuba City, Cal.; Avron Maletsky, 16, Schenectady, N. Y.; Catherine Styles, 18, Minneapolis; Dwight Walker, 17, Oskaloosa, Ia. Each will get \$500 check toward college scholarship, TV receiver donated by a manufacturer and will be guests of RETMA & NARTB in Washington & Williamsburg, Va. week of Feb. 17. Annual awards luncheon will be Feb. 23 in Washington's Shoreham Hotel.

"Jones Report" to Senate Interstate Commerce Committee, due to be submitted next week by ex-FCC comr. Robert F. Jones (see p. 2), is expected to attack FCC's allocation plan and reiterate his dissent from the plan. In dissent, Jones contended that best allocation would be a "triangular lattice" with stations spaced equidistant throughout country. As if to anticipate Jones' report, FCC Broadcast Bureau chief Curtis Plummer this week had this to say about such a plan, during speech on allocations at AIEE meeting in New York this week: "If we had drawn up our assignment plan in 1945 in this manner, I don't think you would have had 35,000,000 receivers in circulation today. In fact, TV probably would never have gotten off the ground. In 1945, prospective TV broadcasters were gun-shy. Only a few operators were willing to take the gamble and then only in the largest cities." If starting from scratch now, would "lattice" be best? Plummer said: "In addition to geographic objections, such as utilization of favorable sites and avoidance of airplanes, we would be confronted with the desirability of placing the strongest signal in the cities, to overcome man-made noise. Unfortunately, our cities are not uniformly spaced."

Determined to get unused FM frequencies for industrial use, National Assn. of Manufacturers petitioned FCC to allocate FM channels on geographical shared basis permitting use of 92-108 mc by manufacturers and other mobile radio users. It is claimed that 621 FM frequencies are unused; that 235 of these could furnish 732 mobile radio channels while leaving 293 for additional FM stations. Petition was filed by radio committee chairman Victor G. Reis and exec. asst. Frank M. Smith, through counsel Jeremiah Courtney and consulting engineer George Adair. Last year (Vol. 10:6), Commission turned down group's efforts to obtain use of 460-462 & 468-470 mc. If Commission shows any disposition to take frequencies from FM, TV interests are bound to compete with manufacturers in effort to obtain them.

WTOV-TV, Norfolk, Va. (Ch. 27), off air since last Oct. 3, is being sold to Baltimore auto dealer Temus Bright (Tim Brite Inc.) for \$16,500 plus assumption of \$63,021 RCA equipment debt. Application filed with FCC lists equipment as having book value of \$87,810 after allowing nearly \$48,000 for depreciation. Bright also agrees to pay \$15,000 for lease-purchase option for tower site WTOV-TV has been leasing from operators of Portsmouth's WAVY. Plans are to return station to air "for a limited period using only test patterns, film & network, if available." Purchaser plans to resume regular programming "as soon as satisfactory arrangements are made for studios, and the assignee is satisfied with the quality of transmissions."

Congressional probe of fraudulent TV-radio advertising, similar to current local investigation by grand jury in N. Y. (Vol. 11:4-5), was urged this week by Rep. Dollinger (D-N. Y.) in resolution (H.Res. 127) referred to House Rules Committee. His proposal would call for investigation by House Commerce Committee to determine (1) extent of "false, fraudulent, misleading and deceptive advertising"; (2) what steps are being taken by TV-radio stations to stop it; (3) policy of FCC in renewing licenses of stations which "make no effort to protect the public."

Charged with one more station than it believes it should be under multiple ownership rules, Westinghouse asked FCC to amend rules so that director Dillon Anderson's 2.8% of KTRK-TV, Houston, isn't counted. It requested that rules be changed so that a stockholder's interest isn't counted if he owns (1) 1% or more in a company with more than 50 stockholders, or (2) 5% or more in a company with 50 or less stockholders, or (3) "be shown to control, or have a substantial voice in the control and management." KTRK-TV has 34 stockholders.

BUILDING OWN transmitter and studio equipment, WTUV, Tupelo, Miss. (Ch. 9)—headed by 2 TV industry engineers—is aiming for Sept. 1 test patterns and Sept. 15 programming. Mgr. and partner F. K. Spain, engineering director of WHEN-TV, Syracuse, writes: "We propose using a custom-built 5-kw transmitter which has been constructed and is presently undergoing engineering tests and adjustment. We expect to deliver this transmitter to our site in Tupelo by May 15. We are also building 4 live camera chains in our shop in New York City along with custom design video switching and special effects equipment." Group is negotiating to buy existing building for studio and transmitter housing, plans to use GE antenna on 300-ft. self-supporting tower. Director of engineering, also a partner, is J. G. Petit, N. Y. TV development engineer for NBC. Rep hasn't yet been chosen.

RCA shipped 2-kw transmitter Feb. 3 to KGMB-TV, Honolulu, for upcoming Ch. 3 satellite at Wailuku, Maui, due on air in April. Also shipped Feb. 3 was RCA 2-kw standby transmitter for WGR-TV, Buffalo (Ch. 2). GE shipments this week were 12-kw transmitter and 5-bay helical antenna to upcoming educational WTUVS, Detroit (Ch. 56), and 12-bay antenna to KVTU, Sioux City (Ch. 9). GE reports order for 5-kw transmitter and 12-bay antenna for WSJS-TV, Winston-Salem, N. C. (Ch. 12).

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

KFDM-TV, Beaumont, Tex. (Ch. 6), which got FCC go-ahead last week after being "stayed" by protests, now plans test patterns last week in March, April programming as CBS basic, also using NBC & ABC shows. Exec. v.p.-gen. mgr. C. B. Locke reports 10-kw RCA transmitter

installed and foundations ready for 608-ft. Emsco tower, due for completion with 12-bay RCA antenna early in March. It will be first local competitor for KBMT (Ch. 31), which began last April. Base hour will be \$300. Rep will be Free & Peters.

KLIX-TV, Twin Falls, Ida. (Ch. 11), plans mid-March test patterns, according to v.p.-gen. mgr. Frank C. McIntyre. Frank Carman-Grant Wrathall group owns 50%, also has interest in KUTV, Salt Lake City and CP for KWIK-TV, Pocatello (Ch. 6). KLIX-TV found going too slow when it tried to build all equipment in Salt Lake City workshop operated jointly by Carman-Wrathall stations, has purchased from RCA the 5-kw DuMont transmitter and RCA 6-bay antenna formerly used by WFAA-TV, Dallas. It also has old GE microwave link from WBKB, Chicago. All studio gear has been installed and 250-ft. tower furnished by Salt Lake City workshop is ready on Flat Top Butte. Base rate will be \$120. Rep will be Hollingsbery.

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CHEX-TV, Peterborough, Ont. (Ch. 12), now plans March 1 test patterns, March 10 programming, writes mgr. Don R. Lawrie. It had RCA 10-kw transmitter due Jan. 15, and Canadian Bridge Ltd. is scheduled to have 400-ft. tower with 12-slot wavestack antenna ready Feb. 20. Owners Senator W. Rupert Davies (51%) and publisher-broadcaster Roy Thomson also operate CKWS-TV, Kingston, Ont. Sen. Davies publishes *Peterborough Examiner* and *Kingston Whig-Standard*. Mr. Thomson recently was reported bidding for commercial TV in Scotland, where he publishes the *Glasgow Scotsman* (Vol. 10:50). CHEX-TV tentative base rate is \$170. Reps will be Weed and All-Canada.

HIGHLIGHTS of proposals contained in memorandum submitted by special counsel Harry Plotkin to Chairman Magnuson of Senate Interstate & Foreign Commerce Committee and sent to FCC and Justice Dept. for comments (see pp. 1-4):

De-intermixture—"The Commission should be requested to re-examine the petitions for de-intermixture which have heretofore been rejected and to report back to the committee within 30 days whether there are any public-interest factors involved in rejecting these petitions [together with] a detailed statement setting forth the specific steps it proposes to take with respect to the uhf matter."

Uhf receivers—Favors proposal to grant excise tax relief only to manufacturers who market all-channel sets exclusively, with certificate from govt. agency required as guarantee that set "is in fact capable of receiving all TV channels under normal home viewing conditions."

Network exclusivity & contracts—Discards common-carrier concepts as unworkable, out of keeping with American broadcasting system and destructive to networks. Favors "Associated Press case" approach, citing Supreme Court decision in AP case. "The same reasoning would compel the conclusion that network TV service likewise should be made available to all applicants on a non-discriminatory basis, subject only to the exception that the network need not make an affiliation available where to do so would be to create a substantial duplication of that network's service. . . ."

"Networks should be required to publish and file with FCC the standards they purport to follow in determining what is excessive duplication in the awarding of affiliations. FCC should approve, disapprove or modify the standards so submitted. Any station complying with the published standards would be entitled to an affiliation on a non-discriminatory basis so far as compensation

and other terms of the affiliation are concerned. The Commission should set up a procedure to insure that network programs not carried by a regular affiliate should be made available to other stations." Serious consideration should be given to opening for public inspection some of the reports and information filed with FCC by licensees and networks—including affiliation contracts. "The present policy as to confidentiality impairs the bargaining ability of affiliates in their dealings with the networks. . . ."

Exclusivity of affiliation—"Some reasonable restriction on station choice as to network programs must be devised if we are to have the maximum utilization of TV in the public interest . . . The Commission should undertake to enumerate those markets in the U.S. with fewer than 4 facilities of relatively equal desirability, whose availability are important for network operation. [Then], provision should be made that not more than a certain percentage of the station's time in each of the segments of the broadcast day [may] be made available to the 2 dominant networks, NBC & CBS, for the purpose of carrying their programs."

Time options—"It cannot be gainsaid that we would have a healthier situation if some means could be devised whereby the sources of good programming could be expanded so that the dependence which TV stations now have on the networks could be mitigated . . . If the national spot advertiser could be assured that once his program was placed on a station it could not be displaced to make way for a network program, it is entirely possible that more time, money and effort would be expended by national advertisers in developing good programs that would be available on a national spot basis . . . Present time-clearance arrangements give an artificial advantage to the network. If the vulnerability of national spot business were removed and if time availability for such business could be made as firm as it is now for advertisers

using the networks, an incentive would be created for advertisers, agencies the national spot representatives, the producers of film for TV and others to develop good programs for presentation on a national spot basis as well as for network purposes. If that should occur, the sources of good program material would become much more diversified and stations could be relieved in great part of the present dependence on the networks . . . In order to make this objective possible, the option-time rule should be modified or abolished. . . ."

Networks as spot reps—"The national spot representatives and networks are competitors for the advertising business of the national advertisers." CBS's & NBC's practice of serving as representatives for some of their affiliates "effectively denies to national advertisers in many markets any opportunity of dealing with 2 vigorous competitors each seeking business for his medium — network or national spot — and limits the advertisers' choice to one organization representing both media." Practice is also unfair competition to national spot representatives.

Line charges—"The Commission should undertake at the earliest practicable date an examination of the reasonableness of the telephone company charges relating to broadcast operations and of the proposals for cheaper services to sparsely settled areas."

AM-TV network ownership—"The Commission should give continuing consideration" to question of ordering separation of AM & TV network ownerships, although it may be too early for such a move.

Network ownership of stations—"If the networks are correct in insisting that ownership of stations is essential in order to support the operation of networks, there is no substitute for injecting the Govt. into the role of specifying the rate of return the networks are entitled to earn. We believe that this is not the basis upon which network ownership of stations should be considered. Ownership of stations in talent centers like New York, Chicago and Los Angeles has historical justification. Most careful consideration should be given as to whether the ownership of additional TV stations by the networks is justifiable."

Multiple ownership—"Serious consideration should be given by the Commission to a re-examination of its policy with respect to ownership of stations so as to determine whether 3 TV stations are the maximum which any one group should be permitted to own. In addition, a careful study should be undertaken as to whether multiple owners have abused the power inherent in the ownership of multiple stations by securing desirable affiliations by methods which constitute violations of the anti-trust laws."

Duration of network contracts—"Present regulations of the Commission permit a maximum of 2 years for network affiliation contracts—although the license period is 3 years. It is quite common for the networks to use a form of contract which binds the affiliate for the maximum period but which permits the network to cancel before the end of the term. It is difficult to see how such lack of mutuality can be justified."

Implementation—"It is our present opinion that legislation is not needed since the agencies of the Govt. have ample authority under present statutes to deal with the problems . . . We believe that the matter should be referred to the FCC and Dept. of Justice for appropriate action. This conclusion is reinforced by the fact that the implementation of the solutions suggested here requires large trained staffs. Both the Commission and the Dept. of Justice have such staffs which are accustomed to dealing with these problems. The Senate Committee on Interstate & Foreign Commerce does not have such facilities. . . ."

Network Accounts: New Walt Disney film program, *Mickey Mouse Club*, which debuts on ABC-TV Oct. 3, Mon.-thru-Fri. 5-6 p.m., got first sponsors this week—General Mills and Campbell Soup each signing for 15-min. segments across board. In addition, Derby Foods, currently alt. sponsor of *Disneyland* on ABC-TV, is reportedly interested in third 15-min. segment . . . **Plugging children's shows**, ABC-TV also has asked Burr Tilstrom, whose *Kukla, Fran & Ollie* is sold as co-op on network, to draw up a new puppet program aimed at youngsters for Sat. morning . . . Nestle Co. to sponsor *Stage Show* on CBS-TV starting in fall, Sat. 8-8:30 p.m., thru Bryan Houston Inc., N. Y.; starring Dorsey brothers, show is produced by Jackie Gleason Enterprises and will precede Gleason's own show, *The Honeyymooners*, 8:30-9 p.m., for which Buick recently signed \$11,000,000 2-year sponsorship contract (Vol. 10:52) . . . **Comedy & more comedy** is NBC-TV's weapon in upcoming battle with Jackie Gleason for ratings in Sat. 8-9 p.m. period this fall; it tentatively plans to shift *George Gobel Show* from current 10-10:30 p.m. to 8-8:30, with 8:30-9 period filled by such guest stars as Jimmy Durante, Larry Storch and others—or, as alternative, it's considering new single comedy show from 8-9 . . . Procter & Gamble, after 6 years of continuous sponsorship, to cancel *Fireside Theatre* at end of current season on NBC-TV, Tue. 9-9:30 p.m., plans to replace it with comedy show, thru Compton Adv. . . Crane Co. (plumbing equipment) buys one partic. a week for 25 weeks on *Panorama Pacific* on CBS-TV's Pacific network, starting Feb. 22, Mon.-thru-Fri. 7-9 a.m., thru Leo Burnett Co., Chicago; Kretschmer Corp. (breakfast cereal) 2 partic. a week for 13 weeks, starting Feb. 7, thru Gleason Adv., Detroit . . . CBS-TV retains *Life with Father* for 13 more weeks as sustainer, *Pet Milk* having dropped out as sponsor Jan. 4, when it switched to *Red Skelton Show*.

Non-consumer industries should undertake major TV campaigns in support of the end products of their customers—and color is a good place to start. So said NBC pres. Pat Weaver this week in address to Detroit Economic Club urging automotive industry suppliers to lead the way in color, which he said would play a "key role in enriching the nation's economic and social life." He defended concept of irregularly scheduled programming, citing high ratings achieved by color spectaculars and such black-&-white shows as *Martha Raye Show*, *Bob Hope Show*, etc. He added that NBC, through flexibility in sales and programming patterns, is building system which will permit advertisers of all sizes to tailor TV to their budgets.

Influence of TV was a major factor in Supreme Court's ruling this week that boxing is subject to anti-trust laws, setting stage for monopoly suits by Govt. against International Boxing Club. Court ruled that widespread use of TV-radio & motion picture contracts by boxing promoters put sport in interstate commerce. Philip Elman, special asst. to attorney general, had argued that promoters get most of their income from rights to interstate TV and as far as they were concerned "fights might just as well be put on in TV studios."

Lucky Strike is first sponsor to sign for CBS-TV's "Extended Market Plan" for network programs to small-city affiliates at minimum cost to station & sponsor (Vol. 10:49), buying all 15 stations which have signed for EMP for its *Jack Benny Show* & *Private Secretary*, which alternate Sun. 7:30-8 p.m., thru BBDO. It's effective Feb. 6.

Rate increase: WKOW-TV, Madison, Wis., on March 1 raises base hour from \$200 to \$250, min. \$40 to \$50. Rate change: WFMZ-TV, Allentown, Pa. (Ch. 67) reports its current base hour is \$120, rather than the \$440 reported in *Factbook No. 20*; latter is a projected rate predicated on future 100% conversion of 110,000-200,000 sets.

NEW CPs ARE RARE nowadays, but FCC managed 3 of them this week. WSAV was awarded Savannah's Ch. 3, in final decision over WJIV, while Great Commission Schools Inc. (religious education) was granted commercial Ch. 61 for Anderson, Ind. and Puerto Rico's Dept. of Education received CP for educational Ch. 6 in San Juan. Also issued this week was examiner Isadore A. Honig's initial decision recommending grant of Ch. 5, Bristol, Tenn.-Va. to WCYB over WOPI.

FCC chose WSAV in Savannah because of "its past performance as a licensee in the Savannah area; the fact of local residence of its principals considered in connection with their participation in community affairs; and the integration of its owners with the management and operation of the proposed station." Commission concurred partially in WJIV's charge that WSAV had started construction before getting CP, told WSAV it couldn't use 3 steel sleeves installed on Liberty National Bank Bldg.

Though Honig found that WOPI had better program proposals and greater civic activity, he felt there were "deficiencies" in its past operations. In addition, he considered WCYB superior in local ownership, management-ownership integration, diversification of media ownership.

Way was cleared for Ch. 7 grant to WDBJ in Roanoke, meanwhile, when WROV agreed to dismiss upon payment by WDBJ of \$245,021 for assets of defunct WROV-TV (Ch. 27). Agreement calls for \$81,674 payment upon dismissal of WROV application, \$163,347 within 10 days after grant to WDBJ.

First efforts of theatreman L. F. Gran to block sale of WTVW, Milwaukee (Ch. 12) to Hearst Radio (Vol. 11:5) were rebuffed by FCC when it returned Gran's application for Ch. 12, stating that channel had already been granted and that Gran still owns part of WTVW. At Hearst's request, meanwhile, Commission dismissed its application for Ch. 6 in nearby Whitefish Bay, Wis.

In 3-way contest for New Orleans' Ch. 4—WWL, WNOE and WTPS competing—FCC's Broadcast Bureau asserted that WNOE principal ex-Gov. James A. Noe hadn't shown he was financially qualified to build. Noe's counsel argued that his net worth of over \$1,800,000 is ample evidence of financial ability.

Albany, N. Y. battle became even more acrimonious this week. WTRI (Ch. 35) has gone off air (see p. 4). GE

objected vigorously to WTRI's de-intermixture proposal to shift WRGB from Ch. 6 to Ch. 17. GE asserted that public would be great loser if shift were made, that station lost 7 times the \$300,000 loss reported by WTRI before WRGB turned profit corner. WMGT, Adams, Mass. (Ch. 19) objected to proposal of WROW-TV (Ch. 45) that Ch. 10 be assigned to nearby Vail Mills, N. Y. Another contender in the battle royal appeared, meanwhile, when Walter C. Neals, who has worked for several Albany area radio stations, heartily urged the Ch. 10 allocation, said he'd form group to apply for it if it were assigned.

NBC's projected purchase of WKNB-TV, New Britain, Conn. (Ch. 30) doesn't look as if it will breeze through—what with New Haven's WNHC-TV (Ch. 8) and several uhfs in area planning to protest to FCC, objecting strenuously to losing NBC-TV programs. Due to handle protest is Paul Porter, who is counsel for WTRI in its fight against CBS.

In other areas, there were more attempts of uhf operators to obtain vhf or to move to bottom of uhf band. KEDD, Wichita (Ch. 16) sought assignment of Ch. 8 to Hutchinson, said it would apply for the channel if it's assigned. It would accomplish changes by shifting Kansas State College's grant from Ch. 8 to Ch. 58, substitute Ch. 8 for Ch. 18 in Hutchinson, Ch. 58 for Ch. 8 in Manhattan, Ch. 35 for Ch. 8 in Woodward, Okla. KEDD claimed that transmissions of KAKE-TV, Wichita (Ch. 10) interfere seriously with reception of KEDD on sets with strip converters.

KCCC-TV, Sacramento (Ch. 40) hopes to shift to Ch. 16, asking Commission to assign Ch. 16 to Pittsburg-Antioch, substituting Ch. 15 for Ch. 16 in Red Bluff and Ch. 56 for Ch. 16 in Santa Cruz.

Another determined effort to achieve de-intermixture was made this week by WFIE, Evansville, Ind. (Ch. 62) and WEHT, Henderson, Ky. (Ch. 50), when they petitioned Commission to reconsider its action denying their request that Evansville's Ch. 7 be made educational. This time, they also asked that Ch. 9 be deleted from Hatfield, Ind.

Application of WJMR-TV, New Orleans, to shift from Ch. 61 to Ch. 20 was granted along with authorization to hike power to 1000 kw, while grantee WOOK-TV, Washington, D. C. (Ch. 50) applied for newly-assigned Ch. 14.

D. R. ALLEN B. DuMONT gave his imagination free rein this week when he delivered speech titled "The Look Ahead With Electronics" to Los Angeles Chamber of Commerce Feb. 2. He covered not only current TV-electronic developments but even most distant possibilities—and insisted we're living in the "Electronic Age" rather than the "Atomic Age." Among topics discussed:

(1) "Piggy-back" combination TV-film camera. Stating he believes DuMont has technical problems licked, he said: "When we complete our work, it will be possible for motion picture companies to operate with the technical efficiency of TV studios—reducing picture costs by a fantastic amount." Similarly, he added, TV networks will be able to distribute high-quality film versions of live shows instead of kines; latter is one of DuMont Network's main hopes for maintaining technical quality of service to affiliates despite heavy cutbacks in live network hook-ups (Vol. 11:1).

(2) Industrial TV. "The future uses of TV in fields other than entertainment are, in my opinion, greater than the actual on-the-air medium," Dr. DuMont said. "At DuMont we are building a complete sales force to tell the story to industry of what industrial TV can accomplish in commerce, education, industry and in medicine."

(3) Color. "Cost problems relative to the picture tube

and the entire receiver have got to be brought into line so that color sets can be priced no more than \$200 over comparable black-&-white sets," Dr. DuMont stated. "Color for almost every American home will become a reality," he said, but he declined to predict when.

Venturing into military potentialities of electronics, Dr. DuMont said: "Every new weapon of destruction that has been perfected in the past has been followed by some defense apparatus to equalize the gain. In my opinion, the time is not far off when electronic devices will provide an almost certain defense against atomic attack."

Turning to auto traffic problems, he stated: "It is surprising to me that such small use of electronics has been made. . . . A number of proposals have been made which would control the speed and separation of cars on the highways, allowing the passengers complete relaxation while traveling with much greater safety than at present."

Dr. DuMont even conjectured that electronics may be employed to influence the mysterious workings of the brain itself. "There are indications," he stated, "that electrical impulses are generated by the brain and also that electrical impulses cause the brain to perform certain functions. Possibly with further knowledge, an electronic process may be found that is able to impart information to the brain which would greatly simplify learning processes."

Telecasting Notes: A \$13,000,000 deal whereby Guild Films purchased exhibition contracts of Matty Fox's Motion Pictures for Television, representing distribution of 700 feature films and with it MPTV's entire sales force, was disclosed this week. Signed by Fox and Guild pres. Reub Kaufman, agreement establishes a new Guild subsidiary, MPTV Films Inc., which now can offer to stations—especially its collaborating Vitapix group—TV's biggest library of features, including some of Hollywood's top names. MPTV v.p. Erwin Ezzes moves over to Guild as v.p. in charge of feature film operations, reporting to sales v.p. Manny Reiner. MPTV henceforth will function only as producing and investing organization . . . Two more major studios will be in TV film production by midyear and within 2 years "every studio in Hollywood will be making pictures for TV," says AB-PT pres. Leonard Goldenson after 2 weeks of conferences with top studio officials. Though Goldenson didn't name the 2 studios, *Variety* identified them as Warner Bros. & MGM. He said TV could serve as a "proving ground" for young talent, who would then "graduate" to movies . . . Biggest attraction on TV: radio. Ed Sullivan's tribute to radio Jan. 30 pulled 51.8 Trendex (for second half-hour), all-time record for the 7-year-old show . . . Rating phenomenon of year, ABC's *Disneyland* jumped up a couple more notches in Jan. to cop 4th place in both Nielsen & ARB surveys, with 47.8 & 46.3 respectively . . . Best daytime viewing period is 4-5 p.m., according to new Advertest survey of N. Y. area, which found 48% of "daytime TV homes" watch during that hour; 10-11 a.m. is second choice (47.5%), noon-1 p.m. third (45%). In 50% of homes, TV is viewed before 5 p.m., and about half of this group watches daytime TV daily . . . "Too sexy" was unofficial explanation for sudden cancellation of widely publicized (but unsponsored) *Voluptua Show* on KABC-TV, Los Angeles, though station's official explanation was "too expensive." Show featured shapely Gloria Paull who appeared clad in negligee as mistress of ceremonies on weekly program of feature films. Program lasted 6 weeks, stirred "boycott" threats . . . Venturing into hinterlands following recent originations from Miami, NBC's magazine-type shows and *Comedy Hour* planning several future excursions—*Tonight* to originate from Dayton Feb. 11, *Comedy Hour* from New Orleans Feb. 20, with latter picking up jai alai championship from Tijuana, Mex. Feb. 6 (Vol. 11:5). Also reportedly in the works are originations of *Home* from Mexico City and resorts in the Canadian Laurentians . . . Ford Foundation is financing pilot film of new TV series featuring cartoonist Al Capp and stressing principles of Americanism . . . TV's killing pace: Two comedy stars "retired" this week, Bob Hope reportedly turning down "fabulous" offer from GM for regular program next fall, saying he's "tired, run down and wants to rest" by laying off TV for year; Joan Davis received release from her contract with GE (*I Married Joan*) because she is "worn out" after making 98 TV films in last 3 years . . . General Teleradio, flushed by success of *Gangbusters*, its first feature-length theatrical picture, plans to expand production and possibly enter distribution of films for theatres—backed by promotion on Mutual's 580 radio stations.

Distribution rights to \$5,000,000 in new TV film shows were acquired by ABC Film Syndication, pres. George T. Shupert announced this week end. ABC will have exclusive distribution rights to *Douglas Fairbanks Presents, Sheena—Queen of the Jungle, Life Can Be Beautiful* and will arrange for production and distribution of at least 2 additional TV shows in conjunction with Hal Roach Jr. under banner of Rabco TV Productions.

New reps: WTTG, Washington, D. C. to H-R Television (from Blair TV).

End of inter-union dispute this week opens way for NBC-TV & ABC-TV to join CBS-TV in producing their own films. Provision in new contract signed Jan. 31 by NBC & ABC with National Assn. of Broadcast Employees & Technicians calls for NABET to relinquish jurisdiction over film production to International Alliance of Theatrical & Stage Employees, which functions strictly as film craft union for networks and others. NABET had previously claimed jurisdiction over film in some areas and had refused to handle film made by IATSE on network equipment and using network personnel. CBS-TV already has right to film own shows under agreement with IBEW, now produces *You Are There & Phil Silvers Show*. NABET retained jurisdiction over kines only. Signed only few hours before expiration of old contract, 3-year pact calls for wage increases up to 10% by third year. NABET also won pension agreement from NBC only. Meanwhile, however, NABET threatened to strike against CBC if agreement on wage increase is not reached by Feb. 16. Union says average wage of its Canadian members is \$63 a week and wants 30% increase.

Serious interest in British TV is evidenced by more and more U. S. organizations as Sept. debut of commercial TV there approaches (Vol. 10:45). This week, CBS reported agreement with Anthony C. Bartley's Jersey Productions, London, for latter to handle all CBS overseas film sales and to produce special series for both European and U. S. markets. For 5 years, Bartley has been producing TV films for U.S., e.g., for Douglas Fairbanks, MCA-TV, *Fireside Theatre*. His first series to be produced with CBS tieup will be *March or Die*, with Foreign Legion background, starring Errol Flynn in his TV debut. BBC is currently using kines of some of Edward R. Murrow's *Person to Person* series.

Sale of KMBY-TV, Monterey, Cal. (Ch. 8), along with radio KMBY, to share-time KSBW-TV, Salinas (Vol. 10:45), was approved this week by FCC. Sellers' major stockholders are Kenyon Brown, George Coleman and actor Bing Crosby. Also approved was ownership change for KSBW-TV whereby name changes from Salinas Bestg. Corp. to Salinas Valley Bestg. Corp., and John C. Cohan & Wm. M. Oates each reduces 50% holdings to 25%, other 50% to be held by 13 local citizens. KSBW-TV paid \$230,000 and assumed some of the liabilities in order to begin full-time operation; last week it filed to sell radio KMBY, Monterey for \$70,000 to veteran radio engineer Frederick A. Gwynn in order to retain KSBW (Vol. 11:5).

Sale of McClatchy's KWG, Stockton, Cal. (250-watts, 1230 kc, ABC) for \$75,000 to co-partners KWG program director James E. Longe and Dr. Lewis B. Saslaw ran into snag this week when FCC questioned financial qualifications of purchasers. McClatchy wants to sell in order to buy KBOX, Modesto (1-kw, 970 kc), also for \$75,000 (Vol. 10:50), as companion to its KBEE (FM). This deal also has been held up by FCC which questions possible overlap with McClatchy's KMJ, Fresno and KFBK, Sacramento.

Copies of report on experimental uhf booster, duplicates of one submitted to FCC, are available to those interested, from Adler Communications Laboratories, 1 Le Fevre Lane, New Rochelle, N. Y. Report is description of booster built to fill hole in coverage of WATR-TV, Waterbury, Conn. (Ch. 53); Adler states that unit added some 50,000 viewers to station.

Sign of the times: London's historic Adastral House, occupied by British Air Ministry since 1919, to be renamed Television House by Associated Rediffusion Ltd., which leases building beginning in May. Company is one of the program contractors selected to produce TV shows and sell time for new commercial Independent TV Authority which is scheduled to go into competition with BBC next fall.

SET SALES EXCEED NORMAL SEASONAL PACE: There's an unmistakable jauntiness about the TV-radio trade these days, reflecting a movement of sets somewhat greater than normal for the first quarter of the year. Though official industry statistics on sales at any level of trade thus far this year have yet to be released, several top-ranking manufacturers are reporting TV set movements at or near all-time records.

Illustrating bullishness of current TV market, Philco this week raised price of four 21-in. table models by \$10 -- a step rarely taken by manufacturers in first quarter, when tendency is to keep prices firm or even lower them slightly in hope of stimulating sales. Though Philco itself gave usual explanation of "increase in cost of components" for price hike, one of its competitors observed:

"This shows how strong the market is right now. In past years it would have been suicide for any of us to raise prices in this season. But the way things are going, Philco knows it can get away with it. I wouldn't be at all surprised to see other manufacturers take the gamble and increase prices shortly."

The mix of sales is also encouraging in several respects. The 17 & 21-in. receivers, of course, continue as the bread-&-butter sellers -- taking in the initial sales and a steadily-increasing volume of second-set sales. One trade marketer last week estimated second sets currently constitute 10% of total retail sales (Vol. 11:5). And in pre-freeze metropolitan markets particularly there is definite upswing in the 24-in., primarily as replacements -- good for greater profit margins.

All sorts of reasons are being advanced for state of market. Among them are low prices and truly excellent values, improvement in programs, inability of color to get down to mass-market prices yet, frigid weather which has kept people indoors.

Radio is also showing renewed evidence of vitality. Production and inventory are in better balance than in some months -- and sales are showing a steady rise under the impetus of bigger and better promotions.

* * * *

TV production totaled 154,421 week ended Jan. 28, compared to 150,985 units preceding week and 166,522 week ended Jan. 14. It was year's 4th week and brought January production to 665,000, compared to 420,571 in Jan. 1954. Radio production totaled 226,054 (110,799 auto), compared to 262,949 preceding week and 267,544 week before. It brought Jan. to about 1,033,000, compared to 871,981 in Jan. 1954.

Revised 1954 production figures released by RETMA this week show 7,346,715 TVs, 10,400,530 radios turned out. It was second highest TV production year, below 1950's record 7,463,800 but ahead of 1953's 7,215,827. Radio total compared with 13,386,556 in 1953 -- decline due largely to auto radio drop. The breakdowns:

	<u>1954 Production</u>		<u>1954 Radio Production by Types</u>			
	<u>Total TV</u>	<u>Total Radio</u>	<u>Home Sets</u>	<u>Portables</u>	<u>Clock</u>	<u>Auto</u>
January.....	420,571	871,981	271,036	46,571	159,932	394,442
February.....	426,933	769,232	233,063	98,275	105,933	331,961
March (5 wks)	599,606	940,352	244,110	206,130	119,863	370,249
April.....	457,608	745,235	165,232	175,424	73,590	330,989
May.....	396,287	722,104	173,480	174,735	57,370	316,519
June (5 wks).	544,142	837,655	226,350	141,904	132,668	336,733
July.....	306,985	438,061	150,002	39,447	57,100	191,512
August.....	633,387	785,499	280,607	74,713	155,171	275,008
Sept. (5 wks)	947,796	932,323	352,499	76,271	207,226	296,327
October.....	921,476	997,788	343,269	97,331	220,505	336,683
November.....	858,501	1,098,725	327,973	93,716	272,583	404,453
Dec. (5 wks).	<u>833,423</u>	<u>1,261,575</u>	<u>300,023</u>	<u>109,001</u>	<u>312,967</u>	<u>539,584</u>
TOTAL.....	7,346,715	10,400,530	3,067,644	1,333,518	1,874,908	4,124,460

Trade Personals: Kendrick R. Wilson Jr., Avco v.p. & asst. to chairman Victor Emanuel, elected a director and member of corporate executive committee . . . Frank B. Powers promoted to operating v.p., P. R. Mallory & Co.; George M. Arisman Jr. named controller . . . Karl van Gessel promoted to gen. mgr., Sylvania international div. . . . Ramon J. Hartung named controller of Sylvania TV-radio div., Buffalo . . . Leonard J. Corti, ex-Polarad Electronics, named CBS-Columbia mgr. of contract administration for govt. & industrial operations . . . Ray E. Nugent, ex-Atlanta sales mgr., named gen. sales mgr., Philco parts & accessory div., replacing late Robert McKinney; Wm. J. Horn, from appliance div., named merchandising & adv. mgr. . . . David W. Potter promoted to components div. sales mgr., Federal Telephone & Radio Co.; Frederick K. Hankinson named sales mgr. of transformer dept. . . . E. L. Taylor resigns as sales mgr. of Stewart-Warner Electric, now out of TV-radio business in U. S., though continuing in Canada . . . Herman L. Weckler, v.p.-gen. mgr. of Clevite Corp., elected to board . . . Charles E. Griffith, gen. sales mgr., & John M. Zimmerman, works mgr., promoted to v.p.'s, International Resistance Co.; Miss Norma L. Testardi named adv. mgr. . . . Philip J. Wood, ex-Stewart Warner Electric & RCA, named asst. to H. C. Bonfig, Zenith TV-radio sales v.p. . . . Grant R. Loomis promoted to asst. gen. traffic mgr., Stromberg-Carlson . . . Sol Listerneck promoted to Olympic Radio export sales mgr. . . . Herbert K. Rollins named mgr. of product planning, Russell N. Leisz service mgr., RCA Estate Appliance Corp. . . . Doug Carpenter, JFD Mfg. Co., heads special RETMA committee to revise Article 810 of National Electric Code, applying to antenna installations; request for revision came from National Fire Protection Assn. . . . C. A. Winder returns to Moffat's Ltd., Toronto (major appliances) as asst. gen. mgr. after year in auto industry; Moffat's is now Avco of Canada subsidiary . . . Thomas C. Piddington, ex-Kelvinator, named Andrea district mgr. for N. J., Pa. & upper N. Y. state . . . Donald B. Smith, ex-Lewyt Corp., named Crosley-Bendix appliance sales promotion director, replacing George Simonds, resigned . . . C. A. Calhoun named Raytheon govt. contracts mgr., headquartering in Chicago.

Emerson introduced new 17-in. table model which can operate on AC or DC without use of inverter or converter, listing at \$150. Automation techniques are currently being used in radio production, will be extended eventually to TV, said pres. Benjamin Abrams at company's annual meeting. He also said company would market a completely transistorized radio within 60 days. He doubted that more than 100,000 color sets would be produced this year but was "hopeful" that 1,000,000 will be turned out in 1956.

U. A. Sanabria's American Television Inc., now selling custom-built "De Forest" & "De Forest-Sanabria" brand TVs through own retail outlets in Chicago, Cleveland, Detroit, St. Louis & Oklahoma City, plans shortly to set up new retail outlets in Philadelphia, Milwaukee, Los Angeles & San Francisco. Firm is now producing and selling 1000 sets per week, says Sanabria, some 21-in., mostly 24 & 27-in.

Kent Television Inc., 505 Driggs Ave., Brooklyn, manufacturers & designers of custom TV receivers, plans biggest production & sales year in its 5-year history in 1955, output having increased steadily each year, reports pres. J. D. Mendelson. Its current line starts at \$550 for 21-in. full-door console.

Philco increased price by \$10 on four 21-in. table models—ebony \$160 to \$170, mahogany metal \$180 to \$190, blonde \$190 to \$200 & mahogany wood \$200 to \$210.

DISTRIBUTOR NOTES: Admiral establishes Admiral Distributors Corp., a wholly-owned subsidiary, to conduct its 19 branch distributing operations. W. C. Johnson, Admiral sales v.p. who heads new subsidiary, said it should attain sales of approximately \$100,000,000 in 1955 . . . DuMont: Wolverine Distributors, 1501 Miami Road, Jacksonville, Fla. (Edward Johnson & Charles L. Francisco, partners) . . . Crosley-Bendix: Lloyd Distributing Inc., Omaha (Lloyd W. Sleezer, pres.), replacing own factory branch . . . Stromberg-Carlson: Anderson-O'Donnell Co., 1452 Galapago St., Denver (Bob Anderson & Ray O'Donnell, principals) . . . Raytheon: L&P Electric Co., Brooklyn (Louis Lidsky, pres.), replacing Dorfman Distributing Corp. . . . Olympic Radio: Coby Distributors Inc., Wilkes-Barre, Pa. & Metropolitan Distributors, Roxbury, Mass. . . . Raymond Rosen & Co., Philadelphia (RCA) names W. Russell Zacharias sales supervisor of Lehigh Valley market area; he's ex-pres. of Luckenbach Inc., Philco distributor in Pottsville, Pa. . . . Boyd Distributing Co., Denver (Philco) names Larry Costa service mgr. . . . CBS-Columbia of Philadelphia appoints Albert A. Yannelli credit mgr. . . . Westinghouse Electric Supply Co. names W. A. Phillips Chicago-Rockford TV-radio sales mgr. . . . Hallicrafters: Barre Television Supply Co., 343 S. Main St., Wilkes-Barre, and Fleischer Distributors, Monticello, N. Y. (Roy G. Fleischer, pres.).

A 2-6% "additional dealer discount" plan to stimulate TV trade-ins was disclosed this week by CBS-Columbia pres. Seymour Mintz. Additional discount, based on quantity purchases, varies from market to market, where distributors have authority to put it into effect. Contributions to additional discount will be made by both factory and local distributor. Mintz also disclosed that CBS-Columbia is shooting for 5% of national radio market in 1955, its first full year in radio.

Typical TV service charges, as estimated by Motorola service mgr. Russ Hanson in *NARDA News*: replacement of 21-in. picture tube, \$7.50; 24 & 27-in. tubes, \$8.25-\$9; replacement of power transformer, \$8-\$10. NARDA itself says average of 4.56 calls per set are made annually under service contracts, 2.2 calls on C.O.D. basis; average cost of C.O.D. call, including labor and parts, is \$10.50; from 80-90% of all calls are completed in customers' homes.

TV-radio-appliance dealers will enjoy increases in both unit sales and dollars in 1955 over last year, predicts Richard E. Snyder, NARDA's economic consultant, in his Feb. *National Markets Analyst*, 11 S. LaSalle St., Chicago. He foresees a unit increase of 6.5% and sales of \$4.127 billion, compared to \$3.875 billion in 1954. He predicts these dealers will spend 2.5% of their 1955 sales volume on advertising.

Motorola is buying 18-acre tract in Phoenix for new engineering and "light manufacturing" facilities. Pres. Paul V. Galvin said transistors and other "small and highly precise items" would be produced; about 400 would be employed. Company already has electronics research lab there, employing 800, headed by ex-Washington consulting engineer Joe Chambers.

Crosley introduces "Custom V" series of 6 TV models as adjunct to its "Super V" line. New models have chassis with one more tube than "Super V" receivers, range from 21-in. mahogany table model at \$180 to 21-in. blonde "low-boy" combination at \$320.

The Radio Craftsmen Inc., 4401 N. Ravenswood Ave., Chicago, manufacturer of high-fidelity components, will sell its products directly to consumer by mail order, eliminating all dealers, effective March 1.

Annual High-Fidelity Show, sponsored by International Sight & Sound Exposition, will be held in Chicago's Palmer House, Sept. 30-Oct. 2.

Topics & Trends of TV Trade: Those standby price & wage controls, which President Eisenhower first indicated he planned to seek from Congress, apparently aren't going to be requested now—bringing a sigh of relief from TV as well as other industries. At news conference this week, President said standby authority to freeze prices & wages might be advantageous but that the psychological effect of such action on the economy, possibly resulting in "scare buying," must also be considered.

President's apparent go-slow attitude prompted a hurriedly-called meeting of Central Council of National Retail Assns. to postpone any public re-examination of its flat opposition to all controls on basis that the very discussion of controls might produce inflationary pressures. NARDA was represented at meeting by chairman Mort Farr. The Central Council is one of 2 major wings of the American Retail Federation.

President said that if Congress sees fit to enact such controls, he could live with them. But he cautioned that approval of such controls might imply that his Administration would want to go all-out to put country on war footing in current Formosan crisis, a step the President said he is taking pains to avoid.

* * * *

Appeal for excise tax relief came this week from H. Leslie Hoffman, pres. of Hoffman Electronics, who said industry's excise tax bill last year was \$105,000,000. Speaking at Electronics Day gathering in Los Angeles, Hoffman said: "Assuming that the industry showed a net profit after taxes of 3% at the factory level last year, 2% at wholesale and 3% at retail, the industry as a whole made \$84,000,000 while paying \$201,000,000 in taxes." Meanwhile, big Canadian Retail Federation has joined Canadian RTMA in urging elimination of excise tax on TV-radio-appliances in Dominion. In brief submitted to Govt., CRF said further it was unfair to use excise tax funds to finance state-owned CBC since TV is no longer confined to small area in Canada.

TV set sales by Canadian factories totaled 619,428 at average price of \$341 in 1954, when production was 593,856, reports Canadian RTMA. It brought Canadian sets-in-use to about 1,125,000 at year's end. In 1953, some 422,951 sets were produced, 365,400 sold. Inventory at year's end was 43,261, compared to 63,905 at start of year. Projected production estimate is for 207,256 more sets in Jan.-March period. Montreal led in 1954 sales with 166,881; Toronto second, 107,013; Prairies, 72,624; British Columbia, 60,195; other Ontario, 54,707; Ottawa & eastern Ontario, 40,751; Hamilton-Niagara, 36,158; Quebec City, 35,012; Maritime Provinces, 27,193; Windsor, 16,130; other Quebec areas, 2764. Dec. sales were 89,078, production 93,928.

Big export business in white goods, particularly in Latin America, was disclosed this week by both Westinghouse and GE. At distributors convention in N. Y., Albert B. McClosky, consumer products mgr. of Westinghouse International, said major appliances account for 35% of all Westinghouse sales overseas. Company set export sales record in 1954 and is aiming for 15% increase this year, he said. Stressing Latin America as most fertile market for appliances, he said such countries as Venezuela and Colombia include air conditioners and other electrical appliances as standard equipment in new construction. W. R. Herod, pres. of GE International, said his company had increased sales last year by 25% over 1953 volume and had budgeted unspecified increase for 1955.

New 5-in. projection tube, to be used with receivers throwing pictures up to 8x6 ft., is being offered by RCA. Tube is type 5AZP4, uses 40,000 volts.

Financial & Trade Notes: Among officers' and directors' stock transactions reported by Securities & Exchange Commission for Dec.: Irving B. Babcock sold 1000 Avco, holds 7897; Parker H. Erickson sold 600 Avco, holds 400; Dr. Allen B. DuMont sold 400 DuMont Labs, holds 39,800; Benjamin Abrams, thru trusts & foundations, bought 1000 Emerson, holds 219,800 personally and 89,639 thru trusts & foundations; Max Abrams, thru trusts & foundations, bought 500 Emerson, holds 80,400 personally and 70,760 thru trusts & foundations; Wm. H. Miller sold 1300 Gabriel Co., holds 11,710; Willard H. Sahloff sold 273 GE, holds 2010; Clarence C. Walker bought 1125 GE, holds 1728; Louis Scadron sold 600 General Instrument, holds 2928; F. Robinson sold 1000 Hazeltine, holds 400; Joseph C. Chapman, thru C. C. Collings & Co., bought 1632 I-T-E Circuit Breaker, sold 1621, holds 1800 personally and 21 thru C. C. Collings; Charles M. Hofman sold 1000 Raytheon, holds 2560 personally and 2009 jointly with wife; Harold C. Mattes sold 1400 Raytheon, holds 15,534; Theodore L. Bowes bought 100 Stromberg-Carlson, holds 126; George E. Eyer bought 250 Stromberg-Carlson, holds 932; Arthur F. Gibson bought 500 Stromberg-Carlson, holds 599; Myron J. Hayes sold 100 Stromberg-Carlson, holds 110; Gordon G. Hoit bought 667 Stromberg-Carlson, holds 1080; Charles W. Pritchard bought 167 Stromberg-Carlson, holds 167; Anthony G. Schifino bought 500 Stromberg-Carlson, holds 823; Daniel G. Schuman bought 334 Stromberg-Carlson, holds 384; John H. Voss bought 167 Stromberg-Carlson, holds 197; Walter J. Maytham Jr. sold 500 Westinghouse, holds 127; John M. Schiff bought 2500 Westinghouse, holds 10,000; Harry E. Seim bought 1500 Westinghouse, holds 2944; C. S. Weber sold 300 Westinghouse, holds 582.

* * * *

Storer Broadcasting Co., at special stockholders meeting Feb. 15, will ask them to approve board action of Jan. 26 proposing share-for-share distribution of common stock and of Class B common as of Feb. 25. First, however, they must ratify proposed amendment to increase the authorized outstanding common from 1,500,000 to 3,600,000 shares and Class B from 1,500,000 to 2,500,000. There are presently outstanding 262,750 shares of common and 843,250 Class B, which will be increased to 525,500 & 1,685,500 shares, respectively. Also proposed is public sale, at discretion of board, of not more than 262,750 shares of common which would be used to reduce the company's outstanding long-term indebtedness and to redeem all or part of 15,000 shares of 7% cumulative preferred now outstanding. Release of stockholders' preemptive rights to the 262,750 shares is deemed desirable to broaden the stock's market and thereby increase opportunity for its listing on the N. Y. Stock Exchange.

Emerson Radio & Phonograph Co. earnings in first quarter of fiscal year ended Jan. 31 "may be better" than the \$449,231 (23¢ a share) earned in corresponding period year ago, pres. Benjamin Abrams told company's annual meeting Feb. 3. For current fiscal year ending Oct. 31, 1955, both profits and sales should exceed the \$1,884,976 (97¢) earned on sales of \$80,559,994 in fiscal year ended last Oct. 31, he said. Emerson booked more orders for TV receivers in 3 months ended Jan. 31 than in any comparable period in its history, he declared. Abrams said he thought it unwise to increase dividends now above 1954's 60¢. Ex-Federal Judge Simon H. Rifkind, now member of law firm of Paul, Weiss, Rifkind, Wharton & Garrison, was elected a director, replacing late Richard C. Hunt.

Sidney B. Lurie, industrial and market analyst who since 1942 has specialized in electronics for Paine, Webber, Jackson & Curtis, joins Josephthal & Co., 120 Broadway, N. Y., member of N. Y. Stock Exchange, as partner in charge of research dept.

Electronics Reports: Long-distance waveguide has been "used successfully in experiments," Bell Telephone Labs reported this week—with the guarded prediction that the new waveguide "might, when fully developed, join coaxial cable and radio relay as an everyday transmission medium for the Bell Telephone System." The new system, first described by Bell at 1952 NARTB convention (Vol. 8:14), uses carrier frequency of about 50,000 mc, far above super high frequency (shf) range, may someday "simultaneously carry tens of thousands of cross-country telephone conversations along with hundreds of TV programs," Bell scientists believe.

New waveguide is hollow tube constructed of tightly coiled thin copper wire, can carry signals around corners. Tube is 2-in. in diameter, but engineers foresee use of even higher carrier frequencies resulting in waveguide no thicker than a fountain pen. In recent experiments at Bell's Holmdel, N. J. laboratory, engineers bounced signals back and forth in copper pipe 500-ft. long for distances of 40 mi. They calculated that in comparison, the same waves could have traveled only 12 mi. in a coaxial cable with same loss of strength. Bell scientists point out that in the new waveguide the higher the frequency the less the loss through attenuation—exactly the reverse of other forms of transmission.

* * * *

RCA's "automated" production machine, which "triggers" punches of virtually any pattern for components in electronic printed circuit panels, was disclosed this week. RCA will use machine in own plants and sell it to others in industry for about \$14,500, with delivery in about 6 months. T. A. Smith, v.p. & gen. mgr. of engineering products div., said new device, known as RCA Printed Circuit Board Programmed Punching Machine, will result in substantial savings in time and money. As example of savings, he said that in quantities over 1000, punching of printed-circuit boards by automated machine costs average of 5¢ each, compared to \$1.73 & \$1.10, respectively, for punching boards by drill and punch-die methods. Machine, said Smith, "is operated by a glass-based cloth tape into which 'master' holes are punched to produce any combination of component holes." Machine's punches are uniformly "triggered" in pattern dictated in tape, he said. Within 6 minutes, operator can switch from one circuit pattern to another, merely by changing tapes in machine. He said machine will perforate, in 45 seconds, any combination of holes in any number of circuit patterns contained on board up to 6x17.6-in., at rate of 12,000 holes per minute. He said machine needs only one operator who can be trained "in a matter of minutes."

New "type acceptance" and "type approval" rules for non-broadcast transmitting equipment, adopted by FCC recently (Vol. 11:2), this week brought expression of serious concern from RETMA, which urged Commission to stay effectiveness of rules for 90 days and to establish Govt.-industry committee to study problems. The rules, RETMA said, "will be unnecessarily burdensome and disruptive to production processes with ultimate increased costs to the general public and they will not achieve the objectives for which they were written." RETMA stated that there are no clearly defined measurement techniques and standards with which to implement rules, said it believed they could be drawn up in 2 months for modulation characteristics, 6 months for spurious emissions, 1 year for bandwidth. The approval procedures specified, RETMA said, have no time limits and would seriously disrupt production schedules because manufacturers would never know when FCC approval would be forthcoming.

Arma Corp., electronics manufacturing subsidiary of American Bosch, Springfield, Mass., elects W. Gerard Tuttle, ex-Hughes Aircraft, industrial relations v.p.

Color Trends & Briefs: NBC executives are going all out in their color pitches nowadays. While pres. Sylvester L. Weaver Jr. was speaking in Detroit, urging manufacturers of non-consumer goods to make use of TV generally, color specifically (see p. 9), exec. v.p. Robert W. Sarnoff was in Rochester, N. Y. addressing Transportation Club and stating that best way set makers can stimulate color is by sponsoring color shows.

In Dallas, meanwhile, special events director Barry Wood held out promise to Salesmanship Club that Texas state fair would be colorcast this year if a sponsor came forward—scenes to go on projected *Wide, Wide World* series. Then, at Radio & TV Executives Society luncheon in New York, Richard A. R. Pinkham, participating programs v.p., stated that color will be sold primarily on a participating basis because few advertisers will be able to afford full-hour shows. He said that most color shows will be sold on same basis as *Today, Tonight* and *Home*.

In Rochester talk, Sarnoff stated: If color is to grow with the speed it should, more set manufacturers must go into color set production now." Then, he said, they should sponsor color programs to stimulate demand. He recalled that in early days of radio, set producers were the first sponsors. In early days of black-&-white TV, he said 10 leading receiver manufacturers were pioneer sponsors. But now, however, only RCA and Westinghouse are sponsoring color, he said. "Surely it is reasonable to expect the others," he declared, "to join in priming the pump for a new industry that one day will contribute so much to their own welfare."

Sarnoff disclosed that survey by Psychological Corp. showed that by last Nov. some 4,500,000 people had seen color programs—over twice as many as he had estimated at the time. During next 5 years, he said, it's estimated that public will spend \$3 billion more on color sets than it did on black-&-white during last 5 years.

* * * *

Competition to sell color equipment for closed-circuit medical use continued this week, following recent demonstrations by RCA and CBS in Washington (Vol. 11:4). Using field-sequential system and projector, as did CBS, GE demonstrated magnification of microscopic details to AMA conference on medical TV in Chicago. GE's Ralph S. Yeandle urged that field-sequential system had advantages over compatible system for closed-circuit use. From Dage, meanwhile, comes word of its first sale of 3-vidicon color camera for use with microscope—to C. F. Kettering Foundation, Yellow Springs, O.

One of best documents to date on color TV for station engineers is 151-page compilation of 13 papers read at last year's NARTB's engineering conference. Prepared by engineering dept., under mgr. A. Prose Walker, it has been distributed to NARTB members—first copy free, additional copies \$6 each.

Three-day color clinic, conducted by WCAU-TV, Philadelphia, drew some 100 representatives of advertisers and agencies who placed their products before color cameras. Cameras will be available an additional week.

Boon to color photography was seen in color TV by Paul L. Gittings, former pres. of Photographers' Assn. of America. When public becomes accustomed to color TV, he said, "the photographic industry will be hard pressed to keep pace with the consequent demand for color photos."

Feb. 7 week network color schedules: NBC-TV—Feb. 7, *Producers' Showcase*, "The Women," 8-9:30 p.m.; Feb. 9, *Norby*, 7-7:30 p.m.

Color set sales in Kansas City totaled 87 as of Jan. 1, according to city's Electric Assn.

RCA reports 3-V color film camera shipped Feb. 2 to upcoming WTVT, Tampa (Ch. 13), due on air mid-March.

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Network TV-Radio Billings

December 1954 and January-December 1954
 (For November report, see *Television Digest*, Vol. 11:1)
 (For preceding years, see *TV Factbook No. 20*, p. 39.)

HUGE JUMP in network TV billings in 1954 is strikingly detailed in the full-year figures released by Publishers Information Bureau this week—showing total of \$320,154,274, vs. \$227,585,656 in 1953 and \$180,794,780 in 1952. CBS-TV alone reached \$146,222,660—well over the radio billings of all networks combined, which were \$137,641,169. NBC-TV achieved \$126,074,597, ABC-TV \$34,713,098, DuMont \$13,143,919.

December was record month in TV for both CBS-TV and NBC-TV, former with \$15,060,653, latter with \$13,047,419. ABC-TV had \$3,994,832, only slightly down from record of \$4,134,103 in Nov., while DuMont had its best month of the year with \$1,457,436.

Network radio's \$137,641,169 compared with \$160,534,544 in 1953, \$163,453,466 in 1952. NBC and CBS suffered greatest drop, while ABC almost held its own and MBS incurred less severe cut. The complete PIB tables:

NETWORK TELEVISION

	December 1954	December 1953	Jan.-Dec. 1954	Jan.-Dec. 1953
CBS	\$15,060,653	\$10,381,879	\$146,222,660	\$ 97,466,809
NBC	13,047,419	10,062,808	126,074,597	96,633,807
ABC	3,994,832	2,619,862	34,713,098	21,110,680
DuMont	1,457,436	1,617,058	13,143,919	12,374,360
Total	\$33,560,340	\$24,681,607	\$320,154,274	\$227,585,656

NETWORK RADIO

	1954	1953	1954	1953
CBS	\$ 4,273,131	\$ 5,554,313	\$ 54,229,997	\$ 62,381,207
NBC	2,977,773	3,630,971	34,014,356	45,151,077
ABC	2,365,762	2,854,169	29,051,784	29,826,123
MBS	1,570,561	2,145,329	20,345,032	23,176,137
Total	\$11,187,227	\$14,184,782	\$137,641,169	\$160,534,544

NETWORK TELEVISION TOTALS TO DATE

	ABC	CBS	DuMont	NBC	Total
Jan.	\$ 2,780,574	\$10,713,329	\$1,445,608	\$10,116,937	\$25,056,448
Feb.	2,502,372	9,965,481	1,108,157	9,368,148	22,944,158
Mar.	2,640,699	11,379,631	1,205,526	10,981,690	26,207,546
Apr.	2,554,484	10,921,640	1,068,374	10,802,535	25,347,033
May	2,411,656	11,488,168	988,350	11,033,987	25,922,161
June	2,317,879	11,448,180	778,920	9,990,729	24,535,708
July	2,310,281	11,861,534	623,455	8,149,533	22,944,803
Aug.	2,514,815	12,275,938	820,633	8,057,484	23,668,840
Sept.	2,660,601	12,936,020	802,721	9,798,774*	26,198,116*
Oct.	3,890,802	13,985,922*	1,447,411	12,370,228*	31,694,363*
Nov.	4,134,103	14,186,194*	1,397,328	12,357,133	32,074,758*
Dec.	3,994,832	15,060,653	1,457,436	13,047,419	33,560,340
Tot.	\$34,713,098	\$146,222,660	\$13,143,919	\$126,074,597	\$320,154,274

NETWORK RADIO TOTALS TO DATE

	ABC	CBS	MBS	NBC	Total
Jan.	\$ 2,830,654	\$ 5,166,174	\$1,896,925	\$ 3,391,873	\$13,285,626
Feb.	2,494,737	4,749,512	1,783,452	3,176,849	12,204,550
Mar.	2,764,547	5,456,351	2,034,961	3,639,278	13,895,137
Apr.	2,367,636	5,044,943	1,891,998	2,962,839	12,267,416
May	2,307,029	5,116,152	1,908,198	2,780,725	12,112,104
June	2,405,994	4,181,677	1,558,196	2,618,614	10,764,481
July	2,098,823	3,821,234	1,481,767	2,127,192	9,529,016
Aug.	2,160,025	3,844,135	1,491,503	2,075,531	9,571,194
Sept.	2,267,810	4,055,869	1,523,161	2,598,635	10,445,475
Oct.	2,506,929	4,132,445*	1,572,042	2,738,231	10,949,647*
Nov.	2,481,838*	4,388,374*	1,632,268*	2,926,816*	11,429,296*
Dec.	2,365,762	4,273,131	1,570,561	2,977,773	11,187,227
Tot.	\$29,051,784	\$54,229,997	\$20,345,032	\$34,014,356	\$137,641,169

* Revised as of Feb. 2, 1955.

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

Sets-in-use totaled 33,816,000 as of Jan. 1, 1955, reports NBC research director Hugh M. Beville Jr., increase of 6,000,000 for year. Beville estimated 169 stations were capable of transmitting color as year opened.

Television Bureau of Advertising (TvB) reports 83 stations, plus CBS-TV & rep Blair-TV, are charter members of promotion organization, having signed prior to Feb. 1 deadline.

Large portion of President's press conference this week—nearly two-thirds of it—was cleared for TV film release, following precedent set 2 weeks ago (Vol. 11:4). TV was subject of press conference questioning this week, with 2 reporters for *New York Post* querying Eisenhower on whether "only exchanges favorable to the Administration and the Republican Party" would be released for showing on TV. President grinned and replied: "Well, I think that is an item you can talk over with my technician, who is Mr. [James] Hagerty"—White House press secretary, who does the film cutting. He recalled that 28 minutes of the first conference were shown on TV, "and I couldn't think there could be much room for censorship there." Another question dealt with whether cutting of the films involved freedom of the press. "No head of any broadcasting company has yet protested to me," he replied, "and I can't very well make any answer until I get their protests and the reasons for it."

Radio's 1954 time sales dropped to \$453,385,000, or 5% off 1953 record of \$477,206,000, according to estimates in the 1955 *Broadcasting Yearbook and Marketbook* released this week. All classifications were down save local. The trade journal's figures: national network, \$76,219,000 in 1954 vs. \$92,865,000 in 1953; regional network, \$4,666,000 vs. \$5,192,000; spot, \$121,935,000 vs. \$129,605,000; local, \$250,565,000 vs. \$249,544,000. Local is shown to account for 55.3% of radio business, spot 26.9%, national network 16.8%, regional network 1%. Figures are for net time sales, after all frequency and promotional discounts but before deduction of commissions to agencies, reps, etc.; they thus anticipate the annual FCC revenue figures, based on station reports, which won't be made available until later this year (for 1946-53 FCC figures, see p. 34, *TV Factbook No. 20*).

House debate on televising Congressional committee sessions turned into a farce this week, with Congressmen exchanging humorous comparisons on their telegenic personalities. Debate was started by Rep. O'Brien (D-N. Y.), ex-newspaperman & TV-radio commentator in Albany, who said he supported ban on cameras by Speaker Rayburn. But 79-year-old Rep. Hoffman (R-Mich.) said House has a number of "young, eloquent" men who would look well on TV. Amid the exchange that followed, Hoffman said he was in favor of abolishing telecasts of wrestling matches because of poor "refereeing service."

TV was important influence in Democratic Party subcommittee's recommendation this week to hold party's 1956 presidential convention in Chicago, probably starting Aug. 13. Lack of network facilities doomed Atlantic City as convention site, party spokesman said, narrowing choice to Chicago and Philadelphia. As between those cities, Chicago was chosen because of more hotel space, he said. Republican National Committee meets in Washington Feb. 17 to select date and site of its convention—probably in Chicago in early Sept.

Influence of TV in the 1952 presidential election is subject of comprehensive 177-p. monograph by members of marketing dept., Miami U, Oxford, O., released by Joseph C. Seibert, chairman. Conclusion: "The results apparently would have been the same, with or without this new, and as yet untested, means of political communication."

Opposing legislation to limit tower height (Vol. 11:4), NARTB this week wrote Chairman Priest (D-Tenn.) of House Commerce Committee that 2 identical bills (S-138 & 139) introduced by Reps. Harris (D-Ark.) & Hinshaw (R-Cal.) are "unnecessary because presently established regulatory procedures are adequate."

Tennessee State Senate is latest to pass law relieving TV-radio stations from liability for on-air defamatory statements made by anyone not connected with stations. Bill had backing of Tennessee Assn. of Broadcasters.

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SUMMARY-INDEX OF THE WEEK'S NEWS—February 12, 1955

FORMAL SUBSCRIPTION-TV PROCEEDINGS under way as FCC issues rule-making, giving industry 3 months to answer questions on problems (p. 1 & Special Report).

DENVER'S KBTB SOLD FOR \$1,000,000 to John Mullins, Tulsa, and Frank Leu, Nashville; Westinghouse-NBC swap of Philadelphia-Cleveland outlets cooking (p. 2).

MORE NEW TV AREAS OPENED UP as first stations go into Jackson, Tenn., Dothan, Ala. and Fairbanks, Alaska; total on air now 427 (p. 3).

JONES REPORT ON NETWORK-UHF problems, due next week, expected to take calm approach, urge further study; explosions over Plotkin Memo continue (p. 3).

PLOTKIN REPORT MAY BE SYMPTOM of antagonisms of "uhf losers" and of discarded affiliates, blaming networks for their woes (p. 4).

ECONOMICS OF SATELLITES vary widely, operators report, giving analyses of Lufkin, Tex.; Scottsbluff, Neb.; Walla Walla, Wash.; Hilo & Wailuku, T. H. (p. 6).

UHF EXCISE TAX EXEMPTION up again in Congress, Plotkin report reviving plan killed last session; bill in House would provide \$7 credit on uhf sets (p. 12).

SQUEEZE ON MILITARY CONTRACTS felt by TV-radio firms as aircraft companies enter electronics production in big way with govt. encouragement (pp. 12 & 15).

AFL ATTACKS NEWSPAPER - BROADCASTING ownership "concentration." Sen. Thurmond asks revision of "protest rule." FCC makes 4 small-town grants (p. 9).

MORE REPEATS OF LIVE PLAYS that are hits seen in Kraft experience. Warner Bros. may be getting ready to release part of film backlog (p. 9).

NATIONAL & REGIONAL SPOT accounts averaged 74 on 232 stations reporting to Rorabaugh, who lists top 25 spot advertisers (p. 10).

LAMB CASE THROWN INTO CONFUSION as govt. witness does flip-flop, repudiating previous testimony and accusing FCC attorneys of using "coercion" (p. 16).

FCC PREPARES TO HEAR PAY-TV PROS & CONS: An official FCC look at subscription TV is finally in the works. With issuance of notice of proposed rule-making this week, Commission made its first move just as expected (Vol. 11:5) -- laying before entire industry every question it could imagine and inviting comments thereon, but without committing itself to slightest degree on pros or cons of pay-as-you-see TV.

Wording of FCC's notice (full text herewith as Special Report) shows why vote on it was unanimous, with all 7 members present. Despite some members' instinctive predilections one way or other, they had no trouble agreeing to ask questions.

Thus, after literally years of lobbying -- principally by Zenith pres. E.F. McDonald -- proponents of fee TV finally managed at least to get Commission's ear.

Long and bitter war is in prospect. Commission has given until May 9 for industry to file comments. An additional month has been allocated for replies to those comments. After that, FCC staff will take several months to digest reactions, come up with recommendations to Commission. FCC then will have several alternatives:

(1) Seek more information. (2) Drop proposal altogether. (3) Issue a specific proposal aimed towards final commercialization. (4) Shift decision to Congress. Commission leaves its course of action completely flexible. With the possibility, even probability, of Congressional intervention and court appeals, a final decision may very well be delayed for years.

Notice was issued at Commission with air of excitement -- virtually everyone there feeling FCC has opened door on one of the most significant and controversial measures it has ever considered -- one having even more impact than the vicious color war or the monumental 4-year TV freeze and allocations proceeding.

You can expect battle cries to mount in shrill crescendo from now on. Movie exhibitors sounded the alert several months ago and have worked up to state of all-out emergency, prodded by the sledge-hammer promotion of subscription TV proponents. Now, with an official govt. forum, all other industry elements are expected to come forth, take a position. Comments can be expected from broadcasters, networks, movie

& TV film producers, manufacturers, sports promoters, theatrical unions, legitimate play producers, sponsors, ad agencies, et al.

Lobbying at Congressional level will become even more intense -- and Congress may well take ball away from Commission, which it can do if it chooses. This is more likely in case of pay-as-you-look TV than it was in color, because the issue is something everyone can understand, whereas color TV became obfuscated with technical complexities which few Congressmen took time to master. Sen. Magnuson has already promised that his Interstate Commerce Committee will look into matter (Vol. 11:6).

There are clear differences of opinion among the FCC members. At one end, Comr. Webster has maintained steadfast doubt, arguing that decision is up to Congress. At other end, Comr. Lee definitely leans toward approval; he has no objections at all to concept of paying directly for programs. Others have avoided giving any impression that they're for or against.

Text of FCC's proposal speaks for itself. It's simply a list of questions, answers to which it would like from all levels of industry. They're grouped into 3 sections: law, fact, public interest. They cover Commission's legal jurisdiction, technical data, patents, costs, programs, methods of operation, movie industry's role, impact on sponsored TV, hours of operation, safeguards needed, monopoly, impact on dissemination of news and controversial opinions, etc.

Though Zenith's petition for immediate commercialization was turned down, pres. McDonald said he was "delighted" because FCC chose one of the alternatives Zenith requested. International Telemeter stated "we welcome the notice [and] have always favored this broad approach." Skiatron stated that Commission action "should be welcomed with relief and utmost enthusiasm of all those who have the true interest of the television industry at heart."

DENVER'S KBTW SOLD, OTHER DEALS COOKING: Another big-city station was sold this week -- KBTW, Denver (Ch. 9) -- and it's evident that more deals are in the making. Not only are purchaser John C. Mullins of Tulsa and partner Frank Leu of Nashville paying \$1,000,000 for the Denver ABC-TV basic, but Mullins is currently dickering for still another station in the midwest, identity undisclosed.

There's also good chance that long-rumored swap of Westinghouse's TV-radio outlets in Philadelphia for NBC's in Cleveland will be consummated soon, and further personnel layoffs at DuMont Network have revived rumors that its WTTG, Washington (Ch. 5) and possibly WABD, New York (Ch. 5) may be sold. Neither Westinghouse nor NBC is confirming anything, nor will DuMont.

It's an open secret that the network and Westinghouse have been dickering and that Westinghouse is pursuing a policy of owning stations in areas where it has big manufacturing operations. That was one reason given for paying record \$9,750,000 to DuMont recently for its WDTV, Pittsburgh (Ch. 2), now KDKA-TV (Vol. 10:49-50).

If swap is made, it's good guess there will be an added quid pro quo on NBC's part in consideration of fact that Philadelphia area stands 4th, Cleveland 10th in U.S. Census Bureau market rankings. Westinghouse would give up Ch. 3 WPTZ, for which it paid Philco \$8,500,000 in 1953 (Vol. 9:8) and radio KYW (50-kw, 1060 kc) and take over NBC's Ch. 3 WNBK with radio WTAM (50-kw, 1100 kc). NBC is also hell-bent to get into San Francisco, 7th market, has unavailingly tried to buy KRON-TV (Ch. 4).

For the Denver station, Mullins and Leu are paying \$900,000 cash, assuming notes and mortgage adding up to another \$100,000 after deducting assets. They buy the TV company from 17 stockholders (see TV Factbook No. 20, p. 80), one of whom (9.32%) is Aksel Neilsen, friend of President Eisenhower who visits his Colorado ranch frequently. Stockholders W.D. Pyle & T.V. Eckram retain their radio KVOD.

The TV station has operated in red mostly since losing CBS affiliation to KLZ-TV in Nov. 1953, but lately has had some profitable months. Mgr. Joe Herold and staff will be retained. For John Mullins it's a return to TV, for it was he who took over tottering KPHO-TV, Phoenix (Ch. 5) in 1949 from group of Texas oilmen, put it on its feet, then sold it to Meredith for \$1,500,000 (Vol. 8:18).

Note: While most deals are usually hushed until at least the handshake, one station openly on market is Barton Pitts' KFEQ-TV, St. Joseph, Mo. (Ch. 2).

Full Text of FCC's

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Proposed Rule-Making On Subscription Television

Beginning Exploration of Major Questions and Problems

including

Request for Industry Responses on Questions of Law, Fact and Public Interest

Noticed of Proposed Rule-Making Issued Feb. 11, 1955 as FCC Public Notice 55-165, Mimeo 15728

Comments Due by May 9, 1955 (see *Television Digest*, Vol. 11:7)

In the Matter of

Amendment of Part 3 of the Commission's Rules and Regulations (Radio Broadcast Services) to provide for Subscription Television Service

Docket No. 11,279

NOTICE OF PROPOSED RULE MAKING

1. Notice is hereby given of rule making in the above-entitled matter.

2. The Commission's present rules and regulations do not authorize subscription television operations. Television stations under our existing rules may not transmit programs for reception by the public on home receivers where such programs can be received only by those members willing to pay a specified fee. The current general practice in the television field is the indirect payment for programs by advertisers. The purpose of this proceeding is to determine whether the Commission should amend its rules and regulations to authorize television stations to transmit programs paid for directly on a subscription basis.

3. The successful operation of a subscription television system depends in large part on its ability to confine the reception to subscribers. A number of different methods for accomplishing this objective have been devised, and the Commission has during the past five-year period authorized the experimental testing of several systems. Data with respect to the results of these experimental operations has been made available to the Commission. These methods differ principally (1) in the manner of "scrambling" the picture so that when transmitted by the station it will be unusable by the general viewing public, and (2) in the manner of collecting payments for the programs received. Three subscription television systems have received experimental authorizations from the Commission. These are: "Phonevision," developed by Zenith Radio Corporation; "Subscriber-Vision," proposed by Skiatron TV, Inc.; and "Telemeter," advanced by International Telemeter Corporation. Phonevision contemplated the use of telephone lines to transmit the correcting signal to the home receiver, with the subscriber billed by the telephone company for the various programs ordered; however, work is being done on methods for providing the decoding signal without the use of telephone lines. In the "Subscriber-Vision" system, customers would purchase punch cards which, when inserted in the receiver, would actuate the decoding apparatus. Under the "Telemeter" method, subscribers would pay for each program as it is viewed by means of a coin box attached to the receiver which would actuate the decoding apparatus.

4. Petitions for the authorization of subscription television have been filed by Zenith Radio Corporation, proponent of "Phonevision," and Skiatron TV, Inc., proponent of "Subscriber-Vision." In addition, petitions have been filed by a number of television licensees and permittees urging that rule-making proceedings be instituted looking toward the authorization of a subscription television service.¹

5. The petitions presently before the Commission urge the authorization of a subscription television service. The petitioners submit that subscription television would open new vistas of entertainment and information to the indus-

try by making available to the viewing audience programs that could not otherwise be broadcast by the various stations in light of operating economics or program restrictions. They urge that the quality of programs that would become available under subscription television would enable UHF stations and non-network stations to compete with VHF stations and network affiliates for a larger share of the television audience. The petitioners submit that where UHF stations can present high quality programs, through the medium of subscription television, UHF set conversions would follow as a matter of course, thereby strengthening the status of the UHF. The petitioners allege that field tests of the various subscription television systems conducted during the past several years demonstrate that a subscription television service is both technically feasible and practicable; that such a service would not conflict with the present system of television broadcasting; and that a majority of the public would be willing to make direct payments of reasonable charges for the privilege of receiving high quality television programs of a type not currently available. In addition, some of the petitions presently before us urge that subscription television be limited for a time to UHF operations, or that they be limited to small markets.

6. On November 29, 1954, Zenith Radio Corporation and Teco, Inc., filed a substitute petition concerning subscription television. Zenith and Teco now urge that the Commission (1) without further proceedings, declare that Section 3.682 (transmission standards) and Section 3.687 (transmitters and associated equipment) do not prohibit subscription television by a commercial television station and will not be so interpreted or applied by the Commission where the transmissions and transmitting equipment to be effected and used by a station have been approved by the Commission upon specific application therefor by a commercial television licensee; or (2) that the Commission, without further proceedings, declare that it will waive the above requirements in cases where, upon specific application by a commercial television station, the Commission has approved transmissions and transmitting equipment designed to effect a system of subscription television; or (3) that the Commission, after "simplified and limited rule-making proceedings," modify the above requirements so that the rules "expressly contemplate the rendition of subscription television service by commercial television stations where such transmissions and transmitting equipment have been approved by the Commission upon specific application therefor by the holder of a commercial television station license." Mr. Harold E. Fellows, President of the National Association of Radio and Television Broadcasters (NARTB) submitted a letter dated January 4, 1955, in connection with the Zenith-Teco petition and, although not commenting on the merits of subscription television, urges that the Commission give this matter its consideration in a full rule-making proceeding. On January 6, 1955, the

¹ Zenith Radio Corporation filed a petition on February 25, 1952, urging adoption of its Phonevision system. Skiatron TV, Inc. filed a petition on September 14, 1954 with respect to Subscriber-Vision. In addition, petitions by various existing television stations supporting the adoption of subscription television have been filed by Home News Publishing Company, Pennsylvania Broadcasting Company, Stamford-Norwalk Television Corp., Connecticut Radio Foundation, Inc., Eastern Broadcasting Corporation, Big Spring Broadcasting Company, Appalachian Company, Northwest Television Company, Matta Enterprises, Peoples Broadcasting Company, and Joseph Brenner.

Joint Committee on Toll-TV² filed an Opposition to the Zenith-Teco petition, urging that a "a full public hearing" be held on the substantive matters raised by the petition.

7. The Commission does not believe that it would be appropriate at this time to authorize subscription television operations on a case-to-case basis as requested by Zenith Radio Corporation and Teco, Inc. The Commission feels that, before it would adopt such a significant change as subscription television, the matter should be considered in a general rule-making proceeding in which all phases of the problem may be afforded detailed and careful consideration. In response to the petitions submitted, the Commission is instituting a subscription television rule-making proceeding, in order that all interested parties may have the opportunity of submitting their views with respect to this matter and that the Commission may be apprised of such views prior to taking further action.

8. The Commission desires that the comments submitted in this proceeding be directed to the following questions and issues and present information and data with respect to the following aspects of subscription television:

I—Questions of Law

A. Whether the Commission has the authority under the Communications Act of 1934, as amended, to authorize and regulate subscription television operations.

B. Whether subscription television constitutes "broadcasting" within the meaning of Section 3(o) of the Communications Act of 1934, as amended; and if it is not "broadcasting," whether subscription television constitutes a common carrier or other type of service, and whether the Commission has the authority to permit subscription television to employ channels assigned to television broadcasting.

C. If, under the Communications Act of 1934, as amended, the Commission does not have the authority to authorize and regulate subscription television, what amendments to the Act would be required in order to permit the Commission to authorize and regulate such a service?

D. What rules and regulations of the Commission would have to be amended in order to permit the Commission to authorize and regulate subscription television operations?

(Comments with respect to the foregoing questions of law should be submitted in the form of a brief or memorandum of law and should specify with clarity the provisions of law and legal precedents relied upon for authority.)

II—Questions of Fact

Information and data should be submitted with respect to the following matters:

A. Technical data relating to the operation of proposed subscription television systems, including information as to the complexity and the dependability of the equipment to be employed in the systems proposed.

B. The extent, if any, of the degradation to the quality and character of the primary broadcast service, either monochrome or color, that would result from subscription television operations, as well as any interference that would be caused by such operations to other stations on the same channel, adjacent channels, or other pertinent frequencies. Information should be included relating to any adverse effect that would be caused to receivers now in the hands of the public by subscription television operations.

C. Data relating to the cost of equipment, including the cost of necessary modification of existing transmitters and receivers for subscription television operations.

D. Data with respect to the cost of the proposed subscription television service to the viewing audience.

E. Information with respect to the means, methods and organization to be employed by the proponents of subscription television systems in their use of the television broadcast frequencies, including complete information with respect to the plans and proposals of interested persons who intend to engage in subscription television operations.

F. Information with respect to the needs of the television broadcasting industry for additional revenue and program resources that would become available through the medium of subscription television.

G. Information relating to the extent that certain in-

²The Joint Committee on Toll-TV is an association composed of the following organizations: Allied States Association, Theatre Owners of America, Texas Drive-In Theatre Owners of Texas, Southern California Theatre Owners Association, the Kentucky Association of Theatre Owners, The Independent Theatre Owners Association of New York, and The Metropolitan Theatre Owners Association.

formation, events and entertainment are now unavailable to the public over existing television broadcast facilities including the current trends in this respect, as well as the anticipated capacity of subscription television to increase the use of television broadcast frequencies as a medium for bringing such material to the public.

H. Information relating to the anticipated nature and extent of the use of time on commercial television stations by subscription television operators.

I. Information relating to the length of time anticipated to be required for establishing subscription television in existing markets.

J. Information indicating who controls the patents on the devices to be used in transmitting and receiving equipment for subscription television; and information with respect to the arrangements that will be employed for the licensing of such patents for the competitive manufacture of subscription television equipment.

K. Information disclosing the role to be played by the motion picture industry in subscription television.

L. Information disclosing the role to be played by the networks in subscription television.

M. Information indicating who will control the production and distribution of programs to be employed in subscription television operations.

N. Information indicating the types of programs that will be available for transmission on subscription television.

III—Questions and issues relating to public interest considerations to determine:

A. Whether the authorization of subscription television and its regulation by the Commission would "generally encourage the larger and more effective use of radio in the public interest" within the meaning of Section 303(g) of the Communications Act of 1934, as amended.

B. The impact that subscription television will have on advertiser-sponsored broadcasting.

C. The effect that subscription television will have on the broadcast of news and the dissemination of diverse views on controversial issues; as well as the safeguards, if any, that will be required in order to insure that the broadcast of such information will continue to be available to the public without charge.

D. The safeguards, if any, which would be necessary to insure that the public in all areas of the country will continue to be provided with well-balanced programming without charge.

E. The safeguards, if any, that would be necessary to prevent the possible monopolistic control of subscription television operations.

F. The means that should be provided, if any, to insure that subscription television service will be available to all stations on a non-discriminatory basis.

G. The nature and extent of regulation required in order to insure that the public interest would be served, both during the early stages of subscription television operations, and after the system has been established, particularly with respect to:

1. Whether subscription television operations should be limited to a single system, or whether general standards should be provided within which a number of systems can operate.

2. Whether subscription television transmissions should be limited as to the number of hours or the segment of the broadcast day; whether such operations should be permitted on more than one station in a community; whether such operations should be limited in communities with only one station in operation; etc.

3. Whether subscription television should be limited only to UHF stations, or to stations in small markets.

4. The rules, if any, that would be required to insure that the public would be protected from possible injury due to obsolescence of subscription television equipment.

5. Any other amendments of the rules and regulations that would be required to permit the operation of a subscription television service.

9. Authority for issuing this notice is contained in Sections 4(i), 301, and 303(a), (b), (e), (f), (g), (i), and (r) of the Communications Act of 1934, as amended.

10. Any interested party desiring to file written comments with respect to the above matters should submit such comments on or before May 9, 1955. Comments in reply to the original comments should be filed on or before June 9, 1955. In accordance with the provisions of Section 1.764 of the Rules, an original and 14 copies of all comments shall be furnished to the Commission. The Commission will specify in subsequent notices such further proceedings as may be necessary, including oral hearings and the time and nature of any demonstrations or tests.

[Comr. Frieda Henneck issued separate statement terminating FCC action "salutary" but urging that Commission schedule oral hearing instead of requesting written comments.]

STILL MORE NEW TV AREAS OPENING UP: Three new vhf stations -- 2 of them opening up new TV areas in the South, one starting in Alaska -- have begun test operation. They bring on-air total to 427, of which 114 are uhf. Latest starters:

WDXI-TV, Jackson, Tenn. (Ch. 7), planning March 1 CBS interconnection, is all set for Feb. 12 test patterns, reports Washington attorney D.F. Prince, 6 2/3% owner. Nearest other outlets are in Memphis, 75 mi. distant. It uses 10-kw Federal transmitter, 500-ft. Stainless tower, 12-bay antenna. The gen. mgr. & majority owner is Aaron B. Robinson, who also controls radio WDXI and 5 other Tennessee AMs and who is publisher of Corinth (Miss.) Corinthian. Jack Murphy is sales mgr.; Larry Crenshaw, program mgr.; James Thomas, chief engineer. Base rate is \$150. Rep is Burn-Smith.

WTVY, Dothan, Ala. (Ch. 9) starts programming Feb. 12, having tested for 2 weeks, wires mgr. F.E. Busby. Near Ga.-Fla. border, it's 75 mi. from Panama City, Fla., 77 from Albany, Ga., nearest with stations. Owners are local group headed by builder Charles Woods. It uses 500-watt DuMont transmitter, 420-ft. Stainless tower, 6-bay RCA antenna. Base hour is \$150. Rep is Adam Young.

KTVF, Fairbanks, Alaska (Ch. 11) is now testing, plans commercial start in 10 days. It's competing with KFAR-TV (Ch. 2), which has also just made debut (Vol. 11:6) in town whose last reported pop. figure was mere 5771 (1950). A.G. Hiebert, pres.-gen. mgr., also operates KTVA, Anchorage (Ch. 11). KTVF has 2-kw RCA transmitter, 6-bay GE antenna. Mgr. is Walt Welch, ex-KTVA. Rep is Alaska Radio-TV Sales.

THE BIG SWITCH—JONES & PLOTKIN MEMOS: The loud noise you just heard was a backfire.

Webster has several definitions of "report" -- but perhaps the one which best fits the report submitted to Senate Commerce Committee last week by Harry Plotkin is: "an explosive noise; fireworks, an explosive report of a rocket." That's true, at least, insofar as the networks have reacted, publicly and privately.

When it first became known last summer that Sen. Bricker (R-O.), then chairman of the committee, intended to put ex-FCC Comr. Robert F. Jones in charge of a new investigation of network controls and the uhf situation, the networks hit the ceiling. But their fears were considerably allayed when Democratic committee members succeeded in getting former asst. FCC general counsel Harry Plotkin installed as "minority counsel" for the investigation.

They hit the ceiling again when Plotkin submitted his now "majority counsel" memorandum last week, favoring far-reaching changes in network practices (Vol. 11:6), which some observers saw as opening the doors to classifying networks as "common carriers." Jones' report -- which was not released this week as scheduled -- on the other hand, is due to be a surprise for the note of calmness it sets.

While Jones was the one generally expected to embrace the common-carrier concept, as well as call for re-allocation, his report -- now due for release next week -- will urge further study by Commerce Committee before conclusions are reached.

Last-minute revisions of Jones report were responsible for its delay. While report is not expected to "answer" Plotkin proposals, it is believed to have been toned down and the emphasis changed as result of the subject matter of the Plotkin Memorandum and the explosive reaction to it. Jones report will stress lack of information available on which to make sound decisions, citing inadequacy of data made available by FCC and the networks. It will urge further study at the Congressional level of network-station relations and the entire uhf problem.

Report itself is 30-pp. (as opposed to Plotkin's 44-pp.), also contains some 40-pp. of appendices, including factual tabular data obtained from FCC, networks, etc. Dipping into previously released FCC statistics, Jones report expresses alarm that 80% of annual TV revenue goes to stations in first 50 markets. Though report is understood to take a few swipes at allocation plan, it does not propose a reallocation at this time, but merely further study.

The alarm created in network circles by Plotkin Memorandum apparently took Commerce Committee Chairman Magnuson (D-Wash.) by surprise. In attempt to pour oil on troubled waters, he sent this letter to presidents of the 4 TV networks Feb. 9:

"When the memorandum prepared by Harry Plotkin [was] released last week, I stated that the Committee had not taken formal action on the memorandum and would

not until it had heard from the appropriate agencies and all interested parties.

"I want to assure you that adequate opportunity will be afforded you to present your views as soon as a definite schedule is prepared by the Committee. In the meantime, I am enclosing a copy of the memorandum and if you care to submit any comments or observations they will be appreciated."

A "scientific cross-section" of 27 CBS-TV affiliates from small, medium and large markets met this week in New York, meanwhile, to prepare a counter-attack (for list of those attending, see p. 8). In what was described as extremely harmonious discussion, they decided to take action to "inform the public" of their side of the question and discuss the matter with "appropriate govt. officials." No dissenting voices were heard. Following 7-hour meeting, group issued this statement:

"The proposals of Mr. Plotkin, if adopted, would jeopardize TV's most popular live entertainment and public service programs as they are presented today, and seriously interfere with future program planning. Every TV set owner should be most concerned with the possible consequences of these proposals."

Reaction to Plotkin Memorandum wasn't all unfavorable -- far from it. Mail to Commerce Committee was heavy, and almost without exception favored at least some of Plotkin's recommendations. Much of it was from uhf operators.

Public hearings are due to begin in March, with testimony by FCC and Justice Dept. The chief counsel for the network-uhf inquiry hasn't been selected.

Preview of hearings will come Feb. 23, when Committee will hold hearing on President Eisenhower's nomination of Chairman McConaughy to FCC. He has been serving on interim appointment. Senators are expected to put him on the spot by asking his opinion of Plotkin and Jones reports.

* * * *

Another prospective TV investigation -- by anti-trust & monopoly subcommittee of Senate Judiciary Committee -- took another step forward this week when Committee Chairman Kilgore (D-W.Va.) took over chairmanship of subcommittee. Other members are Democrats Kefauver (Tenn.), Hennings (Mo.), O'Mahoney (Wyo.) and Republicans Wiley (Wis.), Langer (N.D.), Dirksen (Ill.).

Subcommittee hopes to "keep out of non-monopoly issues which would normally come under the purview of the Interstate & Foreign Commerce Committee," a Kilgore aide said. He added that present plans are to take up the TV monopoly question as "part of a group of inquiries into a number of industries," with some indication the probe may concentrate -- at the outset, at least -- on "monopolistic practices" in the manufacturing end of the TV industry.

Fears of possible overlap between the 2 investigations weren't dispelled by clarification offered Feb. 4 on Senate floor by Sen. Magnuson in debate over appropriation for Commerce Committee (Vol. 11:6). Under questioning by several Judiciary Committee members about conflicts between the committees on a number of inquiries, he said: "I wish to make it clear that in the study now being conducted and continued regarding radio, TV, and the Dixon-Yates contract, if any evidence of monopoly in those fields should be developed, it is my intention to send such evidence to the Committee on the Judiciary, which I think has jurisdiction over monopoly questions."

SOME PROVOCATIONS BEHIND PLOTKIN'S REPORT: There aren't many loud rooters for the provocative Plotkin Memorandum, which is generally regarded as a revived manifestation of the strict-control policy of unlamented New Deal days as against the laissez faire policy now more or less prevailing.

But whether the networks like it or not, the fact is that letters to Senate committee, mostly from "uhf losers," are heavily weighted on the side of Plotkin's recommendations; that the national station sales representatives, with their purse-string influence, would love to see the networks yanked out of the rep field; that the film syndicators would like to see option time abolished.

Bitterest antagonists of the networks seem to be the uhf and small-town operators, who blame them for much of their woes -- often unfairly, in fact, though it is true that 37 uhf stations have gone off air since July 1953. If the networks had

been freer in making affiliations with uhf stations, had kept hands off promoting the advent of vhf into uhf-pioneered markets, some of them think they might have fared better. They're looking for a "fall guy," of course, though it's evident some uhf projects were ill-fated economically from the start.

NBC retorts that FCC has been urging the networks to go into uhf, offering inducement of extra-2 ownership; that it has 5 primary uhf affiliates, plans super-power uhf operation of own on Mt. Higby, Conn. (Vol. 11:2); that it plans another at yet unselected site. CBS also has uhf affiliates, and itself is about to tackle the ownership of a uhf station (WXIX) in intermixed Milwaukee. And, so far as the small-town telecaster is concerned, CBS can point proudly to its efforts on their business behalf via its new Extended Market Plan (Vol. 10:49-51).

* * * *

Biggest detractors of network power -- though by no means full subscribers to Plotkin's ideas -- are station operators who lost affiliations through what they regard as no fault of their own. Affiliation pullaways got so serious lately that the trade journal Broadcasting-Telecasting reported this gag rampant at recent NARTB board meetings in Florida: "You can't tell your affiliation without a scorecard; get today's morning lineup." For some, it was pretty grim humor.

Those who lost or stand to lose major network affiliations are so bitter that some have gone to their Senators & Congressmen. On this score, CBS's record is the most easily assailed, notably on the score of its recent switches in Indianapolis, Cleveland, Kansas City, Omaha, Phoenix, Albany. Only last week it shifted away from U of Missouri's KOMU-TV, Columbia, to the new KRCG, Jefferson City, causing consternation at that commercially-operated university station.

There were business reasons behind each switch -- but that didn't conduce to make friends for CBS at Scripps-Howard, whose Cleveland outlet it forsook in favor of one newly purchased by Storer; in Kansas City, where it switched away from a station it helped put together less than 1½ years ago in order to tie up with Meredith whose Phoenix station it had abandoned in favor of Gene Autry's newly combined outlet; in Albany, where it dropped the uhf owned jointly by the veteran Col. Harry C. Wilder and powerful Stanley Theatre interests in order to switch to the uhf owned by a group headed by Lowell Thomas (now seeking switch to vhf channel).

NBC got into TV earlier, has enjoyed somewhat more steadfast loyalties, stemming in part from fact that it prodded so many of its affiliates into TV when video was still a risk venture and while CBS was still advising some of its oldest radio affiliates to stay out. Yet NBC's New Haven vhf affiliate is assailing it and threatening to go to court because NBC plans to make that area its major uhf proving ground, which means dropping that long-standing vhf affiliation. NBC plans another uhf, says it knows none worth having that it can acquire without losing an existing affiliate.

* * * *

After CBS's Albany switch, the Wilder-Stanley uhf quit the air last week (Vol. 11:6), darkening a plant said to represent \$1,000,000 investment. This move appears to be an obvious prelude to an anti-trust action, which means triple damage demands. Counsel for the Wilder station -- ex-FCC chairman Paul Porter, himself a onetime CBS lawyer and one of heads of the law firm in which Plotkin is a member -- is openly threatening legal action on grounds that Lowell Thomas used his bargaining position as a contract performer to gain an undue competitive advantage in another field.

CBS is not undisturbed by the cries of havoc it has evoked, but its position is that it is shifting and switching as matter of simple business prudence, not mere ruthless whim or caprice -- and that it is impelled by competition to seek best possible outlets it can get for its advertisers. There's no gainsaying that argument.

Yet there's no denying, either, that network loyalties are becoming more tenuous, more strained, as the TV child grows up and as more TV stations are born; that "divorces" and "remarriages" occur at the drop of a termination clause; that many affiliates, signing contracts for the FCC-imposed limit of 2 years but terminable on notices as short as 30-60 days, quake in fear of losing their network program bloodstream no less than they have always quaked at the powers of the FCC, no less indeed

than the whole industry has always stood in awe of the influence of Congress -- and especially of the Senate Committee on Interstate Commerce and its chairman.

Network loyalties are only dollar deep, it has been said -- and cold economic factors, not sentiment, have perforce dominated the competitive struggle ever since it became evident that dollar stakes had grown enormously as result of the "revolution" that TV has wrought in the business of broadcasting.

* * * *

The Plotkin report, Congressional probes, possible court suits -- everything seems to point up the inescapable fact that the networks, more especially NBC & CBS, exercise a life-or-death power over many affiliates -- much more so in TV than ever in radio -- albeit they are intense competitors; that ABC is coming along slowly as a competitive factor, still running a poor third; that DuMont, if it survives as a network at all, is likely to be on the side of stricter control, as it has been in the past, inclined to blame the other networks for its poor fourth position and wanting the Govt. to do something about it.

And the fact is that their very bigness, their huge profitability, their keen sense of political relations and sensitivity to political blandishments, make the networks convenient whipping boys for everyone with a gripe.

MANY VARIATIONS IN SATELLITE PATTERN: Big question about satellites is economic -- how they can be made self-sustaining, let alone profitable. FCC has given its go-ahead and proposes to relax rules even further -- to permit mere 100-watt outlets (Vol. 10:51) -- but the revenue-expense picture is still by no means clear.

We've spot-checked those who have grants or applications for satellites, and who propose little or no local originations initially, and find that their thinking varies considerably -- depending entirely on local conditions.

Most interesting operation proposed is that of KTRE-TV, Lufkin, Tex. (Ch. 9), due on air by Sept. 1. Though most proposed satellites are being built by metropolitan stations seeking to extend their coverage to smaller towns, KTRE-TV ownership is completely independent of KPRC-TV, Houston, from which it will get programs, including full NBC schedule. Agreement between the 2 is due to be signed shortly, so details aren't yet available, but general principle is that KTRE-TV will be able to insert slide and film commercials.

Mgr. Richard Lewin is greatly enthused over prospects, predicting that setup will furnish blueprint for bringing top-notch programming to small towns over the entire nation. "The economic base is assured," he said. "We have enough business committed from Texas advertisers alone to see us through the first year." Station will have 6 employes in addition to the 12 of radio KTRE. Lewin estimates he'll be able to operate at \$8000 or less per month.

Quite different approach is that of Richard O. Dunning, pres. of KHQ-TV, Spokane, Wash., which has applied for Ch. 5 in Walla Walla. Recently, a competing application for the channel was filed by KIMA-TV, Yakima, Wash. (Ch. 29), which operates satellite KEPR-TV, Pasco, Wash. (Ch. 19) and this week obtained non-satellite CP on Ch. 3 in Lewiston, Ida. Here is Dunning's outlook:

(1) "Satellites will be programmed by already existing network stations and therefore the programming costs, which normally are severe in television, are reduced to an absolute minimum.

(2) "If the satellite is located properly within the mother station trade territory, both network national spot and local rates can be increased as the satellite markets develop in sets-in-use.

(3) "Local announcements sponsored by business firms in the satellite communities can be sold at the satellite level in unoccupied announcement periods of the main station." Summarizing, Dunning says:

"At best, I personally do not see any great profit emanating from any satellite operation. In its final sense, it amounts to delivering TV service to a satellite market on a cost basis by the mother station. The only thing that would produce greater income and profit would be expansion and growth of the satellite

market, which would enable it eventually to be programmed partially on a local basis and sold on a local basis to local advertisers in the satellite market."

* * * *

Still another viewpoint is that of the small-city operator to whom even a small increase in sets-in-use is extremely important. Wm. C. Grove, mgr. of KFBC-TV, Cheyenne, Wyo., now constructing satellite KSTF, Scottsbluff, Neb. (Ch. 10) notes:

"It is an unalterable fact that the national advertiser, both spot and network, looks primarily at the cost-per-thousand. And so, any station must get its cost-per-thousand in line. KFBC-TV has had gratifying support from national spot advertisers during its less than one-year operation. Network programming, too, has come along very well. We are currently carrying approximately 15 commercial network shows per week. However, it is our desire to continually expand our hours of operation. This means more network programs are needed, and more national spot advertising, both for the programming and the revenue.

"By constructing KSTF at Scottsbluff, we will nearly double our set count, and we believe this is the way for small-town TV stations to do the job."

* * * *

A totally different problem confronts KGMB-TV, Honolulu, which now holds CPs for satellites KHBC-TV, Hilo (Ch. 9) and Ch. 3, Wailuku (no call letters yet). It's a matter of fantastically rugged terrain, v.p. C. Richard Evans points out.

Entire population of all the Hawaiian Islands is 500,000, with 3/5 of the people living within 10 mi. of KGMB-TV transmitter. "Economically," Evans says, "it is far easier to operate a successful TV station in a market of 500,000 people than it is in one of 300,000 and for this reason we are adding our new satellites." Job of reaching those other 200,000 can be done only by satellites, he adds. "The population outside of Honolulu is so widely scattered that an independently operated TV station would not be economically feasible at any out-island location. Community antenna systems are impractical. One example of the reason is that on the island of Hawaii you have a total of 65,000 people scattered along 200 mi. of coastline."

Evans points out that 35,000 live in Hilo district behind a 13,000-ft. volcano, another 35,000 on Oahu behind two 13,000-ft. volcanoes, 35,000 more in Maui valley between 10,000-ft. and 5000-ft. mountains, etc.

The only answer is satellites, Evans says, and if anyone talks of "monopoly" and "unfair competition," he adds, "it should be noted that these satellites are an added expense that many stations are not called upon to bear in order to render service and succeed economically. All 3 will be quoted on a single rate card."

From cost standpoint, only Hilo and Wailuku operations approach the popular concept of satellites. KGMB-TV's estimate for Hilo is \$33,035 for plant, \$9360 for yearly operating expenses; Wailuku would run \$24,435 to build, \$21,000 to operate. Estimate for Lufkin is \$133,554 for plant, \$75,000 for operating; Walla Walla, \$136,626 plant, \$31,200 operating; Scottsbluff, \$67,000 plant, \$48,000 operating. Even if the Commission relaxes rules to permit 100-watt operations with no minimum height, as expected, no drastic cost reduction is anticipated.

* * * *

Only one true satellite is actually operating today -- KEPR-TV, Pasco -- but no report on its operations has yet been supplied. Only one other satellite CP is outstanding -- KPAR-TV, Sweetwater, Tex. (Ch. 12) -- to be fed by KDUB-TV, Lubbock. There are 2 applications for Ch. 3 satellite in Mayaguez, P.R., filed by WKAQ-TV and WAPA-TV, San Juan. Competing with them is application for regular station filed by owners of WJMR-TV, New Orleans.

Term "satellite" should be used with caution. For example, both Scottsbluff and Lufkin will start with some local film and slides, and will expand as they can afford to. FCC itself meticulously avoids using the term -- because it wants to encourage expansion of local programming and not give impression it's setting up a separate class of stations from which it expects no local programs indefinitely. Worth noting is that virtually all applications and grants are for vhf.

Personal Notes: Thomas A. McAvity, NBC-TV network programs v.p., promoted to v.p. in charge of TV network; Richard A. R. Pinkham, v.p. in charge of participating programs dept., elevated to TV network programs v.p.; Earl Rettig, v.p. in charge of TV network program production & business affairs, moves up to TV network services v.p.; Mort Werner promoted to director of participating programs, Wm. V. Sargent to director of TV network business affairs . . . Sylvester L. (Pat) Weaver, NBC pres., leaves Feb. 12 on month's European vacation . . . Selig J. Seligman, asst. to ABC western div. v.p., named acting mgr., KABC-TV, Los Angeles; Amos Baron, named mgr. last fall, returns after siege of illness to former job of mgr. of radio KABC, with John Hansen becoming asst. to Elton Rule, KABC-TV sales mgr. . . . George A. Koehler promoted to new post of station mgr., WFIL-TV, Philadelphia, reporting to gen. mgr. Roger W. Clipp; Sherman Gregory advanced to TV sales mgr. . . . Jack L. Mohler, ex-WOR, N. Y., named director of sales development, CBS-TV Spot Sales; John Donald Foley promoted to director of sales promotion . . . David Williams, ex-International News Service, named eastern mgr., CBS-TV station relations dept. . . . Edwin R. Borroff, ex-v.p. in charge of old Blue Network's western div., later sales mgr. of Westinghouse Radio Inc., joins NBC central div. radio sales . . . Robert J. Kolb named regional sales mgr., WOR-TV, N. Y. . . . John Eichorn promoted to asst. to Otto Brandt, v.p.-gen. mgr. of KING-TV & KING, Seattle, replacing Robert Priebe, resigned; Fred Von Hofen succeeds Eichorn as mgr. of radio KING . . . Thomas E. Howard promoted to engineering v.p. of Jefferson Standard Bestg. Co. (WBTW & WBT, Charlotte; WBTW, Florence, S. C. & 16% of WFMY-TV, Greensboro) . . . Wm. Thomas Hamilton, ex-CBS, named sales mgr., WNDU-TV, Notre Dame station at South Bend (Ch. 46), which hasn't set on-air target yet . . . Dick Halloway, ex-WTRC, Elkhart, Ind., named national sales mgr. of WSBT-TV, South Bend, succeeding Robert H. Elrod, who resigned to join NBC, Chicago . . . John E. Hill, on leave from radio KDKA, Pittsburgh, appointed program mgr. of KTRK-TV, Houston . . . John Kelly promoted to station mgr., KRBC-TV, Abilene, Tex., Steve Cowan succeeding him as program director; Larry Fitzgerald promoted to production director . . . R. H. Rollinson appointed eastern sales mgr. of Quality Radio Group, tape network headed by Crosley's Ward Quaal . . . Stanley B. Cohen, associate of TV-radio attorney Leo Resnick, Washington, resigns as of March 8 . . . Burt Lambert, ex-WNEW, veteran of broadcasting industry, joins Ziv-TV . . . Jerry Cotter, ex-ABC, named director of TV research, National Legal Aid Assn., 36 W. 44th St., N. Y. . . . Frank W. McMahon named adv. & promotion mgr., MCA-TV film syndication div. . . . James Blair, mgr. of Philadelphia office, promoted to asst. national sales mgr., Teleprompter Corp. . . . Gordon A. Hellman, CBS-TV director of sales presentations, elected pres. of Johns Hopkins Club of N. Y.

Vitapix Corp. reelected WKZO-TV's John Fetzter as chairman, KWFT-TV's Kenyon Brown as pres., at N. Y. stockholders meeting this week, where it reported 6 new members had brought total to 53. Other officers: Edward Hall, exec. v.p. & gen. mgr.; Joe Baudino, Westinghouse, v.p.; Paul O'Bryan, Washington counsel, secy.-treas. Directors: Charles Crutchfield, WBT; William Fay, WHAM-TV; Edward Wheeler, WWJ-TV; Richard Borel, WBNS-TV; Howard Lane, KOIN-TV; Leonard Reinsch, WSB-TV; Robert Swezey, WDSU-TV; George B. Storer Jr.; Clair McCollough, WGAL-TV.

Comdr. Raymond Asserson Sr., 64, USN ret., 1913 graduate of the Naval Academy and onetime asst. chief engineer of FCC, died Feb. 4 at his son's home in St. Thomas, Virgin Islands.

Top executives of 27 CBS affiliates from 22 states, representing both vhf & uhf stations and comprising what CBS described as "a cross-section of the largest, median and smaller TV cities in the U. S.," attended N. Y. strategy meeting Feb. 9 to discuss Plotkin Memorandum (see stories, pp. 3-6). More than 20 executives of CBS, headed by CBS Inc. pres Frank Stanton and TV pres. J. L. Van Volkenburg, participated in meeting lasting from 10 a.m. to 5 p.m. Station people attending: E. K. Jett & Wm. F. Schmick Jr., WMAR-TV, Baltimore; Thomas O'Neil, John Poor & Gordon Gray, WNAC-TV, Boston; John W. Runyon, Clyde Rembert & A. Jackson, KRLD-TV, Dallas; George Storer Sr. & John McCoy, WJBK-TV, Detroit; Bruce McConnell, WISH-TV, Indianapolis; Wm. J. McNally, WCCO-TV, Minneapolis; Richard Slocum & D. W. Thornburgh, WCAU-TV, Philadelphia; Chris J. Witting & John Steen, KPIX, San Francisco; John Hayes, WTOF-TV, Washington; John M. Rivers, WCSC-TV, Charleston, S. C.; Robert Ridder, Walter Ridder & Rodney Quick, WDSM-TV, Duluth-Superior; Dorrance Roderick & Dick Watts, KROD-TV, El Paso; Edward A. Allen & Philip P. Allen, WLVA-TV, Lynchburg, Va.; Mrs. Jean Gannett Williams & C. E. Gatchell, WGAN-TV, Portland, Me.; Humboldt Greig, WHUM-TV, Reading, Pa.; John E. Fetzter, KOLN-TV, Lincoln, Neb.; John T. Griffin & Edgar Bell, KATV, Pine Bluff-Little Rock, Ark.; Franklin D. Schurz & Neil B. Welch, WSBT-TV, South Bend; Glenn P. Warnock, WAIM-TV, Anderson, S. C.; Wm. C. Grove, KFBC-TV, Cheyenne, Wyo.; Wm. B. Smullin, KBES-TV, Medford, Ore.; Donald W. Reynolds, KZTV, Reno; John B. Johnson, WCNY-TV, Watertown, N. Y.; Charles Lemke & George Frechette, WSAU-TV, Wausau, Wis.; W. C. Blanchette, KFBB-TV, Great Falls, Mont.; Ivor Sharp, J. W. Wright, Lenox Murdoch, KID-TV, Idaho Falls; John Boler, KCJB-TV, Minot, N. D.

New communications legislation introduced in Congress: By Chairmen Magnuson (D-Wash.) and Priest (D-Tenn.) of Senate & House Commerce Committees, S-950 & HR-3461, at request of Attorney General Brownell, prohibiting transmission of gambling information in interstate commerce, but specifically exempting TV-radio and printed media from liability in transmitting reports of "sporting events or contests, which might be gambling information"; by Sen. Langer (R-N. D.), S-923, to ban beer and liquor advertising in interstate commerce; by Rep. Miller (R-Md.), HR-3789, identical to Butler-Jenner-Potter Bill S-771 (Vol. 11:5), to deny Communists and subversives political "equal time" privileges.

Competition of TV is cited by Ben Marcus, pres. of big Allied States Assn. of Motion Picture Exhibitors, as reason for declining to run for re-election. In statement at exhibitors' convention in St. Louis this week, the owner of theatres in Milwaukee area said: "The heavy penetration of new TV stations in our area during this past year has created a tremendous pressure and demand on my time."

First educational fold-up, Los Angeles' uhf KTHE turned in its CP Feb. 9—5 months after quitting air following withdrawal of support of wealthy backer G. Allen Hancock in dispute with U of Southern California over station's operation (Vol. 10:26, 32). It was second educational station to go on air.

Television Bureau of Advertising reports \$365,000 out of its \$400,000 budget for calendar 1955 has been contributed by its 125 charter members. Pres. Oliver Treyz says he expects the \$400,000 figure to be exceeded shortly by additional members.

Due for network interconnection by AT&T during Feb.: KRCG, Jefferson City, Mo., Feb. 13; WFLA-TV, Tampa, Feb. 14; WMFD-TV, Wilmington, N. C., Feb. 18.

POLITICAL INTEREST in FCC procedures stepped up this week. AFL executive council, meeting in Miami Beach, voted to file with FCC and Congress a protest of what it termed the "tendency to concentrate the ownership of newspapers, radio and TV" in the hands of a few people. Action was initiated by Dade County (Miami) Central Labor Union, which is objecting to proposed decision favoring Ch. 7 grant in Miami to combination of Cox and Knight newspaper-broadcasting interests (Vol. 11:4).

On another front, Sen. Strom Thurmond (D-S. C.), member of Interstate Commerce Committee, made public letter to Chairman Magnuson in which he asked that something be done about "protest" section of Communications Act. Citing example of WSPA-TV, Spartanburg (Ch. 7), which has been prevented from going on air because of protests by WAIM-TV, Anderson (Ch. 40) and WGVL, Greenville (Ch. 23), he said Committee should reconsider law "which is enabling existing stations, and even broadcast interests, to jeopardize and hamper the work of the Commission and thereby delay needed TV service."

Commission granted 4 CPs meanwhile: Lewiston, Ida., Ch. 3, to operators of KIMA-TV, Yakima (Ch. 29) and KEPR-TV, Pasco, Wash. (Ch. 19); Hastings, Neb., Ch. 5, to Seaton Pub. Co. (Fred A. Seaton, Asst. Defense Secy.); New Bern, N. C., Ch. 13, to Nathan Frank, owner of WHNC, Henderson, N. C.; Sunbury, Pa., Ch. 38, to WKOK.

NBC's projected purchase of WKNB-TV, New Britain, Conn. (Ch. 30) ran into formal opposition this week when WNHC-TV, New Haven, petitioned Commission to set sale for hearing. Station submitted several charges, alleging that application for sale failed to disclose ade-

quate information on stockholdings of RCA-NBC officers; that "trafficking in licenses" is involved; that there will be overlap with WRCA-TV, New York; that chain regulations would be violated; that RCA has history of anti-trust violations, etc.

Commission again turned down application of Orange Belt Telecasters for Ch. 30, San Bernardino, Cal. First denied because of inadequate financial and technical qualifications, group amended application but FCC ruled that it still fell short.

Laborious efforts of defunct KFAZ, Monroe, La. (Ch. 43), which finally got Ch. 13 assigned to Monroe, ran into trouble when State Supt. of Education petitioned FCC to have the channel reserved for education.

Commission initiated rule-making on petition of WKST-TV, New Castle, Pa. (Ch. 45) which asked that Ch. 73 and Ch. 45 be switched between New Castle and Youngstown and that WKST-TV be permitted to move to Youngstown.

Another uhf switch is in prospect, WTVI, Belleville, Ill. (Ch. 54) filing this week to switch to off-air KSTM-TV's Ch. 36, proposing to move over to latter's plant, assuming equipment payments and dropping own facilities completely.

License of WBTW, Charlotte, N. C. was renewed this week, over objections of Comr. Hennock who complained that owner Jefferson Standard Life Insurance Co. has too many interests in area, through holdings in WBTW, Florence & WFMY-TV, Greensboro; that Commission should frown on Jefferson Standard's ownership of preferred stock of Storer Bestg. Co., etc.

Telecasting Notes: Kraft TV Theatre's superb live play *Patterns* on NBC Feb. 9, repeated just 4 weeks after smash-hit performance on same network same hour, proves that there can be good audience for repeat performances of top-hole shows. Certainly there was tremendous popular enthusiasm for the second as well as the first show, which the critics had acclaimed—*Time Magazine* stating it made the film *Executive Suite* "look like *Little Women*," as indeed it did . . . Many more such repeats can be expected henceforth to satisfy demands of audience that didn't catch originals—and the repeats, especially if they win such spontaneous critical reaction as this one did, and are given such exceptional buildups as this one was (full page ads), should enjoy even bigger audiences than the first show . . . Feature films are played over and over again on the same station or in same city—viz., *Million Dollar Movie*, shown 16 times in one week on WOR-TV—and they often get good enough ratings to please their sponsors. We recall one station manager in TV's early days who was so dead set against repeats of anything whatsoever, live or film, that he let a rival with an inferior network affiliation steal that ball away; he's no longer manager of the station, which lost money under his aegis and which now repeats aplenty . . . Warner Bros., queried direct, won't confirm or deny *Billboard's* Feb. 12 report that it's preparing to release all its 1933-44 sound pictures to TV, estimated to embrace 200 features. That would be biggest block since Monogram's 199 oldies were sold. Wires Warners' Mort Blumenstock from Hollywood: "Mr. [Jack L.] Warner has nothing to add at present time to *Billboard* story on TV" . . . Hollywood trade press, apparently also checking *Billboard* story, came up with stories, also unverified, that Warner may release 175 shorts, not features . . . It's apparent something is in the wind, and if Warner Bros. releases any of its features it might well trigger similar action by the other major producers. Only "official" news from Warner Bros. is that it's setting up new film subsidiary, to be headed by Jack M. Warner, son of production v.p. Jack L. Warner, following example of Columbia Pictures (Screen Gems). MGM is

said to have similar plans (Vol. 11:6) . . . Success of General Teleradio's syndicated *Million Dollar Movie* series, bought in Bank of America foreclosure, is one reason *Billboard* sees the exhibitors' attitude toward release of the oldies softening; that and Walt Disney's free use of his old films on ABC-TV's *Disneyland*, which has proved a tremendous boxoffice buildup for his current pictures . . . Another reason is that attendance at movies is up (average rose to 73,700,000 per week in late summer of 1954 from 34,400,000 in 3rd quarter 1953) which theatremen are citing as proof that the "TV novelty" has worn off. And there's hard fact that black-&-white oldies will lose much of their value if color TV ever catches fire . . . There's big money in re-runs, apparently, and surveys have proved they garner nearly as big audience as first (viz., *Dragnet*, reissued as *Badge 714*). Thus Screen Gems is now offering 5 separate 30-min. film packages for summer replacements—2 comprising re-runs of this season's *Ford Theatre*, 3 from this year's *Fireside Theatre* . . . Ten educational stations are now carrying Dr. Frank Baxter's first semester course on *Shakespeare on TV*, an origination of CBS Hollywood, which "discovered" the telegenic USC professor; the films are distributed free through Educational TV-Radio Center, Ann Arbor, Mich. . . . NBC buys assets of Martin Stone's Kagran Corp., including all rights to *Howdy Doody*, *Author Meets Critics*, other TV-radio properties.

Anti-trust suit against 12 major motion picture studios to compel them to release 16mm films to TV and other non-theatrical outlets (Vol. 8:34,39), has been set for trial starting Sept. 6 in Los Angeles Federal Court. In pre-trial hearing this week, 6 theatre exhibitor organizations were named as co-conspirators: Allied States Assn., Independent Theatre Owners Assn., Metropolitan Motion Picture Theatres Assn., So. Cal. Theatre Owners Assn., Pacific Coast Council of Independent Theatre Owners, Council of Motion Picture Organizations. Theatre Owners of America had previously been named as co-conspirator at its own request.

Station Accounts: Average of 74 national & regional spot TV accounts was carried on each of the 232 reporting stations during fourth quarter of 1954, according to quarterly *Rorabaugh Report on Spot TV Advertising* released Jan. 25. Top markets were New York, 7 stations reporting average of 101 accounts; Chicago, 4 stations av. 124; Los Angeles, 7 av. 111; Philadelphia, 3 av. 145; San Francisco, 3 av. 156. Top 25 national spot advertisers for the quarter, in order of number of stations used for all products, are listed as Procter & Gamble, Brown & Williamson (Kool & Raleigh cigarettes), National Biscuit Co., General Motors, Colgate-Palmolive, R. J. Reynolds Tobacco Co. (Camels), General Foods, Ford Motor, Bulova Watch, Miles Laboratories (Alka-Seltzer), National Carbon Co., Block Drug, Grove Laboratories, Du Pont, Chrysler, Carter Products, Anahist, Vick Chemical, B. T. Babbitt, Peter Paul, Chesebrough, Northern Paper Mills, Maybelline Co., Borden, Folger's Coffee . . . Lewyt Corp. (vacuum cleaners) has budgeted \$2,000,000 for all-media spring campaign, starting March 15, thru Hicks & Greist, N. Y. . . . Royal Crown Cola, in unusually large single-sponsorship deal, buys MCA-TV's 15-min. weekly *Ames Brothers Show* in Class A time on 195 stations starting April 1, for 26 weeks, thru BBDO . . . Ohio Oil Co., concluding 26-week sponsorship of Official Films' *Secret File U.S.A.*, buys Procter's *Man Behind the Badge* in 12 midwest markets . . . Mennen Co. to be alt. week sponsor (with El Producto Cigars) of *Professional Boxing* on WABD, N. Y. for 13 weeks starting Feb. 21, Mon. 9-11 p.m., thru McCann-Erickson . . . Iberian Airlines of Spain signs for 13 weeks as full sponsor of *Operation Success* on WRCA-TV, N. Y., starting Feb. 2, Sat. 5:30-6 p.m.; with narration by Quentin Reynolds, program depicts growth of American business and its executives . . . Max Factor (cosmetics) plans \$1,500,000 TV spot campaign in 53 cities, thru Doyle Dane Bernbach, N. Y. . . . Toy Guidance Council plans big 1955 TV-radio campaign somewhat in excess of the \$500,000 spent last year, will make series of 15-min. films, thru Friend-Reiss-McGlone, N. Y. . . . Nestle Co., pushing its "all-climate" Instant coffee, emphasizing it's soluble in cold as well as hot water, lines up west coast spot campaign as testing ground, thru Bryan Houston Inc., N. Y. . . . Norwegian Cannery Assn. adds 8 major markets to its all-media campaign for 1955, thru McCann-Erickson, N. Y. . . . American Chic Co. introducing new product, Rolaides, with spot campaign in several major markets for 26 weeks starting March 7, thru Ted Bates & Co. . . . Among other advertisers currently reported using or preparing to use TV: Bymart-Tintair Inc., N. Y. (Lanair creme color hair dressing), thru Kaster, Farrell, Chesley & Clifford, N. Y.; Brown & Haley, Tacoma, Wash. (Mountain Bar candy), thru Honig-Cooper Co., Seattle; A. J. Canfield Co., Chicago (carbonated beverages), thru Wesley Aves & Assoc., Chicago; Ironite Inc., Mt. Clemens, Mich. (ironers), thru Brooke, Smith, French & Dorrance, Detroit; Morton Packing Co., Louisville (frozen beef pot pie), thru Ted Bates, N. Y.; Karl Seiler & Sons, Philadelphia (Gooseneck liverwurst), thru Lavenson Bureau of Adv., Philadelphia; Harriet Andre Inc., N. Y. (Tress Kit hair conditioner), thru Product Services, N. Y.; Durham-Enders Razor Corp., Mystic, Conn. (safety razors), thru Fletcher D. Richards, N. Y.; Aluminum Cooking Utensil Co., New Kensington, Pa. (Wear-Ever aluminum foil), thru Fuller & Smith & Ross, N. Y.

Sponsor Magazine has issued new *Television Dictionary-Handbook for Sponsors*, compiled by Herbert True of Notre Dame English and adv. dept., with aid of 37 contributors; 50-p. booklet defines 2200 trade terms, costs \$2.

Broadcast Information Bureau, 535 Fifth Ave., N. Y., has published new edition of its *Directory of "Free" TV Film*, listing 700 new titles of public relations films available to TV stations.

Network Accounts: Shared sponsorships on top-flight shows will be intensified this fall on NBC-TV, which is planning to break up several of its big-name programs into segments of 15-min. or less as answer to advertisers' complaints of soaring costs. Though final decision hasn't been reached, plans are to start by offering 8-9 p.m. time period on Sun., Mon. & Tue. for multiple sponsorship. Mon. is filled by *Caesar's Hour*, Tue. by Milton Berle & Martha Raye, Sun. by a new comedy show to replace *Colgate Comedy Hour*. Known as "Criss-Cross Plan," it will permit sponsor to be represented on all 3 shows on rotating basis, if he wishes . . . ABC-TV says it expects to gross \$13,000,000 in time-&-talent for 52-week run of Disney's new *Mickey Mouse Club* starting in fall, signing Colgate & Borden's for 15-min. segments this week; Campbell's Soup & General Mills have already bought quarter-hours . . . H. J. Heinz Co. to sponsor filmed *Captain Gallant of the Foreign Legion* on NBC-TV starting Feb. 13, Sun. 5:30-6 p.m., thru Maxon Inc. . . . Admiral buys alt. sponsorship (with Sheaffer Pens) of *Who Said That?* on ABC-TV, Wed. 9:30-10 p.m., thru Russel M. Seeds Adv., Chicago . . . Jackie Gleason, who recently signed \$11,000,000 2-year sponsorship contract with Buick starting in fall (Vol. 10:52), this week lost a sponsor—Sheaffer Pen Co., which decided that since it couldn't have Gleason next fall, it wasn't worth the money to continue after March 26 as one of his 4 sponsors . . . National Biscuit Co. & International Harvester to cancel *Halls of Ivy* on CBS-TV Tue. 8:30-9 p.m. at end of current season . . . General Mills & Ovaltine switch *Captain Midnight* on CBS-TV to Sat. 11:30 a.m.-noon starting March 5, replacing filmed *Abbott & Costello*, which was dropped by Campbell Soups . . . Green Giant Peas & Pillsbury drop Mickey Rooney film, *Hey Mulligan!* on NBC-TV Sat. 8-8:30 p.m. . . . GE drops Wed. 8-8:30 time period on NBC-TV, occupied by *I Married Joan*, following star Joan Davis' temporary retirement from TV because of health.

New frequency discount plan, whereby an advertiser who buys fourteen 10 or 20-sec. station breaks during Sun.-thru-Sat. week receives 50% discount on those breaks in Class D or C time, was launched Feb. 13 by WRCA-TV, NBC's N. Y. flagship. Titled "14-50 Plan," discount arrangement applies to station breaks before 5:59 p.m. and after 11:15 p.m., including *Tonight* series, and on one-min. partic. in designated programs. "If 10 or 20-second station breaks in AA, A or B time are part of the 14, all breaks contribute," station announced, "but the A or B only receive those discounts earned. The 14-50 Plan provides, however, that if the advertiser employs at least one ID or 20-second on a 7-day basis in D and/or C time, the advertiser earns an additional 10% discount on those 10's or 20's he may be running in A or B time." Partic. programs also included in plan are: *Big Matinee* (Mon.-thru-Fri. 2-2:30 p.m.); *Sunday Theatre* (Sun. 9-10 a.m.); *Channel 4 Theatre* (Sat. 1-2 p.m.); *Charity Bailey* (Sun. 10-10:30 a.m.); *Junior Champions* (Sat. 5-5:30 p.m.)

Broadcasting & Film Commission of the National Council of the Churches of Christ in U.S.A. meets March 1 to approve 1955 TV-radio budget of \$1,400,000. The Commission's *This Is the Life* is currently on 235 TV stations as sustainer, according to Rev. Dr. S. Franklin Mack of N. Y., exec. director. On Oct. 1 a new filmed series of interviews with outstanding Christian spokesmen will be launched. In addition, it plans to expand TV-radio workshops and will urge appearances of more ministers on TV. Commented Dr. Mack: "It can be said with confidence that any pastor appearing once on a local TV station can be assured of an initial audience in excess of the aggregate audience in the pews of his church in a year's time."

Robert W. Sarnoff, NBC exec. v.p., named chairman of 1955 fund drive of National Multiple Sclerosis Society.

BIBLE SCHOOL owners of projected new WCBC-TV, Anderson, Ind. (Ch. 61), won't accept beer or cigarette advertising and will carry no programs "which place undue emphasis on violence, crime or sex." Grantee is Great Commission Schools, owned by denomination known as Church of God and operating Anderson College & Theological Seminary. It's the third station owned by a religious institution to be projected as a commercial outlet, others being Norbertine Fathers' WBAY-TV, Green Bay, Wis. (Ch. 8), and Notre Dame's upcoming WDNV-TV, South Bend, Ind. (Ch. 46).

WCBC-TV has RCA 1-kw transmitter and studio equipment bought from John L. Booth's now defunct WBKZ-TV, Battle Creek, Mich. (Ch. 64), and is shooting for May 1 target. Anderson, pop. about 50,000, is 7-mi. from Muncie, where WLBC-TV operates on Ch. 49, and 32-mi. from Indianapolis, with 2 vhf. Local high school gym will first be used for originations, but plans are under way for 20 x 40-ft. studio. Worth S. Rough, from radio WCBC, will be gen. mgr.; Fred M. Mullen, ex-WAVE-TV & WFBM-TV, program director. Rep has not yet been chosen.

GE reports order for 50-kw amplifier from upcoming WPRO-TV, Providence (Ch. 12), and shipment of 1-bay helical antenna to WOKY-TV, Milwaukee (Ch. 19), which becomes WXIX Feb. 27 when CBS takes it over. DuMont shipped 50-kw amplifier Feb. 9 to WLVA-TV, Lynchburg, Va. (Ch. 13). RCA shipped 25-kw amplifier Feb. 9 to WMBV-TV, Marinette-Green Bay, Wis. (Ch. 11).

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

KTRE-TV, Lufkin, Tex. (Ch. 9), planning to operate as satellite of KPRC-TV, Houston, doesn't expect to begin tests until next Aug., with programming Sept. 1, according to pres. R. W. Wortham Jr. It hasn't ordered equipment yet, plans to file with FCC for new and higher site and increased power. Base rate will be \$150. Rep will be Venard, Rintoul & McConnell.

KWTV-TV, Waco, Tex. (Ch. 10), granted last Dec., plans March 20 test patterns, April 1 programming, according to mgr. M. N. Bostick. It will use 461-ft. Andrews tower, has ordered RCA equipment for new studio-transmitter building, which is scheduled to be ready by March 1. It will be city's second outlet, KANG-TV (Ch. 34) having begun in Oct. 1953. Base rate will be \$200. Rep not yet chosen.

Oklahoma Educational TV Authority, grantee of educational stations KETA, Oklahoma City (Ch. 13) and KOED-TV, Tulsa (Ch. 11) has funds available for 10-kw transmitters, writes director John W. Dunn, in charge of U of Okla. radio KNAD, Norman. But it's contemplating 50-kw for KETA, 25-kw for KOED-TV, consequently is "holding off" target dates, he adds. KETA already has 14-section RCA antenna on commercial KWTV's 1572-ft. tower; KOED-TV has an identical antenna for installation on KOTV tower, which it will lease along with studio space for \$1 a year. Construction will be financed by bond issues; operating funds must come from legislature.

President's televised press conferences, while a highly desirable development, need better facilities to take full advantage of TV cameras, in opinion of *New York Times'* veteran political writer James B. (Scotty) Reston. He writes that "facilities for putting on the weekly show are something right out of the McKinley Administration." The old State Dept. treaty room, where the conferences are held, is "beyond question, the most ornate antiquity" in Washington, lighting is poor, cameras are stuck on improvised platform in back of room and all the "visible electronic paraphernalia detracts from the business at hand."

National Community TV Assn. has established 12-man standards and practices committee to set up code covering community antenna operations — an effort designed to meet scattered complaints from subscribers and to show state utilities commissions industry can be self-regulating. Last year, Wyoming commission took over regulation; currently, Vermont & Maryland commissions are investigating reports of irresponsible operations. Chairman of committee is attorney George Barco, operator of system in Meadville, Pa. Other members: Charles E. Brown, Richland, Wash.; Ned W. Cogswell, Oil City, Pa.; Wm. Daniels, Casper, Wyo.; Raymond Hedge, Tyler, Tex.; A. J. Malin, Laconia, N. H.; Paul McAdam, Livingston, Mont.; Fred J. Stevenson, Fayetteville, Ark.; W. R. Tucker, Florence, Ala. Manufacturer members: H. M. Diambra, Entnon; Milton J. Shapp, Jerrold; Fitzroy Kennedy, Spencer-Kennedy. Advisers: Glen McDaniel, RETMA pres. and counsel for Fox, Wells & Co., operators of several systems; E. Stratford Smith, NCTA exec. secy. & counsel.

Among out-of-town station executives attending dinner of Radio & Television Correspondents Assn. for President Eisenhower in Washington Feb. 5: Spencer Allen & Bruce MacFarlane, WGN-TV, Chicago; Fred Allman, WSWA-TV, Harrisonburg, Va.; Hoyt Andres, KSWO-TV, Lawton, Okla.; James Bormann & Larry Haeg, WCCO-TV, Minneapolis; J. E. Campeau, CKLW-TV, Windsor, Ont.; Charles Crutchfield & Jack Knell, WBT, Charlotte; Tom Eaton, WTIC, Hartford; Robert C. Embry, WITH, Baltimore; Robert Dunville, Terry Flynn & Peter Grant, WLWT, Cincinnati; Michael Goode, WNHC-TV, New Haven; E. K. Hartenbower, KCMO-TV, Kansas City; Payson Hall, Meredith stations; Otto Brandt & Florence C. Hoff, KING-TV, Seattle; Clair McCollough, WGAL-TV, Lancaster, Pa.; George B. Storer, WGBS-TV, Miami; Russ Van Dyke, Des Moines; Seymour Siegel, WNYC, N. Y. Besides cabinet officers, FCC members and other Washington brass, the networks had large delegations—ABC's led by Edward Noble, Leonard Goldenson & Robert Kintner; CBS's by Frank Stanton & Jack Van Volkenburg; DuMont's by Keeton Arnett; MBS's by Tom O'Neil; NBC's by Pat Weaver & Robert Sarnoff.

Lower-cost microwave TV service, based on off-air pickups (Vol. 10:51), is being pursued actively by AT&T, whose officials met with FCC staff recently to give general outline. AT&T has been lambasted by hinterlands TV stations who claim that they don't need AT&T's "gold-plated" service and that they can provide own microwave links at far lower cost. AT&T officials didn't indicate what new service would cost or when it would start. That it would be substantially less, however, is clear from fact that off-air service would eliminate station connection charges and local loops. Connection charges alone run \$500 monthly for monochrome, \$450 extra for color.

Conversion kit for air-cooled operation of RCA TT5A water-cooled TV transmitters was announced this week by Standard Electronics Corp., Newark, which claims these advantages for air-cooled operation: tube changing in minutes, simple cooling, improved accessibility of parts, easy maintenance, lower tube costs based on long-life tubes replaceable at \$275 each, possibility of expanding to higher power supply by adding air-cooled Standard amplifier stages, elimination of difficulties due to leakage, sedimentation, etc. Cost of conversion is \$10,500, including engineering service, materials, tubes, transportation, living expenses, etc.

Jake (Greasy Thumb) Guzik, member of old Capone gang, has asked FCC to revoke license of WBKB, Chicago, stating that it was preparing to telecast a libelous biography of him. It's expected Commission will reply that it's forbidden to censor programs.

ARMS CONTRACT SQUEEZE HITS TV MAKERS: An alarming situation -- for which no real remedy is in sight -- is rapidly developing in military aviation electronics. It has already affected some old-line electronics manufacturers, and it seems certain that TV-radio manufacturers will be among the hardest hit.

Though there's been no slowdown in military electronics procurement, many small and marginal companies -- as well as larger firms specializing in TV-radio, particularly those in east & midwest -- are finding Air Force contracts and subcontracts harder to get. And there's ample evidence that this is only the beginning.

The reason: Aircraft manufacturers are going into electronics in a big way, encouraged by Air Force procurement policies. First definitive survey in this field, made by McGraw-Hill's authoritative Aviation Week, shows that one out of every 5 engineers now employed by aircraft manufacturers is in electronics -- and that the aircraft manufacturers are planning to double their electronics engineering staffs within next 5 years (for further facts & figures, see Electronics Reports, p. 15).

Emphasis in Air Force procurement is now shifting to guided missiles. Dollar-wise, as much as 75% of a guided missile contract may go for electronics. And the airframe manufacturers are anxious to get bigger share of these contracts. At the same time they're tooling up to produce more of the electronics gear required in conventional piloted military planes. This equipment is being developed in big new laboratories, some of them built with govt. money.

Air Force procurement policies for the guided missile age are helping aircraft companies achieve their goal of getting electronics as well as airframe procurement and research dollars. Principal of these new policies is the "weapons system" concept, which gives one manufacturer full responsibility for design & integration -- and more responsibility for procurement -- of all components going into such military aircraft end-items as guided missiles.

Because Air Force is more inclined to deal with aircraft manufacturers, they generally get weapons-system contracts. The aircraft makers thus have inside track on electronic items going into the end products, through their control over specifications and general design.

Only 4 weapons-system contracts, to our knowledge, have thus far gone to companies identifiable as essentially electronics manufacturers -- to Western Electric (for the first "Nike" order), to Hughes Aircraft (which now considers itself an electronics rather than airframe manufacturer) and to Raytheon and Philco. The remainder have been awarded to companies in the business of building airframes.

RETMA has not yet established a policy on the problem. Its electronics industry committee is studying and reviewing whole question.

UHF EXCISE TAX EXEMPTION UP AGAIN: You've heard a lot about the "Plotkin Memorandum" (p. 3) -- may have assumed it relates only to the business of broadcasting. But it has some important implications for the manufacturing-distribution field, too, which undoubtedly will be aired further in future Senatorial hearings.

Plotkin revives the excise tax proposal which was unsuccessfully espoused in the last Congress by then Sen. (now Colo. Gov.) Edwin Johnson, backed whole-heartedly by Sen. Potter's communications subcommittee and Sen Bricker's Commerce Committee, emasculated by Finance Committee, and finally killed by Congressional inaction. In his provocative 44-p. report now being attacked bitterly by the networks, Plotkin outlines 2 possible exemption proposals, indicates preference for method No. 2:

"If the idea of tax relief is acceptable, the question remains as to what form it should take. One form is to grant an exemption for all-channel receivers only. Another method is to grant relief only if the manufacturer undertakes to market in the United States all-channel TV receivers only."

Proposal received only lukewarm industry support when last proposed -- due in part to squabbles over definition of "all channel receiver." Most controversial part of Plotkin's excise tax proposal is this recommendation:

"It is entirely too easy for a manufacturer to label a receiver as an all-channel set but that is no assurance that it will work in the home. It is therefore imperative that some certificate from a govt. agency should be required certifying that the all-channel set in question is in fact capable of receiving all TV channels under normal home viewing conditions. Only such a procedure would guarantee that the receiver being offered for sale would in fact contribute to the building of uhf as well as vhf circulation."

Manufacturer would be able to sell vhf-uhf set as cheaply or even cheaper than vhf-only set under terms of both Plotkin proposals & Sen. Johnson's bill. Senate Finance Committee, at end of last session, eliminated tax exemption, substituted a \$7 tax credit for sets equipped for uhf. This is measure which died with Congress.

The \$7 tax exemption has been proposed again in new excise tax bill introduced this session by House Majority Leader McCormack (D-Mass.) as HR-1814. Because the bill contains other excise tax provisions being pushed by special interest groups, it may get relatively prompt consideration. So Congress may be faced with voting on uhf excise tax relief before Magnuson Committee even gets around to discussing it.

Just 1,383,486 uhf-equipped sets were produced during 1954, or 19% of total TV production of 7,346,715, down slightly from the 1953 output of 1,459,475, which was 20% of that year's total of 7,214,784. These figures do not include strips, external converters, or internal conversions made outside the factory. Thus at least twice that number -- probably more than 6,000,000 sets which can receive uhf -- are now in use in the United States.

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TV production totaled 171,624 week ended Feb. 4, up from 154,421 preceding week and 150,985 in week ended Jan. 21. It was year's 5th week and brought output for year to date to about 835,000, compared to 530,000 in similar period of 1954.

Radio production totaled 264,693 (151,449 auto), compared to 226,054 in week ended Jan. 28 and 262,949 week before. It brought 5-week radio output to 1,270,000, compared to 1,100,000 in corresponding period year ago.

Retail TV sales of 7,317,034 in 1954 set all-time annual record, RETMA report this week confirmed, exceeding the 6,370,571 TVs sold in 1953. In fact, retail sales almost equalled the 7,346,715 sets produced last year. TV production in 1953 totaled 7,215,827. Retail radio sales in 1954 totaled 6,430,743, excluding auto radios. The latter are not included in RETMA data, as most are sold directly to auto producers. Production of auto radios was 4,100,000 -- and nearly all are estimated unofficially to have been sold. In 1953, some 7,031,293 radios (excluding auto sets) were sold.

Trade Personals: Leonard F. Cramer resigns as Avco v.p. & gen. mgr. of Crosley TV-radio div., which henceforth will be more closely integrated with home appliances div. under exec. v.p. Parker H. Ericksen . . . Goddard Lieberson, executive v.p., Columbia Records, named head of Yale advisory committee to help build up university's collection on the American musical theatre; on his committee are Cole Porter, Noel Coward, Ira Gershwin, Richard Rodgers, Oscar Hammerstein II and other musical notables . . . Dr. Rudolf G. E. Hutter, physical electronics mgr. of Sylvania lab at Bayside, N. Y., promoted to lab mgr. . . . Adam Abel upped to Bendix Radio director of engineering & research, succeeding Arthur C. Omberg, now asst. to gen. mgr. of missile section . . . A. D. Adams re-elected to 4th term as exec. secy. of Phonograph Manufacturers Assn., N. Y. . . . H. B. Seabrook named commercial sales mgr., RCA Victor Co. Ltd., Montreal, succeeded as engineering div. mgr. by J. G. Sutherland . . . Don L. Davison named Hallcrafters Cleveland district sales mgr.; James H. Baine Jr., Memphis; M. L. Judd, Allen Park, Mich. . . . Ralph D. Atkinson, ex-Washington, D. C., named Stromberg-Carlson northwest district merchandiser, Seat-

tle . . . Joseph H. Gibbs promoted to asst. sales mgr., Blonder-Tongue Labs, reporting to sales mgr. Joseph H. Kerner . . . Harold Brown and S. Joseph Mansker named DuMont Miami district mgrs.

Rear Adm. Wm. B. Ammon Feb. 28 completes tour of duty as director of naval communications, becoming commander of battleship div. 2, Atlantic Fleet. Rear Adm. Henry C. Bruton, now deputy chief of naval operations (administration) takes over Ammon's post early in March, with asst. director Capt. Gordon L. Caswell taking over post between time of Ammon's departure and Bruton's assumption of new duties.

William E. Robinson, member of RCA board of directors, onetime publisher of *N. Y. Herald Tribune* who left to become chairman of Robinson-Hannagan Assoc., public relations firm founded by the late Steve Hannagan, has been elected president of Coca-Cola Co., succeeding H. B. Nicholson, now chairman.

Hugo Cohn, exec. v.p., elected pres. of Radio Receptor Co., succeeding Ludwig Arnson, who continues as a director and consultant. Harold R. Zeamans elected secy.-treas.

Topics & Trends of TV Trade: Record industry leaders this week reviewed results of their widespread price reductions up to 40% at start of year (Vol. 11:1)—and only RCA Victor, which was first to cut prices, expressed complete satisfaction. Emanuel Sacks, v.p. & gen. mgr. of RCA Victor record div., said retail unit sales of its classical long-playing records in month ended Feb. 3 increased 100% over corresponding period of 1954 while dollar volume increased 32%. He also announced that the price cuts would be guaranteed by RCA through July 31.

Other companies do not share Victor's enthusiasm. In Feb. 6 *New York Times*, business writer Alfred R. Zipser Jr. quotes Columbia Records pres. James B. Conkling as stating that unit sales increased 10-15% over Jan. 1954, but that dollar volume remained about same. He said dealers had expressed disappointment about profit margins. W. H. Fowler, sales v.p. of Capitol Records, said: "There have been very few indications to date that our price cuts have resulted in any sizable increases in sales to consumers." Decca Records spokesman had similar comment.

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Picture tube sales in 1954 set new record of 9,913,504, valued at \$209,182,344, compared to 9,839,138 worth \$234,861,041 sold in 1953, reports RETMA. Dec. sales were 1,009,398, valued at \$20,521,562, compared to 1,157,866 worth \$27,140,693 in Nov. & 644,287 at \$14,801,856 in Dec. 1953. Receiving tube sales in 1954 totaled 385,089,458, valued at \$275,998,903, compared to \$437,091,555 at \$303,675,313 in 1953. Dec. sales were 37,908,894 worth \$27,391,916 vs. 38,781,863 at \$27,618,868 in Nov. & 23,404,026 at \$17,832,387 in Dec. 1953. [Note: Tabulation of picture and receiving tube sales, 1947-54, with breakdowns by initial equipment, renewal, export govt. & factory value, is included in our newly issued spring *TV Factbook No. 20.*]

Discount houses are here to stay, and "legitimate" retailers might as well recognize the fact and stop fighting them, in opinion of noted economist Vergil D. Reed, J. Walter Thompson Co. research v.p., member of Market Research Council & ex-pres. of American Marketing Assn. Addressing National Assn. of Wholesalers in Washington, he said: "You should spend your time better shoveling smoke or trying to contain gas in a rubber band than in fighting the discount house and in fighting for price fixing under the misleading headline of 'fair trade.'" He said fair trade laws are unenforceable in a buyer's market.

Philco was granted extension this week until March 2 to file its answer in Philadelphia Federal Court to recent Justice Dept. anti-trust complaint charging company's distributor franchise agreements are illegally restrictive (Vol. 10:51). Reply was originally due Feb. 14.

Kaye-Halbert's suit against Caltech Electronics Corp., charging secret information on 100% printed circuit chassis had been pirated by several ex-Kaye-Halbert employes now with Caltech (Vol. 10:25, 29), was dismissed this week at plaintiff's request.

National Video Corp. is now fully relocated at new headquarters, 4300 W. 47th St., Chicago, with factory capacity of 4000 picture tubes a day, reports gen. mgr. Don C. Stixrood.

Trav-Ler Radio Corp., to pay off existing bank loans, is reported planning a \$1,500,000 bond issue (6%) in March through Straus, Blosser & McDowell, Chicago.

Feb. 14 week network color schedules: NBC-TV—Feb. 16, *Norby*, 7-7:30 p.m. CBS-TV—Feb. 17, *Shower of Stars*, 8:30-9:30 p.m. On Feb. 23, Kraft TV Theatre will present *Emperor Jones* in color, first time a sponsor has put one of its regular shows in color since NBC ended its "introductory year" wherein each sponsor had at least one of his regular shows in color.

DISTRIBUTOR NOTES: Hoffman Electronics purchases its Fresno distributor, Kinney & Faust, will establish it as factory branch; E. Edward Faust remains as gen. mgr., Wendell H. & Roland T. Kinney retiring from business . . . Olympic Radio: Midwest Radio & Supply Co., Terre Haute . . . DuMont: Graybar, 850 W. Jackson Blvd., Chicago (Wm. E. Guy, district mgr.), replacing own factory branch; Graybar formerly handled Hoffman . . . Kaye-Halbert reopens factory branch at 3885 Pacific Coast Blvd., San Diego (Wm. Tremlein, district mgr.) . . . Gross Distributors Inc., N. Y. (Stromberg-Carlson) appoints George F. Barth, ex-Olympic Radio, as adv. & sales promotion mgr. . . . Motorola Sales Ltd., Montreal, promotes James M. Kind to branch mgr. . . . Joe Thiele Inc., San Antonio (Zenith) appoints Addison J. Marts sales mgr., Elmo Bohmann service & parts mgr. . . . Graybar transfers E. R. Yonkers from Detroit to Cleveland district mgr.

Indiana Steel Products Co. calls special meeting of stockholders Feb. 15 on proposal to increase authorized common shares from 200,000 (\$1 par) to 500,000 and to grant option for stock purchases to key executives & employes. Proxy notice reveals company has "under consideration" plan to split 143,149 outstanding common shares 2-for-1 but has reached "no definite conclusion." Stock option plan gives board of directors right to select executives & personnel eligible to buy up to aggregate of 14,000 shares at 100% of fair market value of stock on date option is granted. Notice reveals these remunerations to officers in 1954: pres. Robert F. Smith, \$45,333; v.p. John H. Bouwmeester, \$34,666; v.p. Charles A. Maynard, \$32,666.

Sears, Roebuck & Co., part owners of receiver manufacturers Warwick Mfg. Corp., Chicago, & Pacific Mercury TV Mfg. Corp., Sepulveda, Cal., has acquired control of Electronica Mexicana, Mexico City, for production of TVs, radios & cabinets. It's currently constructing factory comprising 2 buildings of approximately 25,000-sq. ft. each, expects to be in full production by June. About 150 will be employed. Edward S. Donnell is pres. of Sears' Mexican subsidiary, which operates 8 stores and is building 2 more.

FCC's new type-approval and type-acceptance rules, covering non-broadcast transmitters (Vol. 11:6), won't go into effect until May 16. Commission ruled this week, acting on petitions of RETMA, GE, DuMont & Collins. FCC said it would give industry time to form committee, including Commission personnel, with goal of improving rules. But it turned down industry's requests for additional time to standardize measurement techniques.

RETMA's midwinter industry conference Feb. 14-17 at New York's Roosevelt Hotel will consider report by pres. Glen McDaniel on organization's strategy in urging Congress to halve 10% excise tax on black-&-white sets and eliminate it on color (Vol. 11:4). All committees meet first 2 days, with board meeting final day.

RCA Victor's line of portable radios, priced from \$25 to \$50, features new "Impac" plastic cases in 5 of the 7 new models, guaranteed for 5 years against breakage. James M. Toney, gen. mgr. of RCA Victor Radio & "Victrola" Div., said "market surveys indicate that the industry will sell 1,500,000 portables this year."

Bill striking at discount houses (HR-567), under which manufacturers would be required to make same terms for quantity discounts known and available to all their customers, has been introduced by Rep. Patman (D-Tex.) and referred to House Judiciary Committee.

DeWald Radio introduces 7 new TV models, ranging from 21-in. mahogany table at \$190 to 24-in. open-face blonde console at \$395.

Trav-Ler Radio introduces 24-in. mahogany veneer table model at \$200.

Electronics Reports: How deeply the aircraft manufacturers are getting into electronics—and how much further they intend to go—is shown in these startling figures from a recent survey by *Aviation Week* (see p. 12):

Some 20% of all engineers employed by aviation companies are in electronics. Whereas in 1939 there were but 200 electronics engineers in the entire airframe industry, today there are more than 6200, and the top aircraft manufacturers estimate there may be more than 11,000 within 5 years. About 55% of aircraft industry's electronics engineers are working on guided missiles, 43% on piloted aircraft, remaining 2% on miscellaneous jobs.

Clue to aircraft industry's electronics plans is this breakdown of duties of that industry's electronics engineers: Of those working on piloted aircraft, 20% are assigned to developing equipment in their own labs, 13% supervising outside vendor developments, 47% in installation engineering, 15% in flight test & instrumentation, 5% in miscellaneous jobs. In guided missiles, 45% are developing equipment in own labs, 14% supervising outside vendor developments, 20% in installation engineering, 19% flight test & instrumentation, 2% miscellaneous.

Aircraft industry's big push into electronics production hasn't even started yet. But fact that more than 2000 airframe industry electronics engineers are assigned to "in-house" research & development is strong indication aircraft industry is making big effort to produce items now supplied by established outside electronics companies. There are even indications that some aircraft manufacturers may even be preparing to move into non-military and non-aircraft electronics fields.

Path is not entirely clear for aircraft industry's headlong plunge into electronics. For one thing, comparatively few of the industry's electronics items have reached full-production stage—and electronics industry is quick to point out that airframe manufacturers lack the production know-how built up over many years by old-line electronics firms. Too, Air Force weapons-system contracts contain clause intended to prohibit govt. financing of new production facilities for weapons-system contractors. Its effectiveness is open to dispute.

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Daystrom Inc., Elizabeth, N. J., already deeply in electronics through its Daystrom Electric Corp. (Crestwood tape recorders) and its control of Weston Electrical Instrument Corp., recently completed purchase of Heath Co., Benton Harbor, Mich., maker of Heathkit do-it-yourself electronic instrument, radio and amplifier kits. Latter company was acquired for undisclosed price from Helen C. Anthony, widow of late pres. Howard Anthony. Daystrom is subsidiary of American Type Founders Inc.

Elgin National Watch Co., which recently purchased Neomatic Inc., Los Angeles (subminiature relays), this week announced purchase of American Microphone Co., Pasadena, owned by F. A. Yarbrough and maker of microphones, phono pickups, cartridges, etc. At Neomatic Inc., it has named Edward C. Carlson as sales mgr. for electronics components.

International Resistance Co., which purchased Circuit Instruments Inc. last Oct., announces that its wholly-owned Fla. subsidiary, Van Dyke Instruments Inc., will now be known as Circuit Instruments Inc. Officers of St. Petersburg firm: Irwin W. Braun, pres.; Jesse Marsten, v.p.; Edward A. Stevens, secy.-treas.

American Electronics, Los Angeles, manufacturer of miniature high-frequency drive motors, power supply units and blowers, has merged with Berlant Associates, Los Angeles (tape recording equipment). Bert Berlant continues as pres.-gen. mgr. of new Berlant Instruments, subsidiary of American Electronics.

SPREAD OF AUTOMATIC production techniques in TV-radio-electronics plants and implications for labor drew increasingly restive reaction from unions this week—particularly IUE and its parent CIO, which would be most directly affected. There were these developments:

(1) CIO pres. Walter Reuther, testifying before Joint Congressional Committee on the Economic Report, urged Congressional investigation of "social and economic" implications of automation. He accused Eisenhower Administration of complacency over unemployment and failure to analyze consequences of automation.

(2) IUE pres. James B. Carey, declaring guaranteed annual wage is even more necessary now because of automation, told meeting of his union's 30-man exec. committee: "The examples of automation that have come to light show that this is not merely another improvement in efficiency. It is an entirely new concept in which the machine tender is almost completely eliminated."

(3) IUE called conference of 70 locals in Ft. Wayne's Van Orman Hotel March 4-6 to assess automation developments and plot strategy for upcoming wage negotiations in that light. A union subcommittee has been studying automation problem and is expected to report that while it does not wish to stop progress, it believes automation is a direct threat to employment.

U. S. Steel chairman Benjamin Fairless, in address Feb. 11 at Johnstown, Pa., hit back at labor's contentions, citing recent examples where mechanization has increased employment. Despite widespread installation of dial telephones, he said, number of telephone operators increased 79% between 1940 & 1950. In accountancy field, number of accountants increased 71% in same period despite development of automatic business machines and new "electronic brains." In automotive industry, where mechanization has grown tremendously, number of employees has doubled in last 14 years.

Contracts for \$175,000,000 in foreign-made military electronic equipment have been awarded by U. S. from 1952-54, reports Feb. *Electronics Magazine*, which notes that only one-fifth of the equipment had been delivered in fall of 1954 and that 75% of offshore procurement funds went for Mutual Defense Aid Program for use by allies. European procurement boxscore (through June 30, 1954) shows France in No. 1 position with \$58,300,000 in U. S. military electronic orders, United Kingdom with \$54,300,000, Italy \$21,800,000, Germany \$9,800,000, Belgium-Luxembourg \$8,900,000, Netherlands \$3,400,000, Japan \$1,900,000, Yugoslavia \$200,000.

More diversification into electronics: Mack Trucks Inc. acquires White Industries Inc. and Radio Sonic Corp., N. Y. manufacturers of electronic items for aviation, industrial & military applications; it will operate them as division, with ex-pres. Robert G. Kramer of White and ex-pres. Emerson Pray of Sonic in key executive positions.

New London Instrument Co., New London, Conn., has acquired Atlantic Transformer Corp. and American Eastern Electronics Corp., which it will operate as divisions.

"Automation Dictionary" for laymen published this week by Brown Instruments div. of Minneapolis-Honeywell Regulator Co., Philadelphia.

Charles J. Pannill, 75, ex-pres. of Radiomarine Corp. of America and of RCA Institutes, who retired in 1947 and has been invalided the last few years, died Feb. 8 in N. Y. Associated with the pioneer inventor Reginald Fessenden, he tapped out the first radio message sent across the Atlantic in 1906, later was with the old Marconi company which merged with RCA. During World War I, he was asst. director of naval communications.

A SILVER-HAIRED BOMBSHELL threw the Edward Lamb hearing into utter confusion this week as testimony resumed after a recess of nearly 3 months. She was Mrs. Marie Natvig, 50-year-old Miami grandmother, who had previously testified for FCC against Lamb, and who this week was put on stand by Lamb attorneys.

In 3 days of hearings, she proceeded to deny virtually every bit of testimony she had given previously—and to charge that FCC attorneys had “coerced” her into making false statements. Her accusations were directed mainly at former Broadcast Bureau attorney Walter Powell, who she said “threatened” her with perjury prosecution and told her it was against the law to talk to Lamb’s attorneys.

Powell, who left Broadcast Bureau to join legal staff of NARTB, is confined to his home as result of coronary occlusion suffered Feb. 3. He branded Mrs. Natvig’s testimony as “obviously the boldest kind of falsification.” Joseph Kittner, asst. chief of Broadcast Bureau, now top FCC counsel on case, jumped to Powell’s defense, called him “one of the finest people who ever worked for the Govt.”

Mrs. Natvig said she voluntarily called on former Attorney General J. Howard McGrath, Lamb’s business partner and attorney, at his Palm Beach home and told him she wanted to retract her previous testimony. Under questioning by Lamb counsel Russell M. Brown and by Kittner this week, she denied that she had ever been a Communist and that she ever had any indication that Lamb was in sympathy with Communist objectives. She accused FCC attorneys of telling her what to say on the witness stand.

During Mrs. Natvig’s first testimony last fall Brown had called her an “out-and-out lunatic,” and he offered Feb. 11 to stipulate that her entire testimony had been false from the time she took the stand last Oct. But Kittner refused to enter into such an agreement, saying he is interested in the circumstances under which she changed her testimony. She will return to witness stand Feb. 14.

A second govt. witness brought back Feb. 11 for cross-examination, Clark Wideman, Columbus real estate man, said under questioning by Brown that before he testified previously FCC attorneys gave him list of questions and answers and he corrected them to make them “as accurate and true as possible.” He said Lamb “emphatically and positively denied” he was a Communist when he asked him about it in 1934, and that he investigated Lamb in 1948 while a reporter for *Columbus Citizen* and found no evidence Lamb was engaged in Communist activities. He said he told this to Broadcast Bureau attorneys, but they said he should testify anyway. Two other previous govt. witnesses—Wm. Cummings and Lowell Watson—are to be recalled by Lamb attorneys for cross examination.

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Ten armed forces TV stations will be in operation overseas within a year, according to present plans. Defense Dept. Office of Armed Forces Information & Education (AFIE) so informed advertising agencies and networks in letter reporting on workings and plans of the low-power govt. stations (Vol. 9:52 & 10:19, 44). Currently in operation are pilot installation at Loring Air Force Base, Maine and stations at Lajes Field, Azores & Wheelus Field, Tripolitania. Next ones to begin regular operation will be at Sidi Slimane, French Morocco & Keflavik Airport, Iceland, followed by Greenland installation. Defense Dept. is entering into agreements with networks, TV sponsors and agencies for use of kine recordings or films of their programs—including commercials—on the stations. So far, 102 agencies and sponsors have given clearance for use of programs, and during week of Dec. 10 Defense Dept. shipped 41 CBS shows, 29 NBC, 3 DuMont, 11 ABC, 5 Guild Film shows for overseas TV use. These are augmented by industrial films, armed forces information films and a few feature pictures furnished by motion picture industry and TV film producers.

Still another census of TV ownership is in the works—this time bearing official imprimatur of U. S. Census Bureau, though it will not supply ever-increasing need for a continuing monthly county-by-county census acceptable to industry. That must await start of NARTB’s long-awaited count, now expected to begin in fall (Vol. 11:5). As a stop-gap pending that start, and Advertising Research Foundation group spearheaded by CBS’s Oscar Katz is currently seeking total of \$24,000 from networks, AAAA, RETMA and other interested organizations to finance insertion of question “Do you own a TV set?” in survey conducted monthly by Census Bureau among a scientifically-selected sample of 20,000 families to update its decennial data. The \$24,000 would cover 2 such monthly surveys—one in April or May, other in early fall. NARTB has already contributed \$3000 as its share. From a 20,000 sample, regarded as very accurately representative of all ages and economic levels, Census Bureau would project TV ownership for nation as a whole, with breakdowns by 4 geographic areas. Result would be made known within 6 weeks after count.

Study of TV’s sociological impact on Americans, a vast survey which would probe public’s reaction to TV in all its forms, is under consideration at NARTB, which recently received report on pilot study by unidentified research organization on methods of conducting such survey. Full report on project will be submitted to next TV board meeting in Washington in latter June. Pres. Harold Fellows said it was anticipated that a private research organization or foundation would conduct one-shot survey as industry-wide project (rather than under NARTB tent), if and when it’s authorized. It would seek to measure how TV programming and commercials have affected family living habits, viewer reactions to certain types of programs, effect on children, etc. Results would be of special benefit to Code Review Board as guidance for future code amendments, said Fellows.

Senate Juvenile Delinquency Subcommittee may reconsider its plan to put out special report on TV. Chief counsel Herbert W. Beaser and exec. director Richard Clendenen have resigned, subcommittee disclosed this week, after they came under fire for writing series of articles about subcommittee for *Saturday Evening Post*. New chief counsel James H. Bobo said decision whether or not to issue special report on TV investigation probably will be made next week. Columnist Drew Pearson Feb. 11 published excerpts from what he said was “preliminary Senate report”—highly critical of TV programs. He said TV networks “have been quietly pressuring [the Committee] to tone down their report.” Bobo declined to comment on Pearson’s quotations and charges.

“Program of the year,” chosen by National Assn. for Better Radio & TV (NAFBRAT), in 3rd annual awards, is ABC’s *Disneyland*, which also won award in children’s category. Other NAFBRAT awards in TV: drama, *U. S. Steel Hour* & *Elgin Hour* (ABC); family situation, *Father Knows Best* (CBS); education & information, *Now & Then* (CBS); comedy, *Halls of Ivy* (CBS); news interpretation, *See It Now* (CBS); interviews, *Person to Person* (CBS); popular music, *Your Hit Parade* (NBC); classical music, *Voicic of Firestone* (ABC); quiz, *What’s My Line?* (CBS); public service, *The Search* (CBS); daytime, *World of Mr. Sweeney* (NBC). Radio program of the year award went to CBS’s *Man’s Right to Knowledge*.

Assn. for Professional Broadcasting Education, composed of NARTB members and colleges offering comprehensive professional courses in broadcasting, will be created during NARTB’s annual convention in Washington week of May 22. It will seek to improve training of qualified students for employment in TV-radio and act as liaison between industry and educators.

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with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS—February 19, 1955

JONES REPORT ASKS MORE STUDY of all phases of network-uhf problems; Bricker and Jones score "network domination" of TV industry (pp. 1 & 6).

METAMORPHOSIS OF DuMONT NETWORK seen shopping around new film camera technique; hookup and stoff now trimmed to bare bones (p. 3).

BLACK-&WHITE RECEPTION FROM COLORCASTS improving steadily as telecasters gain experience; NTSC leaders reiterate that color standards are sound (p. 4).

NEWSPAPER PEOPLE SELL OUT interests in WSFA-TV, Montgomery, Ala. to Oklohomon in rare instance of newspaper owners getting out of TV (p. 5).

TALLEST MAN-MADE STRUCTURE, 2003-ft. Louisville TV tower, proposed to FCC—despite Pentagon's intention to block all towers over 1000 ft. (p. 6).

KTBS CHOSEN OVER KWKH FOR SHREVEPORT'S Ch. 3, FCC citing "diversification" and ownership integration; Boston Ch. 5 hearing gets nasty (p. 8).

END OF VHF-ONLY SET PRODUCTION seen as one sure way to help uhf, as Congress gets bill to exempt all-channel sets from 10% Federal excise tax (p. 12).

RETMA LEADERS ASSAY MARKET AND PROBLEMS, chairman Mox Bolcom predicting 6,300,000 TV sales this year, 25% being second & replacement sets (p. 11).

UPCOMING NEW STATIONS—latest reports from principals include Green Bay shift from uhf to vhf, plans of Providence's WPRO-TV to take to air (p. 9).

CBS OBJECTIVE 3-3½ HOURS OF COLOR weekly, starting in April; NBC gives heavy promotion to 2-hour "Peter Pan" scheduled March 7 (p. 10).

GREATER USE OF CONSUMER CREDIT should be promoted by industry as means of stimulating higher-priced set sales, help move color (p. 13).

FEE-TV GETS CAUTIOUS SUPPORT from educators as exhibitors evince more alarm and producers remain silent; Paramount in anomalous position (p. 16).

PROBING TV—THE BRICKER-JONES APPROACH: Senate Interstate Commerce Committee came up with another controversial document this week -- GOP-backed Jones Progress Report, companion volume to the Democratic-sponsored Plotkin Memorandum (Vol. 11:6-7).

The remarkable thing about the Plotkin Memorandum was its full-blown list of New Dealing recommendations for sharp changes in network practices and business methods. Remarkable thing about the Jones Report is not what it recommends -- but the information it seeks to elicit: namely, almost every conceivable detail about the finances, coverage, sponsorship, time clearances, affiliation contracts, etc. etc. of every TV network and station.

If the equivocal Jones Report and the all-too-positive Plotkin Memorandum are opposites in one respect, they're strikingly similar in another: Both convey authors' conviction that networks have too much purse-power over the telecasting industry. Both hit out at FCC, its allocation plan, its post-allocation behavior.

Gist of Jones Report is: Senate Committee needs far more information before it can make any concrete findings. One effect of Jones Report -- though obviously not sole motivation -- is to take backhanded slap at Plotkin's very definite recommendations as "akin to announcing results of an election before ballots are counted."

Former Committee Chairman Bricker (R-O.), who hired Jones to conduct study, appears more positive than Jones in his diagnosis of industry's ills. At joint press conference this week, Bricker plugged for his bill (S-825) to give the FCC explicit jurisdiction over networks -- though Jones conceded there's not enough information yet available to justify this step (and Plotkin said FCC already has the power).

"I don't think the FCC has the authority now," said Bricker -- "at least it doesn't have explicit authority, and certainly it hasn't exercised much."

Characterizing uhf and network probe as "the most pressing problem that we will have before us during this session of Congress," Bricker said he didn't know whether investigation could be completed this year.

Bricker's present thinking on network regulation comes close to common-carrier

or public-utility concept. In answer to press conference question, he suggested that perhaps Govt. should require extension of network service to certain areas, even if it's not profitable at first. He pointed out this is govt. practice in transportation industry, where carriers must serve unprofitable as well as profitable stops.

Jones carefully avoided giving impression he favors common-carrier type regulation for networks, both at press conference and in his report. But the voluminous information he wants from stations, networks and the FCC was interpreted by some as tip-off that he may be eyeing such ideas as regulation of affiliation, distribution of programs to stations, and even rate regulation.

* * * *

Ex-FCC Comr. Robert F. Jones' 30-pp. report (with 40-pp. of appendices) was "transmitted" to Committee by all 7 GOP members, accompanied by letter from Bricker praising it as "a professionally competent compilation of facts and recommendations which can be used as a guide in the continuing investigation." In letter to Chairman Magnuson (D-Wash.), Bricker gave this interpretation to Jones Report:

"The report shows clearly that the 4 TV networks, together with their wholly owned TV stations located in the top market areas, garner a disproportionate share of the total revenues for the entire TV industry. As a result, the objective of the Communications Act to provide for a nation-wide competitive TV system is threatened with defeat. Power of TV networks to affiliate or not affiliate amounts practically to power to control the number of TV stations which can subsist financially."

Though report dwells at length on network and big-station dominance, it pins much of blame on FCC. Allocation plan gives all the breaks to vhf at expense of uhf, it says -- and at same time "sets the stage for dominance by 2 networks" because it provides only 35 three-&-four-station vhf cities. Jones concludes that allocation plan is now an established fact and attempts to change it -- i.e., de-intermixture, etc. -- would probably do more harm than good.

[We have a limited number of copies of the Jones Report, and still have some copies of Plotkin Memorandum, which we will send to subscribers on request. For highlights of Jones Report, see pp. 6-7; details on Plotkin Memo, Vol. 11:6.]

* * * *

Jones' recommendations are relatively mild, and should be read in full context of report for fullest appreciation of what he's driving at. In brief, they are:

(1) "Uhf must be enabled (by law or regulation) to overcome the artificial economic and technical advantages resulting from FCC's 6th Report." He suggests that networks could help uhf and small-market vhf stations "on a voluntary basis" by adopting more liberal affiliation policies and offering sponsors discount advantages for buying time over entire station lineup.

(2) "A means should be found to channel additional revenue [to] smaller markets which serve great land areas of the country."

(3) Removal of Federal excise tax from all-channel sets "conceivably could be of some benefit," but some plan offering greater incentive should be devised. (See separate story on all-channel receiver proposals, p. 12.)

(4) Each network should adopt "a uniform and impartial affiliation policy which will take into consideration the basic objective of the Communications Act to serve all the people of the nation." Jones Report says networks have no consistent affiliation policies. (Incidentally, CBS this week sent to affiliates an outline of the "criteria" it follows in awarding affiliation contracts.)

(5) Whether networks should be permitted to own stations, and whether networks should be brought under FCC control, can't be determined on basis of available data.

(6) FCC should require uniform financial reports from networks and stations, in much greater detail than at present. It should also require each station to file data showing measured coverage, as it did before adoption of 6th Report.

(7) Committee should act to force FCC to turn over individual financial data on networks and stations. Committee should also give FCC the \$25,000 which Commission said would be required to prepare station-by-station coverage data and maps requested by Jones (Vol. 10:52).

Only network to comment on Jones Report was CBS, whose pres. Frank Stanton had vigorously assailed Plotkin proposals (Vol. 11:6). He said merely that the Jones Report "is so tentative in most of its conclusions and proposals that we believe it premature to make any detailed comment. CBS agrees, however, with the conclusions of Sen. Bricker and Mr. Jones that it is unwise to make final proposals for new laws and regulations at this time before all the facts and views are in."

FCC is giving high priority to its response to Plotkin Memorandum's proposals re de-intermixture, meanwhile -- because many pending petitions and rule-making proceedings depend on whether present Commission policy (generally anti-deintermixture) is changed. What FCC is going to say, no one knows. Presumably, Commission will make no decisions affecting de-intermixture, vhf drop-ins, change in Zone I height ceiling, etc., before replying to Senate Committee. Situation is about same as it was during Potter hearings -- when FCC held up many major allocations actions.

Question of network investigation came up this week in closed-door meeting of House Appropriations subcommittee (Rep. Thomas, D-Tex., chairman) which queried FCC officials about proposed new budget. FCC was asked about network situation, replied that for years it has sought appropriation to conduct network investigation but that funds have always been denied by Congress and/or Administration. Meeting was affable -- perhaps one reason being that Comr. Lee is former chief of the Appropriations Committee's professional staff.

Sen. Kilgore's monopoly subcommittee, which plans to look into "monopoly in TV industry," meets Feb. 21, and is expected to ask appropriation of \$250,000 for all its anti-trust studies, without specific breakdown as to industries.

METAMORPHOSIS OF THE DuMONT NETWORK: More drastic changes are due at DuMont Network before the summer is out. Key to changes is what Dr. Allen B. DuMont calls the "piggy-back" camera -- a combination TV-film camera shooting film at same time that a live show is televised. Just how this will be employed hasn't been disclosed.

Now linking only 15 "main line" cities plus a few off-air "feeders" ranging from New York-Chicago & New York-Washington (Vol. 11:1), except for occasional bigger hookups for Bishop Sheen and for sports shows, the DuMont Network has now been reduced to such skeleton proportions that it can scarcely be ranked as a national chain any longer. Sponsored and sustaining shows are down to a handful, and staff further reduced to what a spokesman describes as an "absolute working nucleus."

Scuttlebutt of ex-employees, added to trade reports that DuMont's remaining 2 owned stations in New York & Washington may go the way of WDTV, Pittsburgh, sold to Westinghouse recently for record \$9,750,000 (Vol. 10:49), have again forced managing director Ted Bergmann to reiterate:

"We have no intention of going out of the network business."

* * * *

The most anyone has said about new TV-film technique was Dr. DuMont's statements during recent speech before Los Angeles Chamber of Commerce, titled "The Look Ahead With Electronics" (Vol. 11:6).

Discussing the interdependence of movies and TV, he foresaw "an increase in the future of film programming on TV as against live production," and remarked that it's inevitable the motion picture industry "must be re-tooled from top to bottom." As far as equipment is concerned, it's still working in the Dark Ages, he said, by contrast with the electronic cameras and other superior equipment of TV.

It must modernize itself, he went on, on the basis of electronic techniques which will cut costs and shooting schedules, yet at the same time improve quality. He mentioned equipment which "can make possible the viewing of a scene on the set, as it is being played, with the images of 2 or 3 or 4 cameras all on a panel before the eyes of the producer and director and cameramen and their respective staffs.

"DuMont Laboratories recently demonstrated together with a major film company a piggy-back miniature TV camera mounted alongside a motion picture camera so that the director & technicians would have simultaneous viewing on TV monitors of exactly what is being filmed.

"A technically perfected combination TV and motion picture camera has vast

implications for the TV industry as well. We are vigorously pursuing this problem in our own laboratories and we believe we have the problem licked. When we complete our work, it will be possible for motion picture companies to operate with the technical efficiency of TV studios -- reducing picture costs by a fantastic amount.

"By the same token, TV networks will be able to present a live show let us say from New York to Los Angeles, and at the same time a true quality film version of the show is made simultaneously. These would be actual top quality films -- not teletranscriptions or kinescopes. Through use of film in this manner, the differences in time zones between various parts of the United States would be bridged."

Will the DuMont Network evolve essentially into a producer & seller of film shows, shot at its own studios or those of others? Does DuMont propose to become a "packager" primarily? Will he keep new techniques to himself or license others? How good is the new equipment, actually? We should have the answers fairly soon.

TELECASTERS IMPROVE COLOR COMPATIBILITY: Complaints of "compatibility" aspects of colorcasting -- the sometimes poor pictures seen on ordinary black-&-white sets -- have diminished lately, but there are still occasional blasts. A few months ago, there were even appeals to FCC to "do something about it."

Fact that complaints have fallen off is ample evidence that there's nothing inherent in the technical color standards that means an inferior monochrome picture should come from colorcasts. Such complaints have had long-distance repercussions.

Britain has been arguing, for example, over merits of various color standards and influential Wireless World states: "The compatible system which has now been tried out in America has not proved quite so successful as was at first hoped, and it appears to have one or two technical disadvantages, such as 'buzz' on sound and dot patterns on the screen, which would not be very acceptable in this country."

We have never heard the aforementioned "buzz" nor have we ever found a layman who has even noticed the dots; most sets scarcely show them. Justifiable complaints have resulted largely from poor lighting practices and camera misregistration.

We've asked the chairman and vice chairmen of NTSC, which set up color standards, to comment on compatibility aspects -- and they've scotched notion that the standards are at fault. Here's statement of NTSC chairman, GE's Dr. W.R.G. Baker:

"Since the first color broadcasts under the NTSC standards, there has been decided improvement in the quality of pictures on monochrome receivers from color broadcasts. Essentially, I believe, this is due to both improvement in equipment and to experience gained by broadcast engineers. The NTSC standards provide the basis for a good monochrome picture from color broadcasts. Color broadcasting is, of course, more complicated than standard monochrome broadcasting. But certainly some of the very recent color broadcasts have presented excellent black-&-white pictures on monochrome receivers."

Hazeltine's A.V. Loughren, an NTSC vice chairman, puts it this way: "Color TV programs broadcast using the FCC standards are capable of giving excellent picture quality on monochrome TV receivers; an overwhelming array of evidence was amassed during the field tests which preceded adoption of these present standards by the FCC in demonstration of this fact.

"Perhaps the key phrase in the foregoing statement is 'capable of'. Now, when a broadcasting channel carries a color signal, it is more completely filled than when it carries only a monochrome signal; and a friend of mine has pointed out, facetiously but most wisely, that a nearly full bucket must be carried more carefully than a half empty one if nothing is to be spilled.

"In their studio & control room operations, the broadcasters are still learning to carry the nearly full bucket. Sometimes they carry it perfectly, and sometimes they spill a little. Monochrome TV receivers are also involved in the carrying of this bucket; a receiver which is in good operating condition will not spill any of its contents (figuratively) into the viewer's lap, but a receiver whose operating conditions have developed some deterioration may show some impairment."

Comments from the other 2 NTSC vice chairmen -- RCA's Dr. E.W. Engstrom and Philco's David B. Smith -- weren't available this week.

Telecasting Notes: Warner Bros., it now develops, has released 191 of the *Looney Tunes* and *Merrie Melodies* cartoons of its short-subject subsidiary Sunset Productions. William Morris Agency negotiated deal with Reub Kaufman, pres. of Guild Films, who will give Vitapix stations first crack at them. Package includes *Porky Pig*, *Daffy Duck*, *Buddy's Adventures*, *Bosko's Antics*. It's third such unloading of cartoons to TV, Matty Fox's MPTV owning the Walter Lantz series produced by Universal and Hygo having the *Krazy Kat* cartoons acquired from Columbia . . . Does this mean Warner Bros. is simply "feeling" its way before releasing backlog of features? Says *Billboard*, which has consistently predicted the majors will open their vaults and which last week said Warner's would do so (Vol. 11:7): "The deal also is regarded by traders as Warner's means of testing out the vidfilm field. Possibility exists that some of its feature films may be brought into the market later if the firm is satisfied with the way the cartoon deal works out" . . . 20th Century-Fox authorizes revamping of 10 stages & theatres on Hollywood Western Ave. lot for production of TV film; Sid Rogell, exec. producer, in charge . . . Decision to move into TV production impelled *Film Daily's* Chester B. Bahn to comment Feb. 17 that it's "merely another straw in the video wind that is fast gathering velocity in this industry of ours" . . . Fox is taking the "only possible course consistent with sound business policy," adds Bahn. "It is evident—as Columbia's delighted stockholders learned at their last annual meeting [see Financial & Trade Notes]—that there is money to be made in TV production; so Fox is moving in" . . . Mary Pickford, who with husband Buddy Rogers owns one-third of Winston-Salem's WSJS-TV as an investment, is currently litigating sale of Samuel Goldwyn studios in Hollywood because she's interested in acquiring them for TV and feature film production, according to Pickford Corp. v.p. Richard Polimer . . . Arche Mayers' Unity TV Corp. has acquired 13 new 1953-54 "first-run" feature films, U. S. & British, which brings its feature catalog to about 400; titles in new package, called "Lucky 13": *Operation Diplomat*, *House of Blackmail*, *This Was a Woman*, *Dangerous Cargo*, *Blue Parrot*, *Private Information*, *Profile*, *Burnt Evidence*, *The Corpse Finds a Clue*, *Men Against the Sun*, *Final Appointment*, *The Delavine Affair*, *Mystery Man vs. Scotland Yard* . . . "Sneak preview" of a theatrical movie—via TV before it is even filmed—is novel idea of producer Les Hafner, who will try it with *Thousand-Dollar Window*, last of late Mark Hellinger's screenplays. Show will be presented live in one-hour version over ABC-TV's *Elgin Hour*, with some 5000 theatre owners invited to send in their comments on special cards. Hafner keeps right to kines, plans to begin shooting theatrical version next summer . . . Ed Murrow cancels plans to film opening night of *Porgy and Bess* at La Scala in Milan for his *See It Now* because Actors Equity demanded week's salary for entire cast; co-editor Fred W. Friendly said nobody is ever paid to appear on *See It Now* . . . Robert Sherwood was released from his NBC-TV playwriting contract so he can devote fulltime to movie & stage commitments; 2 of the 9 original TV plays for which he had contracted with NBC have been presented.

Universal C.I.T. Credit Corp., subsidiary of C.I.T. Financial Corp., 1 Park Ave., New York City, in cooperation with Internal Revenue Bureau, is releasing gratis to all TV stations three 4½-min. film shorts on *How to Make Out Your Income Tax Return*.

TV Fashion Service, 50 E. 56th St., N. Y., has been set up as modern-dress rental service for shows and commercials featuring women performers, with no credit lines required for the rented clothes.

UNUSUAL INSTANCE of newspaper interests selling a TV property—the FCC-approved sale this week of WSFA-TV, Montgomery, Ala. (Ch. 12)—points up fact that newspapers have been frequent buyers but seldom are sellers of TV stations. Sellers of 50% interest in WSFA-TV were R. F. Hudson, publisher of *Montgomery Advertiser* and *Journal*, his son R. F. Hudson Jr. and son-in-law Sebie B. Smith. The younger Hudson was to have become manager when station began operation, but became ill. Other 50% was sold by ex-mayor, now probate judge David E. Dunn and H. S. Durden; Judge Dunn also has been ill, though he undertook to run the station when it started last Nov.

Purchaser is the *Oklahoma City Oklahoman* family (E. K. Gaylord), who founded pre-freeze WKY-TV and operate radio WKY there. Purchase price for the Montgomery TV station, along with radio WSFA (1-kw N, 5-kw D, 1440 kc, NBC), was \$562,598 cash plus assumption of more than \$600,000 in obligations, including \$500,000 owed on equipment. Total deal involves \$1,200,000. New mgr. is Hoyt Andres, ex-WKY.

Radio WSFA, incidentally, was originally owned by the Persons family and managed by Gordon Persons, recently Gov. of Alabama, whose brother is Gen. Wilton Persons, aide to President Eisenhower. Gov. Persons has been mentioned prominently for the Democratic vacancy on FCC to be created next June 30 when 7-year term of Comr. Frieda Hennock expires, but he recently suffered a serious heart attack and has been confined to his home in Montgomery ever since.

Miss Hennock was one of the 3 commissioners (others: Bartley & Lee) voting against transfer. Record in case included protest from Oklahoma City's KWTW (Vol. 10:50) objecting because of alleged unfair discriminations by the Gaylord newspaper in its news columns, which led FCC to add rider to grant stating: "Approval in this case does not necessarily foreclose Commission from considering past conduct as cumulative should any issue arise in the future."

FCC's predilection is for local ownership, sometimes unattainable, and it likes to know a grantee means to stay in the business. Study of the 75 or more major TV station transfers recorded since 1949 (see *TV Factbook No. 20*, pp. 29-32) shows that in the few instances where newspaper interests have sold out they were absentee interests more often than not. For example, *New York Post* publisher Dorothy Schiff Sonneborn sold old KLAC-TV, Los Angeles, now KCOP, to Copley Press; Ft. Smith publisher Donald Reynolds sold his half of KRTV, Little Rock, to Kenyon Brown; *Erie Dispatch* publisher Edward Lamb sold his WTVN-TV, Columbus, to Taft interests (*Cincinnati Times-Star*); *Lancaster New Era* publishers, the Steinman brothers, sold WDEL-TV, Wilmington, to Paul F. Harron of Philadelphia; Hearst Corp. sold back its 25% interest in KING-TV, Seattle, to Mrs. Scott Bullitt.

Only outright sales by newspaper interests were those of KOB-TV, by aged publisher T. M. Pepperday (*Albuquerque Journal*) to Time Inc.-Wayne Coy; and of merged *Atlanta Journal-Constitution* interests' WLWA to Crosley, forced so that Journal's WSB-TV might be retained.

While newspapers were prominent among the pre-freeze grantees who relinquished CPs (*Factbook*, p. 31), there are none among the owners of the 44 stations that have gone off the air (*Factbook*, p. 28, plus TV Addenda to date). Value of TV-radio outlets as adjuncts to newspapers has been recognized ever since the beginnings of broadcasting and telecasting; their "constancy" as operators is one of the arguments being advanced in refutation of opposition to newspaper ownership.

Personal Notes: William H. Fineshriber Jr. resigns as NBC v.p. in charge of radio network, effective March 1, his duties to be assumed by exec. v.p. Robert W. Sarnoff; an exec. v.p. of Mutual before joining NBC in March 1953, he'll vacation month in Caribbean before announcing future plans . . . Wm. S. Paley, CBS chairman, named to Committee for the White House Conference on Education . . . Edgar Peterson, CBS-TV mgr. of story & script dept., assigned to Hollywood as associate producer of *Climax!* succeeding Elliott Lewis, working on new shows . . . Thomas Means appointed director of promotion service for CBS-owned TV stations, succeeding John Donald Foley, now director of sales promotion, CBS-TV Spot Sales . . . Liel Tanenholz, DuMont Network personnel mgr., resigns to return to research engineering . . . George Jaspert, WCCM, Lawrence, elected pres., W. C. Swartley, WBZ-TV, Boston, v.p., Mass. Broadcasters Assn. . . Roy A. Smith named operations mgr., WLAC-TV, Nashville . . . A. B. McPhillamy promoted to sales mgr., KHOL-TV, Kearney, Neb. . . Elaine von Grimmenstein transferred to Storer's WGBS-TV, Miami, succeeded by Pat Elliott as promotion mgr., WJBK-TV, Detroit . . . Luellen Stearns resigns as NBC Spot Sales eastern div. mgr. . . Stephen W. Pozgay, ex-WTVP, Decatur, Ill., now TV-radio director, Biddle Adv., Bloomington, Ill. . . Alexander R. M. Griffen, TV-radio director, upped to v.p., Al Paul Lefton Co. . . L. S. (Duke) Weitzman, ex-WABC, named ABC mgr. of audience promotion . . . Elmer Hanson joins KXJB-TV, Valley City-Fargo, N. D., as mgr. of Grand Forks studio, now under construction.

Ford Pearson, the veteran Chicago announcer lately with Geoffrey Wade Agency, now a resident of Sherman Oaks, Cal., has acquired radio KVON, Napa, Cal. (500-watts, 1440 kc, daytime); FCC approved \$45,000 purchase this week.

HIGHLIGHTS OF JONES Progress Report prepared for Senate Interstate & Foreign Commerce Committee (see pp. 1-3):

Allocation plan: "Whatever advantage the 6th Report [gave] to vhf over uhf, and whatever unfair opportunities for success it may have created for any 2 of the 4 networks and their affiliates in major markets, it is now an accomplished fact. [We] have to live with the results of the allocation plan that the Commission adopted in 1952. . . . The artificial scarcity of vhf channels in a few major markets could be alleviated by a little relaxation of the Commission's rules. On the other hand, such relaxation would tend to make the plight of uhf stations even worse in those areas given vhf assignments, even though such an action could help ABC or DuMont's competitive network situation."

De-intermixture: "The proposal to shift all vhf to uhf is impractical . . . Any action to make uhf service areas competitive with vhf would require a wholesale reassignment of vhf channels and entail staggering capital expenditures by vhf permittees and licensees. De-intermixture also would entail staggering capital expenditures by every vhf station located in proposed uhf-only cities and by millions of vhf-only set owners in the proposed de-intermixed uhf-only service areas."

FCC actions and uhf: "Past actions of the FCC have served to accentuate, rather than alleviate, the economic and operational difficulties of uhf telecasting as compared with vhf telecasting. For example, the Commission has permitted satellite operation of uhf stations by vhf stations since this investigation was initiated. If vhf stations located in the larger markets of the nation use uhf stations as satellites in order to extend their vhf service areas, then, indeed, uhf individual operators will have a further economic hurdle thrown in their path . . ."

THE 2003-ft. tower, for which WHAS-TV, Louisville, is still seeking airspace clearance, is now officially on file with FCC. Application proposing move to Waterford Pike, 2 mi. north of Mt. Washington, states that cost of complete project would run \$1,241,000—including \$925,000 for tower & antenna, \$205,000 for new 50-kw GE transmitter, \$60,000 buildings, \$50,000 land, \$1000 furniture. Kind of tower isn't specified, except that it will be triangular guyed structure.

Station apparently faces tough fight getting airspace clearance, since military members of Washington Airspace Subcommittee are arbitrarily rejecting as "hazards" all requests for towers over 1000 ft. (Vol. 11:4). Latest such tower to be rejected by subcommittee was 1356-ft. structure planned by KGEO-TV, Enid, Okla., to replace present 816-ft. and endorsed by regional airspace subcommittee.

Industry-Govt. Committee, set up by top-level Air Coordinating Committee to study whole tall-tower problem (Vol. 11:3), will probably hold first formal meeting week of March 4, with CAA chairman F. B. Lee and FCC Comr. Robert E. Lee as co-chairmen.

WHAS-TV's 2003-ft. tower would be far & away tallest man-made structure in the world—surpassing 1572-ft. tower of KWTW, Oklahoma City, which now holds record. Third tallest would be 1521-ft. tower of WFAA-TV & KRLD-TV, Dallas, for which ground was broken last week. Latter is unique "candelabra" structure, with each antenna mounted at end of cross-arm at top of tower (Vol. 10:14). RCA is prime contractor for whole \$2,000,000 project, which includes 2 transmitter buildings, and completion is expected late this summer.

Another tall tower, already cleared by Airspace Subcommittee, is due to begin rising in week or so. It's 1085-ft. tower of KCRG-TV, Cedar Rapids, Ia., to be built by Dresser-Ideco.

Uhf receivers: "The proposed removal of Federal excise tax from all-channel receivers . . . appears an insufficient incentive for the increased production and successful marketing of such sets [although it conceivably could be of some benefit]. The committee might well consider some other means to encourage manufacturers of TV receivers to shift to production of all-channel receivers only."

Uhf & networks: "A means must be found to place uhf on a competitive basis with vhf in all markets. Specifically, uhf must be enabled (by law or regulation) to overcome the artificial economic and technical disadvantages resulting from the FCC's 6th Report and allocation plan and the natural economics which concentrate network operations in populous centers. A large share of the total revenues of the broadcast industry must be channeled to uhf outlets in the smaller markets. Also, it must be remembered that there are vhf station operators in smaller markets facing financial difficulty. It is felt the individual networks could do much on a voluntary basis to support the TV economy outside the larger markets by (1) adoption of a more liberal and impartial policy toward affiliation and (2) offering price discount advantages to national advertisers to buy time over all outlets of [the] network rather than selected stations in large markets."

Network control: "Information available to date is insufficient to justify bringing networks under regulation by the FCC. There is justification for further study of the proposal."

Broadcast revenue distribution: "The pattern for 5 years (1948-53) established the predominance of the revenues of the networks and their owned-&-operated TV stations in relation to those of the entire TV industry when it is considered that the 4 networks and their compara-

tively small number of wholly owned stations have consistently maintained a 52.6 to 56.6% share of the revenue received by the entire TV industry during a period of rapid growth throughout the country. It is noteworthy that 2 of the 4 networks account for approximately 85% of all TV network billings, a fact which serves to emphasize the tremendous hold and influence of the 2 predominate networks (CBS-NBC) on the TV industry."

Even excluding revenues from owned-&-operated stations, the 4 networks in 1952 had broadcast revenue of \$130,764,000 or 40.33% of entire industry's total of \$324,200,000, while their broadcast expenses were \$135,511,000 or 50% of industry total of \$268,700,000. In 1953, network broadcast revenues (again excluding o-&o stations) were \$161,363,000 or 37.3% of industry's \$432,700,000, while network expenses were \$161,239,000 or 45% of industry total of \$364,700,000.

Nationwide TV system: "In 1953, the 80 TV stations in 22 selected [large] TV markets received 41.13¢ out of each dollar received by the entire TV broadcast industry and paid 34.71¢ out of each dollar of expense paid by the entire TV broadcast industry as the cost to participate. On the other hand, the 254 TV stations located in 199 cities (other than the 22 selected TV markets) received only 21.59¢ out of each dollar received by the entire TV broadcast industry and they paid 20.25¢ out of each dollar of expenses paid by the entire broadcast industry . . .

"The share of total broadcast revenue received by all stations in other than the top-ranking markets is insufficient to support a nationwide competitive TV system. In the public interest, a means should be found to channel additional revenue to these smaller markets which serve great land areas of the country."

Affiliation policies: "Information submitted by the networks shows clearly that [they] have no consistent affiliation policy which they apply uniformly. Nor have they proven any rational basis for past decisions to affiliate or reject affiliation with individual TV stations. It is urged that each network adopt a uniform and impartial affiliation policy which will take into consideration the basic objective of the Communications Act to serve all people of the nation."

Station Accounts: WCBS-TV's filmed *Late Show* (11:15 p.m.-12:30 a.m.), which celebrates its 4th anniversary Feb. 26, reports gross billings of \$4,000,000 for the 4-year period, representing 8120 partic. spots for 178 sponsors. Show uses both new & old feature films, has no hesitancy whatever about repeats. For Feb., it has 192 one-min. spots on books representing \$115,000 (at \$600 per spot), and foresees gross of \$1,350,000 this year. Further, despite recent competition of Steve Allen's NBC-TV *Tonight* on WRCA-TV, show's Telepulse rating has never dipped below 7. Though show is owned by WCBS-TV, some 50 or so CBS affiliates carry local film programs under same title . . . Keebler Biscuit & Buitoni Macaroni are first to sign for WRCA-TV's new "14-50" frequency discount plan for 14 or more station breaks in a single week (Vol. 10:7), former thru McKee & Albright, Philadelphia, latter thru Albert Frank-Guenther Law Inc., N. Y. . . . All Yankee & Giant games on WPIX, as well as pre-game & post-game shows, have been signed up for sponsorship—by Chesterfield, Ballantine, White Owl, Camel, Cities Service, Krueger Beer; multiple sponsors of WPIX's *Liberace* series (10 half hours a week) are Simoniz, Toni, Gold Seal, Best Foods, Old Dutch Coffee, American Bakeries, Proctor Electric, Tea Council . . . Olympia Brewing Co. buys Ziv's new filmed *Science Fiction Theatre* in Los Angeles, San Francisco, Seattle, Spokane, Portland, San Diego & Boise, thru Botsford, Constantine & Gardner, Seattle . . . Coca-Cola to test its new 10, 12 & 26-oz. "king size" bottles with TV

FCC record-keeping: "There appears to be an obvious need for the establishment by the FCC of a uniform accounting procedure providing for the submission by networks and individual TV stations of reports embracing greater detail. It is felt the Commission should set up a uniform pattern under which the networks would allocate network and operation expenses for wholly-owned stations. Your staff found in its investigation that the Commission had less information in its files than the radio stations it purports to regulate or the networks.

"It is recommended that the Commission require each TV station licensed by it to file a proof of performance which will show the measured coverage of each such station. Such information was kept for all TV stations prior to adoption of the 6th Report."

Network ownership of stations: "On the basis of information currently available, your staff cannot determine whether networks need to, or should, own broadcasting or TV stations to subsidize network operations."

Further study: "Your staff is in possession of only a modicum of the information needed to formulate any comprehensive program of reform. To attempt to do so on the basis of the information thus far gathered and analyzed would be akin to announcing the results of an election before the ballots are counted." Jones also:

Recommended that committee make available to FCC the \$25,304 which FCC estimated would be required to supply information requested, including tables and maps of technical data and service areas of pre-freeze and post-freeze stations, in operation or authorized, as of April 15, 1952 and as of Oct. 1, 1954.

Recommended that committee "take such action as may be necessary to obtain from the FCC financial information on the individual networks and TV stations, which information the Commission has advised the committee it cannot furnish except by specific direction."

Appended to report 12 pp. of questions proposed to be sent to the 4 TV networks, asking exhaustive financial & technical data concerning networks and each of their TV, FM & AM affiliates. In addition, he set forth series of 5 tables to be filled in by individual TV stations, designed to elicit financial, coverage, technical and network data.

spot campaigns in Boston, Detroit, San Francisco & Columbus, thru D'Arcy Adv., N. Y. . . . Union Pacific Railroad buys alt. week sponsorship of NBC Film Div.'s *His Honor, Homer Bell* in Los Angeles, Portland, Seattle & Omaha, thru Caples Adv., Chicago . . . Economics Laboratory Inc. will add spots to *Garry Moore Show* on CBS-TV to promote Feb. 18-31 write-in contest for users of its Soilax cleaner, thru J. M. Mathes Inc. . . . Pineapple Growers Assn. in 1955-56 promotion plans use of TV-radio homemaking programs, thru J. Walter Thompson, San Francisco . . . Columbus Automobile Club (AAA) sponsoring "driving school" for 13 weeks on WLWC . . . Among other advertisers currently reported using or preparing to use TV: North American Mushroom Co., Tinley Park, Ill. (steak sauce), thru M. M. Fisher & Assoc., Chicago; Coffee Time Products Co. of America, Jamaica Plains, Mass. (Coffee-Time syrup & sparkling soda), thru Bresnick Co., Boston; Arizona Brewing Co., Phoenix (A-1 Pilsener beer), thru Erwin, Wasey & Co., Los Angeles; Orange Fruit Corp., Newark (Orange Blossom fresh orange juice), thru Sterling Adv. Agency, N. Y.; Glamur Products Inc., Syracuse, N. Y. (car upholstery cleaner), thru Moser & Cotins, Utica; Valspar Corp., Ardmore, Pa. (paints, stains, enamels), thru Brooke, Smith, French & Dorrance, N. Y.; Mace Labs, Neenah, Wis. (ZMO oil), direct; A. Brioschi & Co., Fairlawn, N. J. (anti-acid preparation), thru David J. Mahoney, N. Y.

D'IVERSIFICATION and ownership-management integration were FCC's major reasons for choosing KTBS over KWKH in final decision granting Shreveport's Ch. 3—sole CP of the week. In affirming examiner Basil Cooper's initial decision (Vol. 10:25), Commission found the 2 applications about equal in other respects, but it concluded that KWKH (Ewing-Bronson families) would have too great control over media in area. KWKH principals hold interests in 50-kw AM in Shreveport, *Shreveport Times*, 50-kw KTHS in Little Rock, Ark., *Monroe* (La.) *World and News-Star*, Ch. 11 CP for KTHV, Little Rock. Wray family has no media ownership other than KTBS.

Boston's 5-way Ch. 5 fight took unusual turn this week. Recently, there were allegations that cartoonist Al Capp, whose Fosdick Productions has subscribed to 1.92% of Massachusetts Bay Telecasters, was responsible for pornographic drawings. This week, applicant offered amendment to delete Capp as stockholder, pointing to action of National Cartoonists Society suspending cartoonist Ham Fisher for failing to prove he didn't "doctor" Capp's drawings in effort to discredit Capp. Capp said he was offering to withdraw to keep rest of stockholders from getting involved in a remote "cat and dog fight."

Fight became more complicated immediately. All 4 of Massachusetts Bay's competitors filed joint opposition to the amendment. They referred to "patently false statements" by Capp; to 3 Boston policemen who had been prepared to testify regarding "a lewd and obscene incident in the life of Mr. Capp"; to FCC's consideration of re-opening record because of what police were expected to say, etc. They asked that hearing be re-opened and that 14 people, including Capp, be subpoenaed.

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Several allocations petitions were filed with FCC this week. KWAT, Watertown, S. D., applicant for Ch. 3, submitted plan for keeping Ch. 3 in Watertown and adding Ch. 10 to Bradley, S. D. Recently, Hills Bcstg. Co., Florence, S. D., also an applicant for Watertown's Ch. 3, had asked that Ch. 3 be shifted to Bradley, Ch. 10 allocated to

Watertown. KWAT proposes that Ch. 7 be substituted for Ch. 9 in Aberdeen, S. D., Ch. 9 for Ch. 7 in Jamestown, N. D., Ch. 9 for Ch. 10 in Pierre, S. D.

KSEM, Moses Lake, Wash., asked that Ch. 8 be added to town by substituting Ch. 11 for Ch. 8 in Walla Walla.

Another shift downward was sought by a uhf station—WHUM-TV, Reading, Pa. aiming to move from Ch. 61 to Ch. 15. It would achieve this by substituting Ch. 61 for Ch. 15 in Lebanon, Pa., Ch. 23 for Ch. 30 in Cumberland, Md., Ch. 30 for Ch. 46 in Chambersburg, Pa., deleting Ch. 29 from Philadelphia.

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Efforts of KGTV, Des Moines (Ch. 17) to obtain use of educational Ch. 11 were renewed this week. Station had been turned down on request that it be permitted to occupy Ch. 11 for 3 years, because educators weren't using it. This week, it submitted 8 alternative plans—such as temporary operation on both channels, temporary operation on Ch. 11, experimental operation on both, operation of Ch. 11 as satellite of Ch. 17, rule-making to make Ch. 11 commercial with KGTV permitted to use the channel pending rule-making.

Complicated fight over Storer's WGBS-TV, Miami (Ch. 23) will go to oral argument Feb. 28. Miami grantee WMFL (Ch. 33) and radio WINZ had protested moves whereby station was established and Storer obtained NBC affiliation (Vol. 10:51). Commission ruled that protestants are entitled to be heard.

Pinning hopes on Plotkin Memorandum's statements regarding de-intermixture (Vol. 11:6), WKOW-TV, Madison, Wis. (Ch. 27) urged FCC to reconsider denial of petition requesting that city's Ch. 3 be designated educational.

First to endorse FCC's proposed low-power satellite rules (Vol. 10:51) are the educators. Approval came from Clair L. Taylor, Michigan supt. of public instruction; John D. Millett, pres. of Miami U, Oxford, O.; George W. Starcher, pres. of U of No. Dakota. All thought inexpensive low-power operations would foster educators' early entrance into TV.

Network Accounts: High value of re-runs (Vol. 10:7) is sharply illustrated this week by ABC-TV's plan to give 10 *Disneyland* shows a third-run this summer with continued backing of hit program's current sponsors—Nash, American Dairy Assn., Derby Foods. It's something new in network repeats; only in syndication has third-run been vogue. If successful, ABC-TV plans to do same thing next summer with Disney's new *Mickey Mouse Club* (Mon.-Fri. 5-6 p.m.) which debuts in fall . . . Dave Garroway's *Today* goes to west coast via "quick kine" starting Feb. 28 for full 7-9 a.m.; since Sept. 27, it has been on west coast 8-9 only . . . Budweiser Beer to sponsor Screen Gems' *Damon Runyon Theatre* on CBS-TV starting April 16, Sat. 10:30-11 p.m., thru D'Arcy Adv. . . Kent cigarettes to sponsor *Adventure Theatre* as replacement for *Father Knows Best* on CBS-TV starting April 3, Sun. 10-10:30 p.m., thru Young & Rubicam . . . General Mills & CBS-Columbia to be alt. week sponsors of 2 CBS-TV shows starting first week in April—*Willy* (Thu. 10:30-11 p.m.) & *Life With Father* (Tue. 8-8:30 p.m.), former thru Dancer-Fitzgerald-Sample, latter thru Ted Bates & Co. . . CBS-TV's Sun. night lineup for next fall was strengthened considerably this week when Bristol-Myers signed Alfred Hitchcock to produce new comedy-mystery series 9:30-10 p.m. . . Dixie Cup to be alt. sponsor (with Mars Candy) of *Super Circus* on ABC-TV starting in March, Sun. 5-6 p.m., thru Hicks & Greist, N. Y. . . Corn Products Refining Co. (Mazola oil) buys Wed. 10:30-10:45 a.m. portion of *Arthur Godfrey Time* simulcast and Wed. 2-2:15 p.m. portion of *Robert Q. Lewis Show* on CBS-TV starting Feb. 23,

thru C. L. Miller Co., N. Y. . . Procter & Gamble to take over sponsorship of 15 min. of *Jackie Gleason Show* which Sheaffer Pen dropped last week, effective April 2, on CBS-TV Sat. 8-9 p.m., thru Compton Adv. . . ABC-TV drops TV version of *Breakfast Club* simulcast Mon.-thru-Fri. 8-9 a.m., following cancellation by Quaker Oats, sole surviving TV sponsor.

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AT&T continues interest in network TV, including color, but has made no decision to buy a TV show yet—according to N. W. Ayer's Vance Babb, who handles account. NBC's projected *Wide, Wide World* (Vol. 11:6) has been considered but no commitment made. This week, in her Scripps-Howard column, Faye Emerson stated that movie director Frank Capra is shooting color series and Bell System "is said to be picking up the tab." She adds that release isn't due for 3 years, pending growth of color set circulation. Babb said that Capra has made some film for AT&T; that he doesn't know whether it will be used for TV, and presumes some of it is in color.

Rate increases: WBNS-TV, Columbus, on March 1 adds new 8-10 p.m. daily Class AA \$825 hour, \$175 min., Class A hour remaining \$780; WDEF-TV, Chattanooga, raises base hour from \$350 to \$400, min. \$70 to \$90; WWLP, Springfield, Mass., from \$300 to \$350 & \$60 to \$70; KOLN-TV, Lincoln, Neb., from \$250 to \$300 & \$50 to \$60; WFBG-TV, Altoona, Pa., April 1 raises base hour from \$500 to \$600, min. \$100 to \$120. Rate revision: WTVY, Dothan, Ala. lowered base hour from \$150 to \$100 before Feb. 12 commercial start.

EX-OWNERS OF UHF WNAM-TV, Neenah, Wis. (Ch. 42), who now control WFRV-TV, Green Bay (Ch. 5), hope to get the new vhf station on air with test patterns April 15, ABC & DuMont programs week later, writes v.p. Don C. Wirth. Target dates depend on FCC approval of merger deal between owners of off-air WNAM-TV and CP-holders for WFRV-TV (Vol. 10:49 & 11:2). WFRV-TV is due to receive 25-kw DuMont transmitter March 1, has leased building and 463-ft. tower of defunct WJPG-FM on Scray's Hill next to Norbertine Fathers' WBAY-TV (Ch. 2), says it can start on short notice since only work necessary is installation of transmitter and RCA 5-bay antenna. Neenah studios of WNAM-TV will be used to supplement Green Bay facilities. Base hour will be \$300. Rep will be Headley-Reed.

No transmitter shipments were reported this week, but DuMont reports order for 50-kw amplifier to be shipped in 30 days to KCRG-TV, Cedar Rapids, Ia. (Ch. 9).

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In our continuing survey of upcoming new stations, these are latest reports received:

KWTX-TV, Waco, Tex. (Ch. 10), now plans April 1 start, reports mgr. M. N. Bostick. RCA equipment is on hand, but studio-transmitter building won't be ready until then. RCA antenna is scheduled for installation about March 1 on 461-ft. Andrews tower. It will be city's second outlet, KANG-TV (Ch. 34) having begun in Oct. 1953. Earl B. Huff will be chief engineer; Gene Lewis, program director. Base rate will be \$200. Rep not chosen.

KSTF, Scottsbluff, Neb. (Ch. 10), seeking National Park Service approval of new site atop Scottsbluff National Monument, has set back test pattern target to April 1, reports Wm. C. Grove, gen. mgr. of parent KFBC-TV, Cheyenne, Wyo. (Ch. 5). KSTF will be 79 mi. southwest of Cheyenne, plans to rebroadcast KFBC-TV programs, but will also have some film originations. It has ordered RCA transmitter and 6-bay superturnstile antenna. KFBC-TV chief engineer R. C. Pfannenschmidt will go to Scottsbluff to take charge of 4-man operation. Time will be sold only in combination with KFBC-TV. Rep for both is Hollingbery.

ANOTHER GOVT. WITNESS in Lamb case swore this week that he had given false testimony against the Ohio broadcaster-publisher-industrialist last fall. Put on stand by Lamb attorneys for cross-examination, Lowell Watson, ex-Communist now employed by Justice Dept. as consultant, declared his false testimony was due to "constant and consistent coaching, conditioning and misleading conversation" by former FCC attorney Walter Powell, FCC investigator Robert Leahy and Wm. G. Cummings, govt.'s first witness in case who testified he was employed as FCC "consultant." Watson said he testified falsely last fall when he swore Lamb was on advisory committee of International Labor Defense and when he said he was present when Lamb gave money to Communist causes.

Examiner Herbert Sharfman this week said he considers turnabout witness Mrs. Marie Natvig (Vol. 11:7) "a completely incredible witness" and indicated he will give no weight to her testimony. On the stand earlier this week, Mrs. Natvig testified: (1) FCC attorneys once conceded to her that they were "no match" for Lamb attorney Russell M. Brown and were seeking to have him barred from practice before the FCC; (2) FCC lawyers called Sharfman a "weak sister," and said one Commissioner inquired as to whether Sharfman could be taken off case.

Widely publicized Natvig testimony stirred demands for investigations. Chairman Magnuson (D-Wash.) said his Senate Commerce Committee will take a "careful look at what happened in this case." He indicated that question may be handled in special probe by communications sub-

committee headed by Sen. Pastore (D-R. I.). But there were also strong signs that whole issue of FCC's handling of Lamb case will be explored by Committee Wed. Feb. 23 during confirmation hearings on Chairman McConnaughey as member of FCC.

Attorney General Brownell, in answer to press conference question this week, said Justice Dept. had no plans to take action against Mrs. Natvig. This drew rebuttal from Senate investigating subcommittee chairman McClellan (D-Ark.), who said: "I think if there is any violation of the law, the Justice Dept. should take notice of it and I say with equal emphasis that it is the duty of the FCC to refer it to the Justice Dept."

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Published reports that WGR-TV, Buffalo (Ch. 2), was being considered for purchase by Storer led station's board of directors to release resolution Feb. 17 stating that station is not for sale and will not release any figures to anybody preposing to submit bid. If Storer should acquire another station, as indicated by original story, it's presumed he would dispose of either his WAGA-TV, Atlanta (Ch. 5) or WBRC-TV, Birmingham (Ch. 6).

"Lack of diligence" in construction of WHTT, Wilmington, N. C. (Ch. 3) was cited by FCC in setting grantee for hearing starting March 18. Commission said it wasn't satisfied with CP-holder's explanation that it couldn't build because of "conspiracy" between CBS and Jefferson Standard Bestg. Co.

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CKBB-TV, Barrie, Ont. (Ch. 3), which recently got license after being delayed by *Toronto Telegram's* protest (Vol. 10:44), hopes to start programming Sept. 15, reports owner Ralph T. Snelgrove. It will use Stainless tower, hasn't ordered other equipment yet as chief engineer Jack Mattenley plans U. S. trip to check equipment being used by smaller stations. Canadian rep will be Paul Mulvihill.

CBC is now working on permanent studio-office building for its CBHT, Halifax, N. S. (Ch. 3), now operating from Old College St. school building. The L-shaped structure at Bell Rd. & Summer St. will include 40x60 studio.

WPRO-TV, Providence, R. I. (Ch. 12), hoping to get going after being held up for over a year by protests of WNET (Ch. 16), applied for STA this week. Request was filed after both FCC and court turned down WNET's appeal that WPRO-TV be kept from starting—though court ordered expedited hearing to be held early in April because of "substantial and serious" questions involved. WNET has filed opposition to WPRO-TV's latest request for STA. WPRO-TV is requesting permission to build interim 557-ft. Blaw-Knox tower, use 12-bay GE antenna; 50-kw GE transmitter is on order.

KCOR-TV, San Antonio, Tex. (Ch. 41), awaiting FCC action on request for Ch. 14 allocation, has changed test pattern target to first week in May, according to chief engineer Marvin L. Fieldler. Work on 558-ft. Truscon tower begins early in March; RCA 1-kw transmitter is due about March 15. It plans to be all-Spanish outlet, using films and kines from Mexico and other Latin-American countries to supplement U. S. films. Base hour will be \$250. Rep will be Richard O'Connell.

WNDU-TV, Notre Dame-South Bend, Ind. (Ch. 46), begins construction next week, has test patterns scheduled for late June-early July, followed by programming July 15, writes v.p. & gen. mgr. Bernard C. Barth. It will use 500-ft. tower, has RCA equipment, including 2 field camera chains, ordered for delivery within 60 days. Base rate not set; rep not chosen.

Color Trends & Briefs: Far from cutting colorcasting schedule, CBS-TV's current objective, according to pres. Jack Van Volkenburg, is to hike output to 3-3½ hours a week. He emphasizes that this is an objective, not yet definitely fixed. Aim, he says, is 2 night color shows a week, plus something every day in daytime hours, starting in April and running rest of year. Schedule will probably comprise existing shows converted to color.

NBC-TV is pursuing policy of "big" color shows, meanwhile, and is currently giving tremendous buildup to March 7 *Peter Pan* on *Producers' Showcase*. Two-hour show, starring Mary Martin and Cyril Ritchard, is being transferred bodily from successful Broadway run to color studios. As part of promotion, some 5000 dealers for sponsors Ford and RCA were invited to studios of 83 stations which carried closed-circuit colorcast Feb. 15, featuring appearances of show's stars, NBC exec. v.p. Robert W. Sarnoff and NBC-TV network v.p. Thomas A. McAvity.

It's presumed NBC-TV will increase color schedule if CBS-TV does, and many hope that ABC-TV will get into color swim—at least to extent of colorcasting portions of the tremendously popular *Disneyland*, some of which is already on color film.

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Technical quality of color transmission, meanwhile, has so improved in recent months that poor or even fair results are exception. NBC's efforts have been uniformly quite good for some time, but CBS's improvement after rather rough start has been particularly noteworthy.

Among recent shows, NBC's "The Women" on *Producers' Showcase* Feb. 7 and "Pinafore" on *Max Liebman Presents* Jan. 30 drew high critical praise while CBS's "The Show Off" on *Best of Broadway* Feb. 2 was excellent, vastly improved over CBS shows year ago. CBS's *Shower of Stars* Feb. 17 had some of finest color seen to date—exceptional fidelity, lighting and registration, with cameras almost perfectly matched. NBC's film show *Norby* has been spotty, some sequences very good, others below the quality one would expect from sponsor Eastman Kodak. Eastman is currently considering whether to "go live" and whether to continue show in color.

Principal defect in color today remains improper balance between cameras. Even in best transmissions, at least a slight difference is perceptible—but engineers have whittled variations down so that they're seldom objectionable. Officials don't deny problem exists, but they point out that much of problem lies in receiver adjustment rather than solely in cameras. O. B. Hanson, RCA operations engineering v.p., notes that average viewer has tendency to turn contrast and chroma controls too high, accentuating camera differences. Our own experience bears that out. Natural tendency is to use a heavy hand with color controls. Experimentation proved, however, that conservative dial-twiddling produces much more natural results.

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Color TV is too hoity-toity for mere beer guzzlers, according to New York's Paramount Hotel. In its new "Curtain Call Lounge," it has installed RCA 21-in. color set and invites viewer to partake of "malt beverages from no less than 9 nations" so that he won't be "just another ordinary beer drinker."

Enterprising Klaus Landsberg, v.p.-mgr. of Paramount's KTLA, Los Angeles, says he's willing to feed colorcast of next April's A-bomb test to networks if they're interested. KTLA has handled 3 previous blasts, micro-vesting them from Nevada test sites.

Feb. 21 week network color schedules: NBC-TV—Feb. 23, *Norby*, 7-7:30 p.m., and *Kraft TV Theatre*, "Emperor Jones" starring Ozzie Davis, 9-10 p.m.; Feb. 27, *Max Liebman Presents*, "Big Time" starring Milton Berle, Martha Raye & Ray Bolger, 7:30-9 p.m.

"Commprovision"—a wired TV system similar to community antenna systems except that it's to originate all programs locally—is latest project for reaching communities in dead spots or otherwise beyond the range of stations. New company organized to exploit field is Trans-Community Television Network Inc., 141 El Camino, Beverly Hills, Cal. Pres. is Jerome L. Doff, attorney, who states that it's strongly backed; only other principal disclosed to date is Allen Lane, ex-McClatchy and onetime Ventura (Cal.) station operator, who is working on technical details with RCA, from whom equipment is being ordered. According to Doff, first test town is Bishop, Cal. (pop. 2891), now blanked out by Mt. Whitney, and 20 or more additional communities will be disclosed in a few weeks. Doff contemplates that networks, ad agencies and packagers will make shows available for such "captive" audiences. Subscribers are to be charged \$80 for installation plus not more than \$10 monthly fee. As advertising revenues rise, Doff says, plan is to drop fee to \$2 or \$3 monthly. Systems are to originate all programs through live & film cameras and slide equipment—unlike community TV systems which receive all their programs from regular TV stations and relay them to subscribers through cables. Among community antenna systems, there's one exception, apparently precisely what "Commprovision" has in mind. It's system in Ketchikan, Alaska (see *TV Factbook No. 20*, p. 408) which feeds some 350 subscribers solely with own originations—using Dage cameras and Holmes 16mm projectors. Cost of each "Commprovision" installation is estimated at \$35,000, including first-year operation; no licensed operators are required, and no FCC authorization is needed, inasmuch as operation is purely intrastate, involving no radiation.

Uhf propagation study of NBC's old experimental station in Bridgeport, Conn., has been published by FCC as TRR Report No. 2.4.13. Commission made field strength studies of 534.75-mc transmissions at 30-240 mi. with help of RCA, Bureau of Standards, U of Connecticut and FCC monitoring bureaus. Copies are available from Technical Research Div., Room 7358, New Post Office Bldg., Washington.

A "summer incentive plan" to encourage partic. purchases on *Today*, *Home* or *Tonight* during summer was disclosed this week by NBC-TV. Under plan, an advertiser who buys at least 7 partic. on one or combination of the 3 shows between May 30 and Sept. 2 will be given additional free partic. during summer. Number of free spots is based on scale of paid purchases, ranging from one free partic. for 7-11 paid spots to 18 free partic. for 52-54 paid.

Tackling conversion problem, Storer has named Ralph C. Powell, TV trade veteran, as "director of trade" for WGBS-TV, Miami (Ch. 23). He has charge of program to boost conversion and uhf set sales, involving fixed conversion price of \$29.95 arranged with local dealers and promoted through WGBS-TV newspaper ads and on-air spots.

First organization of kind is new Southern California Color TV Dealers Assn., group of some 100 dealers aiming to promote public attendance at dealer color demonstrations, increase number of color shows, etc. Officers: Everett M. Wren, Barker Bros., Los Angeles, pres.; Herman Kennedy, Whittier Radio & TV Co., Whittier, v.p.; Marvin Stuthein, Marvin's TV & Appliance Co., Fullerton, secy.-treas.

RCA reports 3-V color film cameras shipped Feb. 4 to WSAZ-TV, Huntington, W. Va.; Feb. 9 to KRON-TV, San Francisco and WCHS-TV, Charleston, W. Va.; Feb. 14 to WSM-TV, Nashville.

RETMA LEADERS ASSAY MARKET AND PROBLEMS: RETMA chairman Max F. Balcom told the N.Y. Society of Security Analysts this week that at the end of last year "7 out of 10 families had become customers of our industry." He went on:

"By the end of this year, it will approach 8 out of 10. Lest you think our potential is shrinking, let me quickly add that we look forward to a rising market for replacement and second sets. For example, during 1955 we expect nearly 25% of the estimated 6,300,000 TV set sales to the public to be to former customers.

"Moreover, there are still about 15,000,000 households without any TV sets. So we are still far short of saturation. As advances in automation, printed circuitry and transistors take place, lower costs will bring TV to an increasing number of families. Nearly 1,000,000 new families arise each year to broaden our market."

There you have the judgment of at least one of the ablest of industry leaders -- and he's joined by many others. This week, more than 200 RETMA members gathered for their annual midwinter conference in N.Y. They discussed the market outlook, prices, color -- and such critical problems as the proposed removal of excise tax on uhf receivers (see story, p. 12), fight to halve 10% excise tax on monochrome sets and eliminate it entirely on color sets, suggestion for additional tariff relief.

It was generally conceded that the 7,300,000 TV sales of 1954 probably will not be equalled this year -- not unless second set and replacement sales show an unexpectedly high upturn. This despite good start in production, with some 700,000 TVs sold by the factories in Jan. as against 500,000 in Jan. 1954.

As for prices, it's still too early to detect any upward trend on industry-wide basis -- albeit Philco and Hoffman have raised a few sets. Hiking prices in first few months of year seems to go against the grain of many set makers. But if the market holds up, they indicated, it's altogether likely that prices will edge upwards to alleviate today's admittedly tight price structure at all levels.

Color continued to evoke bearish comment -- nobody seeing much chance of moving many sets this year in face of high costs, insufficient programs and public apathy. There seemed to be agreement that the real merchandising of color was at least a year or 18 months away even if the excise tax on color sets is removed.

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President Glen McDaniel's report on RETMA's efforts to get the 10% excise tax cut in half -- as some other appliances succeeded in getting from last Congress -- was reported out of closed sessions to have been quite gloomy. So was his estimate of the prospect of eliminating tax on color sets. He discerned little disposition in Congress to cut any excises this year, but held out some hope that that proposal to do away with tax on color might be more favorably received.

On seeking tariff relief to offset recently accelerated influx of foreign products (Vol. 11:1), RETMA board considered recommendation to ask Dept. of Commerce to split up its single tariff schedule on TV-radio-components into several groupings so that RETMA can ask relief only on radios and parts, on which the competition from overseas, particularly Britain and West Germany, has been greatest.

But RETMA officials expressed doubt that an impressive case for relief could be made out for an industry which, over-all, is enjoying something of a boom.

* * * *

TV production totaled 171,434 week ended Feb. 11, almost same as the 171,624 turned out in preceding week but up from 154,421 in week ended Jan. 28. It was 6th week of year, brought output to 1,000,000, compared to 630,000 in same 1954 period.

Radio production totaled 261,827 (145,136 auto), compared to 264,693 in week ended Feb. 4 and 226,054 week before. It brought 6-week radio output to 1,530,000, compared to 1,300,000 in corresponding period year ago.

NEW CONGRESS PUSH FOR UHF-VHF SETS: One way to help uhf now is to stop the flow of vhf-only sets into the marketplace. There's virtually unanimous agreement on that -- though there are vast differences of opinion as to how much it would help.

Exemption of all-channel sets from 10% Federal manufacturers excise tax is most widely espoused method of accomplishing that objective -- and because it has garnered wide industry support it will be pushed immediately by TV-wise lawmakers.

Still, it's likely to meet strong opposition from economy-minded Congressmen -- because it's "special interest" legislation. Nevertheless, Capitol Hill observers believe it can be passed this session if public support is strong enough.

Bill was introduced this week by Rep. Ikard (D-Tex.), embodying proposal made last year by Sen. Johnson (D-Colo.) and endorsed by Senate Commerce Committee. Ikard measure (HR-4070) would exempt from excise tax any TV receiver "which, at the time of sale, is capable of receiving TV broadcasts in all of the uhf channels." Bill also provides that if set is a TV-radio combination, tax shall not apply to TV portion of set. Also pending is HR-1814, introduced by Rep. McCormack (D-Mass.), embodying all excise tax proposals which died with last Congress, including plan for \$7 tax credit for every set containing a uhf tuner (Vol. 11:7).

Ikard is in good position to push the tax-exemption proposal -- since he is member of Ways & Means Committee, which has jurisdiction over tax legislation.

Tax-exemption proposal was endorsed by recent Plotkin report (Vol. 11:6-7), got less hearty support in this week's Jones report (see p. 1). While Jones conceded such a plan "conceivably" could benefit uhf, he said it offers "insufficient incentive," and urged development of "some other means to encourage manufacturers of TV receivers to shift to production of all-channel receivers only." He didn't elaborate, but both he and Sen. Bricker said at press conference this week that they oppose extra "subsidies" for all-channel sets as well as laws against interstate shipment of vhf-only receivers (as proposed by Comr. Hennock and others).

NARTB was quick to offer support for HR-4070, pres. Harold Fellows writing Rep. Ikard he was "deeply gratified" by bill, and that he was in favor of anything which relieved the burden on uhf stations and would provide for widest expansion of broadcasting. RETMA's set div. exec. committee under H. Leslie Hoffman, meeting in New York this week, also endorsed excise tax exemption for all-channel sets.

Other plans are in the works for promotion of all-channel set program. Chairman Magnuson (D-Wash.) of Senate Commerce Committee is now considering revival of the Potter subcommittee's plan to meet with set makers and get voluntary agreements to discontinue output of vhf-only models.

This was hottest topic of discussion among set makers at RETMA's midwinter conference this week -- as word leaked out that Magnuson may seek meeting with manufacturers. Consensus of the set makers was: (1) As long as it costs more to make all-channel set than vhf-only set, we can't agree to turn out the higher-priced units exclusively. (2) We must be extremely cautious not to enter into any agreement that smacks of restraint of trade. (3) If excise tax were removed, production of vhf-only receivers probably would end.

As to "restraint of trade" worries, it's not clear just how a conference of manufacturers called by a legislative body could be construed as violation of anti-trust laws. There's no question that a Senate committee has authority to ask the manufacturers to appear. Question of "restraint" was raised last year, and Potter asked Justice Dept. clearance for such a meeting and agreement.

Veteran Wireless Operators Assn., at 30th reunion banquet in N. Y. Feb. 19, conferred awards on ex-President Herbert Hoover, along with these industry notables: Monte Cohen, General Instrument Co.; Arthur Batcheller, FCC; Capt. V. H. C. Eberlin, USN; F. L. Henderson, American Cable & Radio Corp.; Harry W. Houck, Measurements Corp.; Col. A. H. Read, communications officer, British Embassy; E. H. Rietzke, Capitol Radio Engineering Institute; F. M. Ryan, AT&T; T. P. Wyncoop, Radiomarine Corp. of America.

RETMA set div. this week elected as directors Parker H. Ericksen, Crosley, replacing Leonard F. Cramer, resigned, and Lawrence G. Haggerty, Capehart-Farnsworth, replacing Fred Wilson, now IT&T industrial relations v.p. Seymour Mintz, CBS-Columbia, was elected to exec. committee, replacing Louis Hausman, now CBS Inc. v.p.

Market dates to remember: Western Summer Market, July 18-22 at Western Merchandise Mart, San Francisco; Western Electronic Show & Convention, Aug. 24-26 at San Francisco Civic Auditorium.

Topics & Trends of TV Trade: One way to sell more higher priced TV sets—perhaps even more color receivers—is to promote greater use of consumer credit, in opinion of Wm. J. Cheyney, exec. v.p., National Foundation for Consumer Credit, Washington, who tells us he's trying to get TV-radio-appliance manufacturers to join in series of institutional magazine ads stressing that purchases can be made on credit. Also planned by his organization is campaign of TV-radio spots on 200 stations designed "to develop understanding and intelligent use of credit and to awaken the doubting Thomases to the fact that credit is part of our private economy and not a firecracker explosive, a dangerous adjunct to be avoided."

Mr. Cheyney estimates some 65% of current TV-radio-appliance purchases are on credit, but believes number of purchases and percentage of those using credit could be substantially increased by proper promotion. "There are 10,000,000 families in America who refuse to buy any consumer durable goods on credit," he said, "so many of them are simply doing without TV, radio, appliances and other items which have become almost necessities. And they're not poor people, either. Many have incomes between \$7500 and \$10,000 a year."

* * * *

CBS-Columbia within last few months has gotten \$5,000,000 in govt. contracts, its first since acquiring old Air King operation about 3 years ago and, according to pres. Seymour Mintz, intends to become a major factor in govt. business. First items are a new hand-held transceiver for the Army Signal Corps and a new shipboard transmitter for the Navy. These were developed by CBS Laboratories Div., headed by Dr. Peter Goldmark. Handling govt. sales is Robert K. Hartman, ex-Polarad, who served as a contracting officer with the Signal Corps during World War II and the Korean War.

Company's current quarter sales as a whole, according to sales v.p. Harry Schecter, are best in its history, will be 50% better second quarter. While the "CBS" brand on TV sets hasn't taken hold as fast as expected, accent now is on building up a distributor organization, mainly independent but in some cases company-owned. Own branches are now operated in New York, Boston, Philadelphia, Detroit, Dallas. One of dealer inducements is so-called ADD plan (Additional Dealer Discount) whereby 2-6% added discounts are given, according to volume purchased, to provide more liberal trade-in allowances on purchases of new CBS sets (Vol. 11:6). Firm's avowed aim is gain of 5% of the TV market.

* * * *

Lower Canadian TV set prices would be immediate result of removal of 15% excise tax, Canadian RTMA told Finance Ministry last week in formal brief presented by gen. mgr. Stuart D. Brownlee & W. H. Jeffrey, Philco, chairman of Canadian RTMA's govt. acts & regulations committee. With 25 or more manufacturers competing in Canadian TV market, brief noted, these price reductions "will bring TV within reach of hundreds of thousands of Canadians" who cannot now afford it.

Philco increased price by \$10 on its only 17-in. table model, raising mahogany version from \$150 to \$160, blonde \$160 to \$170. It was its second price increase in 2 weeks, four 21-in. table models having been previously raised by \$10 (Vol. 11:6). Added to line this week were a 24-in. grain mahogany console at \$280 & open-face grain mahogany console at \$330, blonde \$340.

Hoffman Electronics raised prices by \$10-20 on several 21-in. models introduced last month, gen. sales mgr. Walter L. Stickel citing need for wider profit margins by factory, distributor & dealer.

A "mint of money" can be made in high-fidelity by the dealer who can merchandise it intelligently, in opinion of Wybo Semmelink, mgr. of radio div., North American Philips Co., N. Y., distributor of Philips of Eindhoven radios & phonographs. Addressing southeastern regional conference of National Assn. of Music Merchants, he advised dealers to forget about high-fidelity components business and concentrate instead on selling established lines of complete high-fidelity phonographs in a variety of qualities and prices. He described typical "hi-fi" fans as "fiends to a great extent" because they are never satisfied with what industry has to offer but are constantly seeking new gimmicks to accentuate tones which are purposely subdued. Such fans, he said, buy almost exclusively from parts jobbers and are little more than headaches for dealers who seek their patronage. Far better, he said, to stock complete high-fidelity phonographs selected with "your ear as a listening post." Even when high-fidelity instruments are on floor, "be prepared for the worst," he cautioned. "In your long career, you have never sold anything that has created such numbers of experts." Wm. Gard, exec. secy. of NAMM, disclosed that Washington law firm of Ford, Bergson, Adams & Borkland has been retained to represent music trades in urging Congress to repeal 10% excise tax on musical instruments.

TV set servicing in Britain is treated in January *Radio & TV News*, in article by John D. Burke, former New York serviceman who has worked on sets in London for 1½ years. He notes ease of servicing sets equipped for one channel and oriented to one station, says vertical polarization minimizes airplane flutter. AM sound and very simple sync circuits also contribute to ease of servicing. On other hand, variety of receiving tubes is so great as to produce headaches. Serviceman rarely goes out on call; whole set is usually brought to shop. Set owner pays a full day's wages of serviceman for job, regardless how small. As for working conditions, Burke likes 9-6 hours, no night work. Though wages are very low by U. S. standards (\$4.20-\$5.60 a day), he writes "one can live quite comfortably" because living expenses are relatively small. Servicemen earn more than bus drivers, railroad engineers, many factory workers.

Muntz TV has earned \$300,000 after taxes since March 1954, when court proceedings began on its petition for re-organization under Chapter X of Bankruptcy Act (Vol. 10:10), said pres. Earl W. Muntz this week in personal report to U. S. District Court in Chicago. He said Chicago plant's "most feasible economic capacity" is about 500 TV sets a day, or 10,000 a month. Muntz currently has about 100 independent exclusive dealers, of whom about 4 handle 50% of company's sales, he said. He said too that company has spent no money for advertising and does not plan to do so through March, although some of its dealers are conducting very extensive advertising campaigns. About 1,115,000 shares of Muntz common are outstanding, of which 400,000 are held by general public, balance distributed among Mr. Muntz (who holds 150,000), investors, co-workers and friends.

New line of German radios is being marketed in U. S. under "Nora" brand name by Heliowatt Werke, Berlin. Maruth Laboratories, N. Y., has been appointed import agent, has in turn created Nora Electronics Inc., 351 Bleecker St., N. Y. (H. Marshall Scolnick, pres.) as exclusive U. S.-Canadian sales agent. First offering of "Nora" radios comprises 3 table models, console combination & chair-side high-fidelity phonograph. Prices were not disclosed.

Special TV set, using only 3 receiving tubes and designed for community TV systems, is described in Feb. *Wireless World* of London by EMI's E. J. Gargini.

Trade Personals: John K. McDonough, ex-Sylvania TV-radio gen. mgr., joins General Instrument Corp. as v.p. of its F. W. Sickles div. and sales director for both parent company & subsidiary; Edward A. Freed continues as gen. sales mgr. . . . Rollie Sherwood, ex-Hallicrafters v.p., has organized Sherwood Sales Inc., manufacturers reps, 230 N. Canal St., Chicago, with branches in N. Y., Cleveland & San Francisco; associated with him are Robert E. Rathford, ex-General Dry Batteries Inc. and R. G. Sidnell . . . W. O. Spink promoted to equipment sales mgr., Sylvania electronic products sales div., N. Y., reporting to gen. sales mgr. D. W. Gunn . . . Leonard Maher named NARDA field secy. in charge of member services, replacing Mrs. Irene Brown, resigned . . . Charles Condikey, ex-DuMont & RCA, named Westinghouse TV-radio district mgr. for upper mid-Atlantic region, Philadelphia; Charles J. Klein, ex-CBS-Columbia & Motorola, named mgr. of lower region, Baltimore . . . Robert Windt, CBS-Columbia director of public relations & sales promotion, takes on additional duties of radio sales mgr. . . . Phil Stone, ex-Philco, resigns as CBS-Columbia regional mgr. in Denver, to enter distribution business in Phoenix . . . George R. Mather and Wm. Holroyd, both ex-Canadian GE, have formed Broadcast & Communications Consultants Ltd., Toronto . . . Wm. Balderston, Philco chairman, re-elected to National Industrial Conference Board . . . Wm. Paton named purchasing agent for all DuMont manufacturing divs. . . . Raoul Frye resigns as engineering v.p., National Co., Malden, Mass.; Eugene F. Grant, ex-W. L. Maxson Corp., N. Y., named engineering director . . . Sam F. Arn, ex-GE & Majestic Radio, named engineering sales mgr., Packard-Bell technical products . . . W. R. Armstrong named sales mgr., photoswitch div., Electronics Corp. of America, Boston; Thomas Weldon named ECA European sales director, headquartering in Frankfurt, Germany . . . Charles R. Lane, ex-Gabriel Electronics, named regional mgr. of Andrew Corp., in charge of new branch office at Westwood, Mass. . . . Arthur C. Davis, founder & chief engineer of Cinema Engineering Div., named managing director of Aerovox's new west coast research lab . . . B. G. H. Rowley, ex-Marconi representative in U. S. & Canada, appointed mgr. of its maritime div., Chelmsford . . . Wm. Dubilier, founder & first v.p. of Cornell-Dubilier, awarded first annual Gano Dunn medal by Cooper Union for outstanding professional achievement by an alumnus . . . Carl G. Steinecke, ex-GE, named purchasing agent, A. S. Backus works mgr., Mycalex Corp.

DISTRIBUTOR NOTES: CBS-Columbia establishes new factory branch, CBS-Columbia of Detroit, replacing Rutherford Distributing Co., whose pres. Wm. C. Rutherford remains as gen. mgr. . . . DuMont: Elliott-Lewis Corp., 16th & Hamilton Sts., Philadelphia (T. H. Lewis Sr., chairman) . . . Bendix Radio: Max Fischman Co., 1141 Penn. Ave., Pittsburgh, & Kilsby Refrigeration Co., 633 Sheridan St., Honolulu (Herbert Stielau, gen. mgr.) . . . Olympic Radio: Master Equipment Co., Washington, Pa. . . . Cunningham Distributing Inc., Albuquerque (Admiral) establishes branch at 2225 Mills St., El Paso (Jack Burnett, mgr.), replacing Irion Co. . . . O'Donnell Distributing Co., Syracuse (Crosley-Bendix) opens branch at 72 N. Union St., Rochester (Ward O'Hara, mgr.) . . . Admiral Distributors Corp., Pittsburgh, appoints Larry L. Malin gen. mgr.; he's ex-gen. mgr. of Admiral Baltimore distributor, Maryland Wholesalers Inc. . . . Midwest-Timmermann Co., Des Moines (DuMont) elects C. J. Herkes sales v.p. . . . Hamburg Bros., Pittsburgh (RCA) appoints Carl Hamburg sales director . . . Harold N. Lieberman Co., Minneapolis (Capehart-Farnsworth) appoints B. F. Mondale sales mgr. . . . Westinghouse Electric Supply Co., Chicago, moves consumer products div. to 6500 W. Cortland St.

Financial & Trade Notes: One of reasons why picture people aren't worrying so much any more about the inroads of TV: Columbia Pictures, for 6 mo. ended last Dec. 25, first half of its current fiscal year, showed net profit of \$2,823,000 (\$3.40 per share) compared with \$1,910,000 (\$2.24) in 26 weeks ended Dec. 26, 1953. And the bible of show business, *Variety*, prints this table Feb. 16 showing uptrends in gross revenues accruing to major film & theatre companies over 5-year span—noting that “the drop in circuit tallies was due to shrinkage in theatre holdings in accordance with divorcement and divestiture court decrees and does not reflect business conditions”:

	1950	1953	1954
Columbia	\$ 57,200,000	\$ 60,300,000	\$ 80,200,000
Loew's	179,300,000	177,600,000	183,100,000
National	67,800,000	63,900,000	64,400,000
Paramount	81,800,000	110,300,000	115,000,000
Stanley-Warner	71,200,000	48,900,000	66,200,000
20th Century-Fox	90,800,000	105,700,000	107,000,000
Universal	55,600,000	70,500,000	77,900,000
Warner Bros.	68,400,000	68,900,000	70,100,000
TOTALS	\$672,100,000	\$716,100,000	\$763,900,000

The 1954 figures, says *Variety*, are estimates in the cases of Paramount and 20th Century-Fox; intentionally omitted was American Broadcasting-Paramount Theatres because the AB-PT merger made comparisons impossible.

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Consolidated Television & Radio Broadcasters Inc., Bitner firm which placed some of its stock on market in Nov. (Vol. 10:48), earned net profit of \$1,253,660 after taxes of \$1,407,500 in fiscal year ended Nov. 30. Newly issued report shows broadcasting and other revenues were \$6,777,194, operating expenses \$2,728,427, selling, administrative & other expenses \$2,671,256. It was first annual report for new company, but same group showed operating revenues of \$6,480,208, net income of \$824,253 in 1953 fiscal year, according to SEC prospectus which also listed revenues & earnings for each year from 1947 (Vol. 10:48). Firm's latest acquisitions are share-time Ch. 11 stations WTCN-TV & WMIN-TV, with WTCN radio, in Minneapolis-St. Paul, which it proposes to combine (Vol. 11:5).

Dividends: Avco, 10¢ payable Feb. 24 to stockholders of record Feb. 7; Tung-Sol, 25¢ March 2 to holders Feb. 15; Zenith, 50¢ March 31 to holders March 10; Canadian Marconi, 6¢ May 2 to holders March 15; Radio Condenser Co., 5¢ March 21 to holders March 1; Philco, 40¢ March 12 to holders March 1; Magnavox, 37½¢ regular quarterly plus 5% stock March 15 to holders Feb. 26; Clevite Corp., 25¢ March 10 to holders Feb. 28; Indiana Steel Products, 100% stock plus 22½¢ on new March 10 to holders Feb. 28; Storer Bestg. Corp., 30¢ on new March 1; Cornell-Dubilier, 30¢ regular plus 20¢ extra March 8; Hazeltine, 35¢ March 15 to holders March 1; American Bosch Arma, 25¢ April 15.

Official Films Inc. pres. Harold L. Hackett, reporting company now has 3000 stockholders, states in Feb. 4 letter to them that both sales and earnings for fiscal year ending next June 30 will be larger than those of preceding year, when sales were \$656,401, net income \$317,172, deficit in earned surplus \$400,062 (Vol. 10:39). Currently, it's distributing *My Hero*, *Secret File U.S.A.*, *Colonel March of Scotland Yard*, *Terry and the Pirates*. Latest properties acquired are *Robin Hood*, *The Scarlet Pimpernel*, *This Is Your Music*, *The Star & the Story*.

P. R. Mallory & Co. earned \$1,071,803 (\$1.20 a share) on sales of \$54,630,091 in calendar 1954, compared to \$2,547,813 (\$3.72) on \$70,874,347 in 1953. For quarter ended Dec. 31, earnings were \$550,755 (76¢) on \$15,167,317 vs. \$390,074 (54¢) on \$15,462,676 in corresponding 1953 period.

Income from TV-radio operations of General Tire & Rubber Co. subsidiaries, principally General Teleradio, totaled \$1,376,855 (\$1.12 a share) last year, reports pres. Wm. O'Neil.



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Television in Great Britain

EXTENSION OF REMARKS OF

HON. CHARLES E. POTTER

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Friday, February 11, 1955

Mr. POTTER. Mr. President, recently Martin Codel, publisher of *Television Digest*, an authoritative news service specializing in the broadcast and electronics field, visited Great Britain and had an opportunity to look over the television and electronics developments in that country.

On his return to the United States, Mr. Codel wrote a number of articles on this subject for his publication. I ask unanimous consent to have printed in the Appendix of the *Record* several articles that appeared in the November 6, 1954, issue of *Television Digest*, which deal with television in England.

There being no objection, the articles were ordered to be printed in the *Record*, as follows:

[From the *Television Digest* of November 6, 1954]

BRITISH TO PROFIT BY UNITED STATES EXAMPLE

Booming Britain is currently enjoying a flourishing TV trade that's virtually certain to be stimulated even further by the introduction of commercial TV as an additional service, scheduled for September 1955.

First competition against British Broadcasting Co.'s one-channel service, more choices of programs, greater opportunities for talent and personnel, probably even an expanded program day from the present 3-10:30 p. m.—all this should, if the American experience means anything, bring about increased set sales and bigger audiences.

More license revenues, at £3 year (\$8.40) for a TV plus radio, might even permit the noncommercial BBC to undertake its own cherished plans for a second service, eventually giving Britons a choice of 3 programs.

It's our conviction, after many talks with many people in all walks of British life during a 5-week, 1,600-mile tour of England, Scotland, and Wales, that the citizenry and the business community preponderantly welcome a fair try for the new ITA (Independent Television Authority) recently authorized to set up TV stations and lease time segments to program contractors who in turn will sell commercials to sponsors.

They want it despite strong opposition by the Labor Party and high churchmen to legislation passed by Winston Churchill's Conservative government. They want it because they dislike monopoly no less than do their American cousins—and, any way you spell it, Government-chartered BBC is a monopoly often accused, fairly or unfairly, of giving the people what it thinks is good for them rather than what they may want. Moreover, the British are an ad-minded people—so much so that—

1. They watch film and slide commercials in theaters, big and little, into which they have paid admission—and they seem to like them. These are hardly different from the kind they will soon see on TV; indeed, piled

on top of one another, they're much more blatant in the theater than are most of our TV spots.

2. They're accustomed to commercial radio from Normandy and Luxembourg, with British advertising dominant. This audience is greater than seems apparent, for the European wavelength interference problem is so great, aggravated by Russia, that much of Britain gets poor AM signals—so much that 9 new FM transmitters have been projected by the BBC in the 88-95-megacycle band. The example of FM in Germany, with 94 stations, is said to apply much more realistically than that of the United States.

3. They've heard a lot about the achievements of competitive American TV; they like such American programs as they occasionally see on BBC; they enjoy American films and dote on our film personalities. Moreover, the Government is so determined upon a free-enterprise policy that it refuses to subsidize another BBC service, though BBC's 3 radio services aren't in any danger of going into private hands.

4. British industrialists and advertising folk, among the smartest in the world, know that commercial TV will be a powerful force for creating wants and moving goods. The director of one of England's biggest ad agencies told us:

"I shudder to think what this powerful advertising force is going to do to our distributive system. Some of our people don't realize it, but they're due for such a huge demand for their goods that neither the production nor distribution system at the outset will be geared for it. Our people have been starved for the good things of life so long, have known austerity so long, that demonstrations of modern products we will give them on TV are going to create vast changes in our economy."

His agency, incidentally, handles the British account of a popular American beverage which has long used TV and radio here with telling effect.

Even the newspapers aren't overtly fighting TV, in fact, seem to place more emphasis on it as a news subject, both as to progress of the industry itself and as to critiques of programs, than ours do. (Daily program listings, of course, take up only about a half-inch of agate type, and there's plenty of TV set advertising.)

And the intellectual aversionists and clergy, who testified in Parliament to their abhorrence of commercialism, seem to be looking forward tolerantly to the second service, now that the die is cast. One reason may be the high caliber of ITA and of the men chosen to run it.

The hope generally shared, though perhaps not by all within BBC, which has a payroll of some 12,000 and an inevitable quota of jealous bureaucrats, is that commercial TV in Britain will profit by the example of America while avoiding our excesses and borrowing from our best; moreover, that it will provide wider sway for the nation's own vast reservoir of entertainment talent and business ability.

It could be that TV can help cement the precious affinity with America that, thanks to common language and kindred heritage, has so long prevailed in literature, in all the arts, in government and in law.

While in Britain recently we talked with scores of people—from topkicks at BBC and ITA to industrialists, advertising folk, jour-

nalists, and man in the pub—and in the 10 days since our return we've compared notes with American confreres who also have had a look at British TV. Our conclusions are much the same:

The average Briton isn't much different from the average American and, once he tastes the sweet fruits of competition, not even the powerful BBC nor the politico-clerical opposition to commercial TV can stop it. That is, of course, unless the ITA, the sponsors and the ad men muffle the ball in the early stages of the game. Our guess is that they're much too shrewd for that.

You read occasionally of British visitors coming over to study our TV structure, and there will be a lot more of them. The big American ad agencies, with London branches, have been quietly swapping visitors and personnel and ideas ever since ITA was authorized, preparing for the advent of commercial TV.

ITA hasn't yet decided much more than that it will have its first stations in London, Birmingham, and Manchester; that there will be more than one program contractor, though whether there will be more than one on each station or more than one splitting time on the whole group is as yet undetermined; that the "magazine concept" will prevail, i. e., the contractors and not the sponsors shall own the programs and determine their order; that there will be no censorship of program content or commercials, but that there must be none of the horrendous "Yankee excesses" (not merely of distasteful advertising but of crime and horror stuff) which they've heard so much about.

Headquarters not unlike the usual temporary quarters for new Washington Government agencies has been set up at 16 Wood's Mews, in London's Mayfair district, with Sir Kenneth Clark as chairman and Sir Robert Fraser as administrative chief.

Sir Kenneth, 51, was in this country for the last few weeks, looking into TV but primarily to receive an honorary degree from Columbia University. The citation will give you some idea of the man: "Cultural counselor of the people; chairman of Great Britain's Art Council; England's custodian of priceless works in years past as keeper of the Department of Fine Arts in Oxford's Ashmolean Museum, as director of the National Gallery, and as surveyor of the King's pictures; Slade professor of fine art at Oxford; adviser to the Victoria and Albert Museum and Covent Garden Opera Trust; gifted scholar of our timeless treasures."

A long hair? Not really, say those who know him; essentially he's a fine administrator, they say, and he struck us as a knowledgeable and open-minded executive still rather puzzled by the strange new task set before him. He's expected to maintain the tone and prestige of the new agency while Sir Robert Brown Fraser, 50, a graduate of Fleet Street newspapers, recently chief of the government's information services, provides the practical know-how. Sir Robert talks like a Madison Avenue agency executive, seems as high strung as a network vice president, acts like he's rarin' to go. His philosophy of advertising, as enunciated before an agency conference in Birmingham last week:

"I can think of no subject about which there is more nonsense talked than advertising. The idea that advertising is inherently degrading has always seemed to be ludicrous. As a point of view for a great nation that lives or dies by selling goods—

or failing to sell them—it crosses the Imbecile and verges on the suicidal. [Advertising] will be an asset, worn as a bright feather in the cap of free TV, not as a soiled choker round the throat."

About his editorial concept of commercial TV, Sir Robert Fraser had this to say last month before the Institute of Practitioners of Advertising:

"Free television should now evolve on principles that will place it beside our free press, our free books, and our free arts as a normal part of the equipment of our free society. For this was, in essence, the great decision—to rest the future of TV, as far as initial physical shortages of transmitting stations permit, on the same foundations as those of a free press; to give freedom to individuals to offer TV programs to the public, as newspapers and entertainment are offered; to give freedom to the public to see the TV programs of their choice."

Backgrounds of the other members of the ITA board would seem also to assure a realistic and at the same time an adequate cultural approach: Sir Charles Colston, manager of Hoover, Ltd. (vacuum cleaners), vice chairman; Miss Margaret Popham, ex-principal of Cheltenham Ladies College; Miss Dilys Powell, movie critic of the Sunday Times; Lord Aberdare of Duffryn, president of Welsh National School of Medicine; Lt. Col. Arthur Chichester, chairman of big Moygashel textile concern; Sir Henry Hinchcliffe, director of Barclays Bank; Dr. T. J. Honeyman, director, Glasgow Art Gallery; G. B. Thorneycroft, director of the British Travel & Holidays Association; Lord Layton, publisher, News Chronicle and London Star.

ITA will run the stations and any day now should announce program contractors, but it will not have studios of its own or put on shows. Sir Kenneth Clark actually expects to run ITA with a staff of not more than 60, except for engineers who actually come under the postoffice department. His budget is £750,000 (about \$2,100,000) and he is expected to put the agency on a self-supporting and even profitable basis with that sum as the pump primer.

Commercial TV could profit the Government more than it realizes right now, for the fact is that many advertisers are itching for a crack at TV. Often cited is one experience of BBC. Though it is ever careful to avoid trade plugs, the name of a toy was inadvertently mentioned in a program; within a few days, it couldn't be had, and the toyshops were clamoring for more stock. Also, recently, BBC carried a tear-jerker about a stray pup; within 48 hours, just about every day pound in the country was emptied.

Ad men told us—and Sir Robert Fraser verified—that there were plenty of seekers after the program contracts. Someone said there were at least 25 applicants, all willing to take the risk in the face of the political dangers inherent in a system eyed askance by the Laborites and requiring that the contractor secure his own program originating equipment—all, that is, save transmitters. He must contract for studios, cameras, crews, programs, talent, etc., always unsure what a new government may decree. The applicants include theater men, newspapers, ad agencies, program builders, et al.

(EDITOR'S NOTE.—Since this article was written, ITA announced selection of the first 3 contractors: (1) Granada Theaters, operating a big chain of movie houses. (2) Broadcast Relay Services, operator of a widespread and vastly successful community antenna service, in association with Associated Newspapers, Ltd., publishing the Daily Mail and other papers. (3) Showman Maurice Winnick, in association with Kemsley Newspapers, Inc., publisher of the Sunday Times, Sunday Graphic, Sunday Chronicle and various other newspapers in England, Scotland, and Wales. They're all extremely well-heeled, but the fact that the newspaper owners are Tories has already provoked criticism that's expected to reverberate in Parliament. Two other major applicants, also strong in program fields, are Associated Broadcasting Development Co., headed by ex-BBC Chief, Norman Collins, and the newly formed Incorporated Television Program Co.,

which includes such stockholders as Alan Towers (Towers of London) and other big names in British entertainment. They await further decisions of ITA, and everybody still awaits details of plans for dividing the hours of the day or days of the week among the program contractors on its stations.)

So many eyes and ears will focus on their offerings, so outspokenly critical as a matter of habit are the British people and their influential press, so far committed is the Labor Party to doing away with commercial TV if and when it returns to power, that the burden is on industry as well as on ITA to do an acceptable job. If they do, we were told, no party in power would dare attempt to do away with commercialism. If they don't, a simple fiat of Parliament could switch the whole structure overnight to BBC.

As a writer in the News of the World of London put it: "The politicians were much more interested than the public in the why and wherefores of commercial TV during the endless debates in both Houses, and the public breathed a sigh of relief when at long last it proved possible to hand the demonaical babe over to the ITA. If the Cabinet now find the infant left on their doorstep overnight, I think we can expect a spot of bother."

Some 3,500,000 TV sets are in use in Britain today, most of them tunable only to 1 station. It's expected the total will be 4 million by end of this year, reach at least 5 million by end of 1955, then zoom to better than the current 1 million a year rate when the second service is under way. How much more, the set makers are reluctant to guess-timate. One told us, "We should have 10 million sets in use by 1960"—covering most of nation's nearly 15 million family units.

The American industry's postfreeze experience—that second stations in a community have invariably zoomed the rate of receiver sales and installations immediately—seemed to interest the British manufacturers greatly. But their native inclination is to move cautiously, to underestimate their market, not to pressure things. There are some who (familiar folk) don't like all this talk about color, mostly emanating from America and played up heavily in the British press, because it might rouse false hopes in the breasts of prospective buyers.

(The British color situation is a story in itself, about which more later. Suffice to state now that the post office department's TV advisory committee, under the chairmanship of Adm. Sir George Daniel, has been conducting closed hearings on the subject, figures a year or more of work ahead of it, can be counted on to take advantage of all of the American experience—without the pressure of politics, such as we had here, to bring color to Britain in a hurry.)

There is a problem, of course, of converting existing sets to receive 2 channels in lieu of one—but plans are afoot to do it at small cost, maybe as low as \$10 or \$15 and the fact that the second service's signals will come from the same towers as BBC's should help simplify the installation jobs. Most sets being sold today are equipped for the second channel, a hot selling point.

Some 30 receiver manufacturers share the 1 million annual output. They sell direct to retail outlets, for the most part. "Hire purchase," or installment selling, has only lately come back on a big scale, having been prohibitively restricted until recently.

Standard size is 14-inch, with trend lately to 17-inch. Only one 21-inch model was shown in the whole National Radio Show in London's Earl's Court in early September. There seems to be no push on to sell size, one manufacturer explaining that the extra cost isn't worth it for homes which mostly have small rooms.

We saw a scattering few TV shows while motor touring the country, but rarely did we find even the best-rated hotels TV equipped, although in a space of 3 weeks we were in a different one nearly every night. They seldom had TV's or radios in their lounges, and they looked at you as though you were crazy if you asked if they might be rented. Very few pubs had TV's either, though radios were commonplace in them.

Looks like the British TV industry is missing an extremely good marketing bet here.

Cost has been the major factor in set sales up to now—still is with most families, though the current high employment and prosperity wave, along with the vast publicity about TV in general and ITA and commercialism in particular, are making more and more people TV-minded. Receiver list prices have been brought down to an average of about \$150 for a 14-inch, \$200 for 17-inch, table models predominating. How can they priced that low in the face of a government exercise of 50 percent? The answer is much simpler for the British than for us, albeit we offer good 21-inch sets at \$200 and under. The girls on the assembly lines earn £5 a week (\$14) and the men at the parts-stamping machines very little more.

Workmanship is the finest. The 14-inch set we rented for our London hotel room gave us a picture (on British 405-line standard) that for clarity and contrast and all-around quality is vastly better than what we generally see in the United States (on 525 lines). Signals came from a multiplex antenna atop one of the tallest hotel structures (10 or 12 stories) in Mayfair. Receiver was a Koister-Brandes; remember the brand names from our old radio days here?

The explanation for the good picture seems to lie also in superb transmission facilities and plenty of power. Great Britain has magnificent engineers, second to none, and some of the best are in the BBC.

The programs you see are something again. By our lights, there's not on enough choice but a lack of pace and regard for timing that seems queer to American observer. The British people press are quite outspoken in criticism, sometimes unfairly so—for the fact is that quality and craftsmanship stand out in everything the BBC-TV people do; their dramatics are finished products, their news films excellent, their "outside" (remote) pickups extremely well done, especially sports.

But the day's program more often than not seems unbalanced, aiming at the few rather than the many. Consider these program listings for two different days, presumably typical, exactly as clipped from the London Times:

"3 p.m., Knights for a Day, British comedy film. 5, children's television. 7:25, weather. 7:30, news. 7:45, public inquiry: The trade unions—too much power, too little responsibility. 8:30, Music for You. 9:30, amateur boxing: London ABA versus Paris. 10:30, news (sound only).

"3 p.m., About the Home. 4, Watch With Mother. 5, children's television. 7:30, news. 7:55, Sportsview. 8:15, Down You Go. 8:45, Shakespeare's Troilus and Cressida. 11:5, news (sound only)."

The home and children's shows weren't particularly exciting, the latter going in for American cowboy films as part of a potpourri intended to interest different juvenile levels. The Shakespearean production, running well over 2 hours, was a repeat of the identical show also carried in prime night time the preceding week. The news films and sports pickups were excellent. The news via sound only at 10:30 (or thereabouts, depending on whether the preceding program ended at that time or a little earlier or later) seemed peculiar, to say the least.

Twice we viewed classical soloists, one a pianist, one an operatic singer—and in each case the camera was focused on the artist without shift for the entire 30 minutes. It was very dull viewing despite the excellence of the talent. One Sunday night we watched the British version of What's My Line?—very popular and as much fun as the CBS-TV show; 2 of its 4 panelists were American, and it offered no prize money.

NOTE.—The 5-6 p. m. Children's Hour is followed by a long gap until the weather at 7:25 and news at 7:30. We asked a top BBC official why. His reply: "So that the mothers may prepare dinner and put the children to bed without any distraction from TV. The children have had it, and if they know the screen is dark they make no fuss about staying up for more."

CBS's "brightest star" is TV, writes Malcolm D. Brown, analyst of R. W. Pressprich & Co., in article in Feb. 14 *Barron's*, which estimates that more than half its revenues now comes from TV, including package programs. Radio accounts only for about one-sixth, it's stated, the balance coming primarily from phonographs, recordings, radio sets & tubes. *Barron's* carries this handy table of CBS financial data for the years 1935-54:

	Net Sales (000,000)	Net Opr. Income (000,000)	Profit Margin	Class A & Class B Earn.	Per Share	
					(a) Div.	(b) Price R'ge
1954	\$280,00E	\$23,70E	8.5% ^E	\$4.85	(a) \$1.90	88½-415½
1953	236.97	21.48	9.1	3.80	1.85	50½-381½
1952	194.11	14.90	7.7	2.75	1.60	40¼-33
1951	129.69	13.42	10.4	2.72	1.60	35¾-25¾
1950	87.97	9.52	10.8	2.39	1.60	40¼-25½
1949	74.98	7.72	10.3	2.44	1.40	29¼-17½
1948	70.07	7.46	10.6	2.94	2.00	32½-20¼
1947	74.26	9.09	12.2	3.45	2.10	32½-21¼
1946	67.12	8.95	13.2	3.37	2.30	47-28
1945	59.41	10.52	17.7	3.11	1.80	50½-31
1940	36.04	7.42	20.6	2.92	2.00	26¾-16
1935	15.40	3.14	20.4	1.65	0.65	—

E (estimated). (a) 2% stock dividend Dec. 20. (b) Price range of Class A stock. Class A and Class B are identical except as to voting power. Each class elects half of the directors. Class A stock may be voted cumulatively.

* * * *

Avco Mfg. Corp., without breaking down data for Crosley Bestg. Co. or Crosley & Bendix home appliance divs., reports earnings of \$3,639,436 (37¢ a share) on sales of \$375,405,820 in fiscal year ended Nov. 30, compared to \$3,427,185 (34¢) on \$428,326,201 in preceding fiscal year. Backlog of defense orders totaled \$200,000,000 Nov. 30.

Gabriel Co. reports 1954 net loss of \$87,391 (including credit of \$27,400 and special charges amounting to \$63,000) on sales of \$18,310,269, compared to 1953 profit of \$14,642 on sales of \$21,976,182.

Sparks-Withington Co. reports for 6 months ended Dec. 31, 1954, net income of \$10,364 (\$2.85 a pd. share) on sales of \$14,140,508, compared to \$18,931 (\$5.20) on \$14,744,515 for same 1953 period.

Carel van Heukelom, of N. Y. office, named v.p. of Television-Electronics Fund.

Mass production of transistors came closer this week with announcement of 2 new developments: GE reported its mechanized production facilities and controlled manufacturing processes were in full operation at Syracuse, simultaneously announced 22-45% price cut on its entire transistor line—bringing new prices of cheapest transistors to less than \$2, most expensive to about \$4 each in quantity lots. Meanwhile, Bell Labs, inventor of transistor, announced development of new transistor production machine, called "Mr. Meticulous," which automatically makes 15 electrical and mechanical tests and production steps in 46 seconds without making a mistake. Humans take at least 5 minutes to do same job. Invented by Dr. R. L. Wallace and Dr. R. P. Riesz, machine is still in lab stage.

Hoffman Electronics Corp., continuing its expansion into non-TV fields, this week announced purchase of Analyzer Corp., Los Angeles manufacturer of analog computers, for undisclosed amount. Purchase agreement includes exclusive license to manufacture and sell Nordsieck integrator developed by U of Illinois' Dr. Arnold Nordsieck, said to make possible the first medium priced machine to be developed and sold commercially. Hoffman has set up computer engineering & production dept., with first production model due within 6 months. Albert S. Cahn, ex-pres. of Analyzer Corp., has been retained as consultant.

RCA scholarship grants of \$800 each have been awarded 26 university students from 21 states, all undergraduates majoring in science & engineering, reports Dr. C. P. Joliffe, RCA v.p. & technical director.

Douglas C. Lynch, exec. v.p., named pres. of Cleveland Corp.'s Brush Electronics Co., Cleveland. He was formerly with Crosley, Willys-Overland & Westinghouse.

Electronics Reports: Effects of atomic bomb blast on various types of electronic equipment will be studied in test at Nevada Proving Grounds tentatively set for mid-April. Some 29 manufacturers of electronic equipment and parts, along with RETMA, will participate. Purpose is to indicate types of post-disaster repair problems facing communications personnel and materiel. Information obtained from test will be made available to industry through RETMA, and to civil defense organizations. Among equipment to be exposed are one complete AM broadcast station, a variety of mobile equipment and associated base stations, radio receivers & special radio equipment, antennas & towers. A typical suburban telephone switchboard is also being installed in area for exposure.

Coordinating industry participation is a RETMA ad hoc committee headed by GE's R. H. Williamson. These manufacturers will participate: Admiral, American Phenolic, Andrew Corp., Antenna Specialists Co., Belden Mfg. Co., Bendix Aviation, Cook Electric Co., Corning Glass, Dale Products Inc., DuKane Corp., Erie Resistor, GE, Hallicrafters, Hughes Aircraft, Hydro-Aire Inc., IDEA Inc., JFD Mfg. Co., Jefferson Electric, Lenz Electric, P. R. Mallory, Motorola, North Electric Mfg. Co., Permoflux Corp., RCA, Remler Co. Ltd., Shure Bros., Simpson Electric, Speer Carbon, Stainless Inc.

* * * *

"The arts, the humanities, and politics" must be studied by scientists and engineers so that they "may discharge with competence their growing responsibilities," stated Dr. Elmer W. Engstrom, RCA exec. v.p. for research & engineering in speech before American Society of Mechanical Engineers in New York this week. "Given the proper exercise of these responsibilities," he said, "there is no apparent limit to the technological progress and consequent prosperity and well-being that lie ahead for all of us." He predicted that major advances in communications would come in 4 areas: solid-state devices, personal communications, efficiency of channel utilization, data handling machines for industry. In personal communications, he ventured that within early portion of next 75 years there would be instantaneous contact between individuals anywhere in the country—"perhaps in the world." He envisioned devices transferring spoken word directly to written form, and machines that could "analyze marketing and sales data, schedule production, order materials, control manufacturing processes, and schedule delivery of finished products."

Sprague Electric Co. wins third straight annual certificate of award for excellence in management by American Institute of Management, N. Y., which surveys thousands of U. S. & Canadian companies each year. Survey covers corporate structure, fairness to stockholders, health of earnings, research & development, directorate analysis, fiscal policies, efficiencies in production.

Morris D. Hooven, Montclair, N. J., engineer with Public Service Electric & Gas Co., Newark, nominated as pres. of American Institute of Electrical Engineers, tantamount to election. He would succeed Alexander C. Monteith, Westinghouse v.p. Julian D. Tebo, Bell Labs, named a director; Walter J. Barrett, Bell Telephone Co., renominated as treas.

Peter L. Stone, ex-Ludlow Mfg. Co., Boston, elected pres. of Allen D. Cardwell Electronics Corp., Plainville, Conn., replacing Ralph H. Soby, resigned; Richard O. Kennedy Jr. named v.p. Cardwell is subsidiary of Chesapeake Industries Inc., Cleveland.

Fourth general membership meeting of manufacturers of commercial & military electronic equipment in RETMA's Electronics Industry Committee will be held in New York March 20, preceding annual IRE convention.

SUBSCRIPTION TV promoters gained a degree of support from educators this week. Joint Committee on Educational TV issued cautiously worded statement, saying in part:

"Should one or more systems of subscription TV be authorized . . . the JCET will be deeply interested in exploring their educational possibilities. Proponents of subscription TV believe that it presents a method whereby TV may be made a more flexible and varied medium of communication, and whereby the viewers' range of choice may be greatly increased. These features are in harmony with educational methods and objectives, and accordingly the JCET will urged that the FCC take them into account in its consideration of subscription TV."

Meanwhile, theatre exhibitors are becoming more and more alarmed, now that FCC has begun official rule-making (Vol. 11:7). Theatre Owners of America board met in Washington this week, considered means of countering moves of toll TV principals. One technique under study is a film exposing "inherent fallacies" of fee TV, to be shown by theatres throughout country.

Though most movie producers are silent on subject, fearing to disturb exhibitors, Paramount Pictures has particularly ticklish job of soothing exhibitors while pushing subscription TV through subsidiary International Telemeter. Strategy of latter is to convince exhibitors they can find a place in the toll TV picture. Paul MacNamara, Telemeter v.p., is telling exhibitors they should aim to acquire local franchises to handle subscription TV.

Shorter campaigns and conventions in 2 different cities—Chicago & San Francisco—spell less revenue and higher costs for networks during 1956 political campaigns. Despite pleas of TV networks that holding nominating conventions in different cities would add about \$1,000,000 to their costs, Republican National Committee this week picked San Francisco's famed Cow Palace for big event starting Aug. 20. Democrats had previously selected Chicago's International Amphitheatre, starting July 23 or Aug. 13. GOP chairman Leonard Hall said he carefully considered requests of networks but other considerations outweighed theirs. In confining business sessions to 2-7 p.m., however, Hall said he was seeking maximum TV coverage in East, where sessions will be seen 5-10 p.m. Networks said it was too early to tell what effect the GOP decision will have on their coverage. It's certain, however, that if Democrats pick Aug. 13 starting date, networks will have to divide much of their equipment between the 2 cities. It's certain, too, that shorter campaign means less expenditures by the politicians for national time.

Sale of CP for KNAC-TV, Ft. Smith, Ark. (Ch. 5), to broadcaster-publisher Donald W. Reynolds (Vol. 10:52) was held up by FCC which informed sellers H. S. Nakdimen, et al, that hearing is indicated. Sale was protested by radio KFPW, Ft. Smith, which levied charges of trafficking in CP, concentration of media ownership by Reynolds, delay in construction. KFPW, which indicated it would apply for the channel if it's made available, has interlocking ownership (John T. Griffin, et al) with KATV, Pine Bluff and KWTW, Oklahoma City.

Among the 3 applications filed this week was another proposed satellite—for Ch. 12, Bismarck, N. D., filed by John Boler, owner of KXJB-TV, Valley City and KCJB-TV, Minot. Other 2 applications: Ch. 4, Reno, Nev., by Robert C. Fish, who has extensive real estate holdings and owns refrigeration business; Ch. 13, Twin Falls, Ida., by KIDO-TV, Boise (60%) & radio KTFI, Twin Falls (40%).

Irene Corbally Kuhn's highly laudatory article on TV's *Pat & Bob* (NBC pres. Pat Weaver & exec. v.p. Bob Sarnoff) in *American Mercury* released as reprint by the network.

Comparison of British, Canadian and American broadcasting systems was given by FCC Comr. John C. Doerfer in speech before San Francisco's Commonwealth Club Feb. 18, and he listed among "the fruits of our free enterprise system:" (1) One TV set in U. S. for each 5 people, one for 10 in Canada, one for 12 in Britain. (2) One radio for 1½ persons in U. S., one for 3½ in Britain. (3) BBC's 1953 net income of \$36,000,000 vs. U. S. broadcasters' \$908,000,000. In addition, he cited Britain's single TV service and 3 radio services vs. our 3200 radio stations and 426 TV stations. Doerfer stated that "substantial progress" in self-regulation is being made in U. S. through NARTB & AAAA codes and that TV-radio have undoubtedly contributed to marked rise in American interest in classical music and books. "There are some people who," he said, "although opposed to govt. operation of a broadcasting system, languish for stricter controls or more censorship. But allow me to remind you that we can just as easily and irretrievably lose some of our cherished freedoms through inadvertence as we can through intentional abandonment. In my opinion, we can gain nothing by compromising these fundamental principles."

Fund for the Republic Inc., headed by Robert M. Hutchins and endowed with \$15,000,000 fund from Ford Foundation, has commissioned three 15-min. pilot films featuring cartoonist Al Capp and is currently distributing to colleges and universities the one-hour film version of Edward R. Murrow's recent *See It Now* interview with Dr. Robert Oppenheimer, the physicist. Fund's TV plans are still undetermined; consultant is ex-W. Va. broadcaster Howard Chernoff. This week, Fund for the Republic announced TV writing contest with total awards of \$29,000, top 2 of \$5000 each for best one-hour drama and best half-hour documentary dealing with civil liberties. Judges are Julian Bryan & Alex Segal, producers; Elmer Davis & Eric Sevareid, commentators; Jacob Javits, N. Y. Attorney General; Prof. Allan Nevins, Columbia U; Charles P. Taft.

FCC's investigation of sabotage at KPIX, San Francisco (Vol. 10:51-52) has resulted in suspension of licenses of 3 operators on duty at transmitter when equipment was damaged: Roald W. Didriksen, Carlton R. Schwarz, Anthony Severdia. Commission will issue decision later regarding operators at studio. FCC also suspended licenses of 2 operators who were on duty at radio KEAR, San Mateo, Cal., when it went off air Oct. 5. They are Howard A. Chamberlin & Fred P. Muller. All 5 operators have 15 days in which to request hearing.

St. Louis' sole uhf survivor out of 3 starters, WTVI (Ch. 54), in applying to FCC for old KSTM-TV Ch. 36 assignment, reports net loss of \$163,000 for calendar year 1954. It listed total assets of \$661,701, of which \$545,732 are fixed; liabilities embrace deficit of \$521,943 at end of year, largest fixed item being about \$165,000 owed to GE-Graybar. Conditional on FCC approval of channel switch, WTVI has purchased transmitter & antenna, leased tower of old KSTM-TV.

TV's help to mentally ill has been proved to satisfaction of Dr. Rupert A. Chittick, supt. of Vermont State Hospital, Waterbury, Vt. GE reports hospital bought 12 sets, with funds supplied by voluntary contributors, after patients showed marked interest and pleasure watching last World Series on receiver supplied by an attendant. Dr. Chittick plans to equip each of hospital's 36 wards with a TV set.

Eight regional instead of usual 17 district NARTB meetings are proposed for this year as means of reducing burden on broadcasters—and NARTB has named Campbell Arnoux, WTAR-TV, Norfolk, and E. K. Hartenbower, KCMO-TV, Kansas City, as co-chairmen of planning committee.

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SUMMARY-INDEX OF THE WEEK'S NEWS—February 26, 1955

SILENCE ON SUBSCRIPTION TV among networks and stations is temporary, but most are opposed or skeptical, as comments with FCC will show (p. 1).

McCONNAUGHEY DUE FOR CONGRESS OK, backs "selective de-intermixture" rule-making, amid strong signs Congress has taken policy reins from FCC (pp. 2 & 9).

FCC MULTIPLE OWNERSHIP CEILING scuttled by U. S. Court of Appeals in Storer case, ruling unanimously that numerical limits are illegal (p. 3).

UHF's IN BUFFALO & FAIRMONT GIVE UP—bringing "casualties" to 39 to date—as GE sparks plan to help "underprivileged" stations (p. 4).

WRVA FAVORED OVER WRNL for Richmond Ch. 12, as examiner cites past programming record; Broadcast Bureau asks reversal of Miami initial decision (p. 5).

LAMB CASE BUILDS TO CLIMAX as attorney files for end of hearings, McConnaughey pledges probe of procedure, Justice Dept. probes 2 FCC witnesses (p. 6).

GOVT. KEEPS ALOOF FROM DISCOUNT FIGHT, Federal Trade Commission ruling it lacks authority to help enforcement of state fair trade prices (p. 11).

6 NEW STARTERS DUE IN MARCH, 10 having gone on air thus far this year; Baton Rouge, Shreveport, Bluefield, W. Va. outlets plan spring-summer start (p. 10).

RCA RECORD 1954 VOLUME, \$940,000,000, included 24% govt. business and most TV set sales in its history; NBC up substantially, especially TV (p. 13).

CBS DESIGNATES PITTSBURGH MANAGER, anticipating approval of Steubenville shift; begins operation of its first owned uhf WXIX in Milwaukee (p. 6).

SATELLITE RULE-MAKING draws many comments, though deadline is moved to April 1; most respondents favor low power but fear big-city encroachment (p. 10).

SENATE TV INVESTIGATORS looking for special counsel; other TV-radio inquiries mark time pending organization, appropriations, etc. (p. 14).

TELECASTERS QUIET ON FEE TV—FOR NOW: The silent people in the subscription TV picture are operators of networks & stations -- but their silence by no means signifies indifference. Far from it, as their official comments will indicate, when filed by the May 9 deadline set by the FCC (Vol. 11:7).

Though telecasters have had little to say on subject in last few months, it may be assumed, with considerable confidence, that bulk of them are not only firmly opposed to social implications of pay-as-you-look but also harbor grave doubts as to its economic practicability. The most outspoken skepticism voiced by an industry leader was that expressed some 2 years ago by RCA-NBC chairman David Sarnoff, in keynote address at 1953 NARTB convention in Los Angeles. He said, in part:

"I sincerely believe that 'pay-as-you-see' TV on a national basis, or anything comparable to free TV as we know it today, will prove to be a snare and a delusion. I have no faith personally in the practicability of the establishment of that kind of service on a national basis.

"From a technical standpoint, however, I do not question the practicability of scrambling waves at the transmitter and unscrambling them at the receiver...That is no great trick...In our laboratories, we have been experimenting for some years with the different methods [and] we have developed a number of such systems without having made up our minds as to which is the best technically.

"My doubts [are] based on other aspects -- social, political, economic and artistic...First of all, it would be negation of the philosophy on which American radio broadcasting has been established -- freedom to listen, and in TV, freedom to look. It has become a part of the American heritage, and I do not think it likely to be disturbed. Furthermore, I have been unable to conceive how, in a national service of 'pay-as-you-see' TV, the competitive element so important to private enterprise can be preserved and at the same time avoid government regulation of rates and government control of operations."

CBS has never taken a public stand on the matter, to best of our knowledge.

Only statement on it, as well as we can remember, was pres. Frank Stanton's remark some years ago that subject should be explored -- that he was neither pro nor con at that time. AB-PT chairman Leonard H. Goldenson and ABC pres. Robert Kintner are on record, in testimony during ABC-United Paramount merger hearing before FCC, that they feel subscription TV is economically impractical.

Strongest stand taken by an individual telecaster is that of Henry Slavick, mgr. of WMCT, Memphis, who was a member of an NARTB committee on subscription TV. He blasted pay-TV proponents in article in May 1954 issue of Television Age Magazine, hasn't changed his mind since. He insists that subscription TV promoters "aren't honest with the public, advertisers or stations"; that they'd "run program costs up to 10 times what they are today"; that public bought its sets in expectation of not paying for programs; that allocation of most desirable channels is predicated on a free system; that there's serious danger of monopoly, etc.

A few desperate uhf operators and hopeful uhf CP-holders once petitioned FCC to commercialize fee TV. Presumably, some will come forth again, embracing any new technique which may promise revenues.

* * * *

Bitterness of telecasters toward one fee TV proponent, Zenith pres. E.F. McDonald, has diminished somewhat -- largely because he has abandoned his argument that advertising can never support TV. He now says free TV and fee TV can live in happy "peaceful coexistence." This change in attitude and improvement in relations may be attributed in no small part to fact that new Zenith counsel in Washington, Pierson & Ball, have many blue-chip telecasters as clients, know the temper of the industry well, and are themselves confirmed believers in the advertising concept.

Similar advice presumably came from ex-FCC chairman Wayne Coy, engaged by Zenith as consultant on pay TV after he left Commission; Coy now owns 50% (Time Inc. 50%) of KOB-TV & KOB, Albuquerque, N.M. Zenith's wide-ranging public speaker for Phonevision idea, Dr. Millard Faught, also now takes friendlier line toward commercial telecasting, and Zenith (now ranking among top 5 in TV set sales) has become one of 4 co-sponsors of "Omnibus" on CBS-TV, its first network use of the medium.

Opinions of telecasters will carry greatest weight of all, when it comes to final showdown at FCC. Commission knows them well, having dealt with them officially and personally all these years. Furthermore, telecasters are much more likely to be neutral than are fee-TV proponents, who have everything to gain and nothing to lose, or movie exhibitors, who feel they have everything to lose, nothing to gain.

Struggle will be ignored by no one, meanwhile, as more and more media of general circulation become intrigued. This week, for example, Newsweek Magazine made it subject of cover-headlined feature which leans somewhat toward fee TV and Zenith. By and large, articles in popular press seem to favor pay-as-you-look concept.

CONGRESS CALLING TUNE ON FCC POLICY: Hearing on confirmation of George McConnaughey as FCC chairman this week was latest in chain of events indicating that far more FCC policy is going to be decided on Capitol Hill this year than ever before.

Initiative in controversial policy matters -- particularly TV -- appears to have passed from Commission to the investigating Senate Commerce Committee. Pertinent case in point is McConnaughey's statement to Committee that he favours rule-making on de-intermixture of vhf & uhf channels in selected markets -- a sharp reversal of his own previous votes and those of Commission majority.

It's good bet that Commission majority, too, will go along on de-intermixture rule-making, on market-by-market basis -- as result of Capitol Hill pressures, not the least of which is Sen. Magnuson's request for an FCC report (due next week) on questions raised by the Plotkin Memorandum (Vol. 11:6-8).

These factors have set the stage for stronger-than-ever Congressional supervision of FCC: (1) A Democratic-controlled Congress desiring to keep sharp eye on a Republican administrative board. (2) Heavy pressure on Senators and Congressmen with regard to the uhf situation -- aggravated by 39 mortalities to date (see p. 4) -- and the fact that full-dress TV investigation is under way. (3) President Eisenhower's indecision last year about naming new Commission chairman, which stymied FCC on pol-

icy matters. McConnaughey's 4½-month tenure as chairman without Senate confirmation served to extend FCC's period of sterility on some critical decisions.

Having managed to avoid controversy during his 4½ months on the hook, Comr. McConnaughey gave definite impression at this week's hearing that he is looking to Congress for guidance. Outside of that, he gave no clear-cut indication of what kind of leadership he will provide, what course FCC will pursue under him.

His approval by committee -- probably next week -- and confirmation by Senate seem virtually certain. Though questioning by Democrats at all-day session Feb. 23 was sometimes sharp and his answers didn't always seem to satisfy them, they showed no inclination to fight against confirmation as they did during last fall's special session when Sen. Bricker (R-O.), then Committee chairman, forced early hearings for his "life-long friend" (Vol. 10:46-47).

* * * *

Brief summary of McConnaughey's views on important subjects, as expressed to the committee: Uhf problem -- endorsed rule-making on selective de-intermixture and Congressional removal of excise tax on all-channel receivers, hailed 1000-kw uhf stations as encouraging factor. Newspaper ownership -- felt newspaper ties shouldn't be held against a TV applicant unless there is undue concentration of media control. Educational TV -- urged "patience," opposed an investigation or any action aimed at opening reserved channels to commercial interests.

He plumped for reforms in FCC procedures, including modification of "protest" section of Communications Act, elimination of regulation which "insulates" commissioners in their dealings with certain staff members, development of uniform rules covering hearing procedures. He predicted FCC would turn out more final decisions on TV applications by July 1 than it did all last year, eliminate backlog in year.

Lamb case provoked hottest questioning, by Sens. Magnuson, Monroney (D-Okla.) and Kefauver (D-Tenn.), latter not on Committee but attending session to ask questions. McConnaughey said it would be improper to discuss issues in pending case, but in response to questions said he would make study of methods of obtaining witnesses, charges of coercion etc. after case is concluded.

For summary of McConnaughey hearing, see p. 9; for account of Senators' and McConnaughey's views on Lamb case procedures, see p. 6.

COURT NULLIFIES FCC OWNERSHIP LIMITS: The ceiling is off multiple ownership -- unless Supreme Court or Congress rules otherwise. In an unequivocal and unanimous decision this week, U.S. Court of Appeals for District of Columbia ruled in favor of Storer Bestg. Co., telling FCC that it has no authority to specify the number of TV, AM or FM stations any single entity can own. Rather, court said, each application must be considered on its own merits. Decision was rendered by Judges Wilbur K. Miller, E. Barrett Prettyman and David L. Bazelon.

Commission hasn't said whether it will appeal to Supreme Court, but it's free to do so -- and it could conceivably win reversal of lower court. It's conceivable, too, that Congress will decide to fix numerical limits -- which it has power to do. For the present, however, this week's decision completely wipes out FCC's limits of 7 TV, 7 AM and 7 FM stations (or fractions thereof) under common ownership. The sky is now the limit -- theoretically.

As a practical matter, however, it's expected that multiple owners will move very cautiously at first. With current investigations of TV-radio "monopoly" going on in Congress, any bold move to acquire additional prosperous vhf stations, on the part of those who have 5, is likely to precipitate Congressional moves to fix numerical limits by law. As it is, there will undoubtedly be demands that Congress put a ceiling on multiple ownership. There's a suggestion in Plotkin Memorandum, for example, that 3 TV stations might be reasonable limit (Vol. 11:6).

Court still leaves discretion on ownership entirely up to FCC. What court does say, however, is that Commission can't summarily dismiss an application simply because it's filed by a licensee already owning a certain number of stations. Such applications must be given a hearing, court stated. Here's court's view:

"It is conceivable that in some circumstances, common ownership of even 5 TV

stations, though permitted by the challenged rule, might be undue concentration of control; while in other circumstances, common ownership of a greater number might be compatible with the public interest. But whether so or not must be determined on an ad hoc basis, after consideration of all factors relevant in the determination of whether the grant of a license would be within the comprehensive concept of which the Act calls 'the public interest, convenience, or necessity.'

What it comes down to, then, is philosophy of majority of FCC at any particular time. Present Commission is something of a paradox. On the one hand, it has demonstrated time and again that it has no prejudice to "bigness" as such. On the other hand, it surprised everyone not too long ago by ruling that a 1% interest in a station should be counted as full ownership -- something that not even a New Deal Commission did. It's expected that the first to take advantage of this week's decision will be organizations like Westinghouse, which has been hampered in acquiring 5 TV stations because of one director's 2.8% interest in KTRK-TV, Houston.

If precedent means anything, it should be recalled that FCC had no numerical ceiling on AM ownership until just last year -- yet only one entity, CBS, ever got more than 7 AMs, and then only a minority interest in an 8th. Its efforts to go further were turned down by the Commission. Very few others ever sought to acquire even the full unofficial limit of 7.

Storer is only organization owning full TV complement permitted under the now-nullified rules permitting 5 vhf & 2 uhf. (For list of all groups owning more than one TV station, see Multiple Ownerships, TV Factbook No. 20, p. 61.)

The appeal had been brought by Storer after Commission dismissed its application for Miami's Ch. 10 on Nov. 25, 1953, on grounds Storer already had 5 stations. Storer challenged multiple ownership rules, didn't appeal dismissal of application. Since that time, a 4-applicant hearing has been conducted for Ch. 10, now awaits the examiner's initial decision. In its decision this week, court said that even though Storer didn't appeal denial of the application, Commission will "probably" grant Storer a hearing on the application on its own motion. However, it's doubted that Storer's application could be thrown into the now-concluded Ch. 10 hearing.

Storer pres. George B. Storer, pleased with decision, said: "Our position was that every applicant for a TV station has a right to be heard and should be judged on the merits of his ability and willingness to serve rather than on the basis of how many stations he may operate."

Interesting sidelight of case is that Storer, before he took the appeal, had opinions from 2 law firms that effort would be fruitless. Handling case for Storer were Albert R. Connelly and George B. Turner, of Cravath, Swain & Moore; Thomas H. Wall, Fred W. Albertson and Clair L. Stout, of Dow, Lohnes & Albertson; and John McCoy, counsel for Storer Bestg. Co.

Predictions now are just as diverse as before appeal was made. Competent lawyers insist FCC will appeal and Supreme Court will reverse lower court. Equally experienced attorneys vow that FCC won't appeal, or if it does, Supreme Court won't accept the case -- letting this week's decision stand.

2 MORE UHF GIVE UP, HELP PLAN PROBED: Hard hit by intermixture, unable to operate profitably without adequate network service, WBUF-TV, Buffalo (Ch. 17) and WJPB-TV, Fairmont, W. Va. (Ch. 35) have given up and signed off -- leaving only 112 uhf on the air (as against 313 vhf) and bringing roster of those which have quit to 39 to date (for complete list, see TV Factbook No. 20, p. 18, plus story in Vol. 11:6).

The Buffalo station has been operating since Aug. 1953, quit Feb. 23 after suffering losses of \$451,000 -- the losses running up to \$30,000 per month lately. Gen. mgr. Sherwin Grossman is still hopeful of getting Ch. 8 into city (Vol. 10:45) but has disbanded staff. Station is city's second uhf to go dark, WBES-TV (Ch. 59) having left air in Dec. 1953 after only 3½ months of operation.

WJPB-TV pres. Donn D. Baer, purchaser of 75% ownership last Nov. from J. Patrick Beacom, who claimed he founded station on record low capital outlay of \$118,000 (Vol. 10:12), told FCC: "A combination of factors has made it possible for vhf stations in Pittsburgh, Wheeling and Steubenville to beam serviceable signals into our

coverage area...We desire to hold our CP until such time as the Commission will take action on reallocation of a vhf channel to Fairmont or offer some sort of concession to uhf stations..." WJPB-TV was to sign off Feb. 28.

The demise of so many uhf outlets, some of whose owners have carried their troubles to Senators and Congressmen, especially in instances where they lost network affiliations to newcomer vhf stations or audience to vhf power increases, has already intensified interest in their behalf on Capitol Hill. There, FCC chairman George McConnaughey told Senate committee this week he favors rule-making on de-intermixture in selected markets (see pp. 2 & 9).

Disposition to "help uhf" -- especially inasmuch as its technical proficiency is conceded and particularly in view of its high power potential, illustrated by the recent 1-megawatt installations in Wilkes-Barre -- is manifest within the industry, too. There was report this week that GE is considering some kind of "bold measure" on behalf not only of uhf but of other "underprivileged" TV operations.

Inquiry at GE developed that project has nothing to do with easing equipment payments, encouraging more stations to hike powers, or the like; rather, it's considering a plan, as yet nebulous, to pool the buying & selling powers of such stations so as to effect economies for them, their suppliers and their advertisers. Something along lines of a "farmers' cooperative" is contemplated, it was revealed.

Said William J. Morlock, gen. mgr. of GE commercial equipment dept.: "Our analysis of many stations seems to indicate that a revision of management principles, availability of program material and better selling capabilities would do more to assist them than anything else." But he would divulge no more, except to say that an independent private corporation is being considered, operated by "responsible people not connected with GE."

SUPERIOR RECORD in radio was prime reason for examiner H. Gifford Irion's choice this week of Richmond TV Corp. (WRVA and Thalimer theatres) over Richmond Newspapers (WRNL) for Ch. 12. On the "diversification" theme, Irion said there was "approximate parity" between the broadcasting-theatre group and the broadcasting-newspaper interests.

Toting up past programming score, Irion stated: "While WRNL has shown evidence of a number of creditable programs, this quality of initiative has been by no means as pronounced as at WRVA. The conclusion must be made, therefore, that the past programming at WRVA betokens more promise for meritorious programming in the future than does that of its rival."

In Miami's Ch. 7 case, however, FCC's Broadcast Bureau believes diversification absolutely controlling. In sharply worded exception to examiner James Cunningham's initial decision, Bureau urged flat reversal of grant proposed by Cunningham to combination of Cox-Knight newspaper-radio interests headed by ex-NBC pres. Niles Trammell. Bureau stated that Cox-Knight radio history is not so outstanding as to outweigh fact that its 3 opponents have no media interests at all, and it concluded that Cunningham "failed to give proper weight to the overwhelming evidence in this record tending to show that an award to [Cox-Knight-Trammell] will seriously restrict the principle of diversification of the control of mass media in the Miami area and, further, that such an award would have a tendency generally to lessen competition in the broadcast field."

WKNB-TV, New Britain, Conn. (Ch. 30) and purchaser NBC (Vol. 11:2) struck back at WNHC-TV, New Haven, this week, charging that latter's protest of sale was made in "bad faith" and that its objective "is to perpetuate its present vhf monopoly; frustrate development of competition; and delay the expansion and development of uhf in the Connecticut Valley region." Joining their defense, grantee WELI-TV, New Haven (Ch. 59) told Commission it would be encouraged to build if NBC takes

over WKNB-TV and promotes uhf conversions in the area. It also reported, incidentally, that it believes it can build a uhf transmitter out of 2 FM transmitters on hand.

Running fight between WTRI and WROW-TV, Albany, continued in oral argument this week. WTRI counsel Paul Porter told commissioners that sale of WROW-TV to Lowell Thomas group was a "dark of the moon, back of the barn arrangement" and that hearing is mandatory. WROW-TV counsel countered that CBS doesn't control Thomas; that CBS is not Thomas' major source of revenue; that "I do not think that you want to put people who have been performers in the class with aliens." He had no objections to a hearing, and Commission said it would order one.

There was one unusual action this week, in which Commission reopened record and sent back to hearing the initial decision which favored WVMI over WLOX, for Ch. 13 in Biloxi, Miss. (Vol. 10:28). FCC decided that examiner Harold L. Schilz, who has since left Commission, erred in excluding pertinent testimony. It ordered further hearing and a new initial decision.

Another action, quite infrequent nowadays, was that of setting a new comparative hearing--contest for Ch. 3, Mayaguez, P. R., to start April 25 among owners of WKAQ-TV and WAPA-TV, San Juan, and WJMR-TV, New Orleans.

Two allocations changes were sought: (1) KHOL-TV, Kearney, Neb. (Ch. 13), asked assignment of Ch. 6 to Hayes Center, Kan. so that it can apply for satellite there. (2) KBID-TV, Fresno, Cal. (Ch. 53), now off air, sought lower channel, either Ch. 18 or Ch. 30. It asked that Fresno's educational Ch. 18 be declared commercial or that Ch. 53 and Ch. 30 be swapped between Fresno and Madera.

Power increases: WDEL-TV, Wilmington, Del. (Ch. 12) Feb. 20 to 316-kw; WKOW-TV, Madison, Wis. (Ch. 27) Feb. 18 to 162-kw.

NBC-TV affiliates will hold 1955 "convention" in New York's Waldorf-Astoria, April 21-22.

STORMY CASE of Edward O. Lamb built up to climax this week, with these developments, both inside and outside the hearing room:

(1) Lamb attorney Russell M. Brown demanded that FCC end its hearing and grant the Ohio broadcaster renewal of his WICU, Erie. Examiner Herbert Sharfman recessed hearings indefinitely and gave Brown until March 1 to file petition to end 44-day proceedings.

(2) FCC Chairman McConnaughey, answering battery of questions on Lamb case at Senate hearing this week (see p. 2), said he does not believe former FCC attorney Walter R. Powell "coerced" witnesses into testifying against Lamb, but he intends to "make a study" of procedures used in the case after decision is rendered. Three Democratic Senators criticized FCC handling of case.

(3) Attorney General Brownell announced Federal grand jury will begin investigation of turnabout witness Mrs. Marie Natvig Feb. 28, and Justice Dept. asked FCC for transcript of testimony of another flip-flop witness, Lowell Watson.

(4) President Eisenhower has discussed testimony in Lamb case with members of his staff, he told Feb. 23 news conference, but he added he would have to take a much closer look before making any comment.

Examiner Sharfman indicated at this week's hearing that he would disregard the conflicting testimony given by Watson during his 2 appearances on the stand. He previously said he will give no weight to any of Mrs. Natvig's testimony. Charging that Broadcast Bureau's case against Lamb was "complete and thorough failure," Russell M. Brown announced he will file motion for immediate renewal of Lamb's license. If Sharfman turns it down, he said, he will appeal to the commissioners. FCC counsel Joseph Kittner then announced that Broadcast Bureau may want to call Lamb to stand as part of its direct case. This touched off a shouted exchange between Kittner and Brown. Latter said Lamb had been "begging" to talk to FCC for a long time, but Commission did not accord him the "courtesy of a reply" when Lamb had offered to answer any questions on the charges long before hearings began.

Kittner protested that Brown was making an "irresponsible attack on the Commission"—to which Brown shouted: "I'll show you how irresponsible it was when you get up before Congress."

The case did come before Congress this week at Mc-

Connaughey hearings, with feelings running high among Democratic Senators—particularly Sen. Kefauver (D-Tenn.), who though not a member of committee, was permitted to ask questions of McConnaughey.

At outset of Senate hearing, McConnaughey explained that he is not permitted under the law to have contact with hearing examiners or Broadcast Bureau personnel on any pending hearing cases, and therefore he knew nothing about case except what he read in the newspapers. He said it would be improper to discuss issues in case, but Senators fired questions at him about "procedure."

In answer to questions, he said: (1) He didn't know Powell, didn't write a letter of recommendation for him when he left Broadcast Bureau to join NARTB. (2) He doesn't know how FCC gets witnesses, but intends to find out. (3) If anybody has done anything wrong in connection with the case, "he will be severely punished."

Sens. Magnuson and Kefauver both tried to pump McConnaughey as to the reasons for Powell's resignation, but got nowhere. "If these stories [about the Lamb case] are true, it could happen to anyone," said Magnuson. Sen. Monroney said he felt that renewal procedures should give great weight to licensee's "affirmative" side—record of service to the community, etc.—"as opposed to the Natvigs."

Hottest questioning came when Monroney and Kefauver quizzed McConnaughey about letter sent FCC July 19 expressing unanimous request of Committee that Lamb be sent "bill of particulars" and list of witnesses scheduled to appear against him. McConnaughey pointed out that he was not at FCC at that time, that this was first time he had heard of letter, but added: "I certainly think that counsel should receive the bill of particulars. . . . I think any lawyer is entitled to a list of witnesses and charges."

Kefauver continually questioned McConnaughey about Commission's change in allegations against Lamb—"charging him with being a Communist, then dropping the charge without apology or explanation." McConnaughey replied: "I think that is an extremely serious thing to do and I personally would not sanction such procedure."

This exchange led to sharp clash between Kefauver and Bricker, who said it was "unfair to ask the witness about cases that are pending." Kefauver replied, "I resent that statement," Bricker snapped back: "Go ahead and resent it."

PITTSBURGH, ranked 8th among market areas by U. S. Census Bureau, and Milwaukee, ranking 16th, are next expansions on the CBS-TV drawing board. This week, v.p. Merle S. Jones, in charge of CBS-owned stations, designated Frank F. Samuels Jr., mgr. of Pacific Coast Network Sales and ex-ABC western div. v.p., as gen. mgr. of projected new Pittsburgh area station pending FCC action on purchase of WSTV-TV, Steubenville, O. (Ch. 9). This week end, CBS-TV was due to put into operation its own first uhf station, WXIX, Milwaukee (Ch. 19), managed by Edmund C. Bunker, ex-sales mgr. of its KNXT, Hollywood.

Samuels' duties begin immediately in connection with planning the station, and this week he and Mr. Jones were in the Steubenville-Pittsburgh area to begin surveys preparatory to operation. WSTV-TV was purchased last Oct. for \$3,000,000 from the Berkman-Laux interests (Vol. 10:47), subject to approval of move of transmitter to point near Pittsburgh and main studio to Florence, Pa. Protests remain to be resolved (Vol. 10:49-52) before FCC acts on transfer application.

In Milwaukee, all is in readiness for FCC-approved new WXIX to assume the Ch. 19 formerly occupied by WOKY-TV, which CBS purchased from Bartell family

for \$335,000, at same time acquiring physical facilities of Lou Poller's WCAN-TV (Ch. 25) for \$650,000 (Vol. 10:47). CBS engineering v.p. Wm. B. Lodge, addressing 150 Milwaukee distributors-dealers last week, revealed network has spent \$1,500,000 in preliminary development, regards Milwaukee as "the nation's most promising uhf market since it is the largest city in the country in which the majority of homes has uhf conversion already."

WXIX is using former WCAN-TV studios and the WCAN-TV tower atop the Schroeder Hotel, starts Feb. 27 with 50-kw but by March 13 will go to 245-kw. WCAN-TV signs off day WXIX starts, though Poller retains the CP for Ch. 25 and owns old WOKY-TV studios. When Poller operated his WCAN-TV as a CBS outlet, it was highly profitable (Vol. 11:5), but it's regarded doubtful whether he will revive it as an independent and he has also sold his radio WCAN there (Vol. 11:5).

Milwaukee station is first of 2 uhf of own planned by CBS, second not yet revealed. NBC's first uhf of own will be on Mt. Higby in Connecticut (Vol. 11:2), network having purchased WKNB-TV, New Britain-Hartford (Ch. 30); this purchase still awaits FCC approval, faces opposition of NBC's vhf affiliate in area, WNHC-TV, New Haven (Ch. 8).

Personal Notes: Ted Cott resigns as operating v.p. of NBC radio network, week after William H. Fineshriber Jr. resigned as v.p. in charge of radio network (Vol. 11:8) . . . Thomas K. Fisher, member of N. Y. law firm of Donovan, Leisure, Newton & Irvine and onetime asst. U. S. attorney for southern district of N. Y., named asst. gen. attorney of CBS Inc. under attorney Julius F. Brauner . . . John H. Reber, NBC national TV sales mgr., named TV spot sales director; H. W. Shepard, new business & promotion mgr., named director of radio spot sales—both reporting to spot sales v.p. Thomas B. McFadden . . . Fred Shawn resigns as NBC-TV director of program production . . . Robert A. Kintner, ABC pres., chief speaker at Easton (Pa.) chamber of commerce dinner March 2 . . . Sylvester L. (Pat) Weaver, NBC pres., Arno Johnson, v.p. of J. Walter Thompson Co., and David Ogilvy, pres. of Ogilvy, Benson & Mather, among 9 candidates for *Tide Magazine's* "Marketing Man of the Year" . . . Ben C. Fisher, son of firm's founder and 1952 Harvard Law School graduate, this week became partner in Fisher, Wayland, Duvall & Southmayd; his father, Ben S. Fisher, pioneer Washington radio attorney, died last year . . . Edward F. Kenehan rejoins FCC staff, in office of general counsel; he resigned in 1948 to join firm of Welch, Mott & Morgan, left latter to join RCA legal staff in 1951; Mrs. Ann A. Mooney is now on 6-8 months leave of absence from office of general counsel . . . Leo Howard, from KGTW, Des Moines, named gen. mgr. of WEAU-TV, Eau Claire, succeeding Harry Hyett, resigned . . . Leslie C. Johnson, v.p. & gen. mgr. of WHBF-TV & WHBF, Rock Island, Ill., crowned "King" of area's 17th annual Mardi Gras . . . Bob Reed, ex-WSFA-TV & WCOV-TV, Montgomery, Ala., named production director of upcoming WBRZ, Baton Rouge (Ch. 2) due in April . . . Montez Tjaden, promotion mgr. of KWTW & KOMA, Oklahoma City, named "Outstanding Woman in Oklahoma Advertising" at Gamma Alpha Chi Founder's Day banquet . . . Wm. Straiton, from AM affiliate, named program director, CHEX-TV, Peterborough, Ont. (Ch. 2), due in March; Doug Manning promoted to commercial mgr. . . . Paul White, pres. of Paul White Productions & ex-pres. of Procter Syndications, retained as adviser to RCA Victor custom record dept. in developing 5-year expansion plan for TV film syndication branch of RCA Recorded Program Services . . . Robert Hess, CBS-TV White House cameraman, promoted to new post of mgr. of motion picture photography, newsfilm production dept. . . . John K. Rooke named editor of CBC-TV features editor, handling *CBC Newsmagazine* and replacing Harry Rasky, resigned . . . Mort Dank promoted to news editor of CBS-TV's *Morning Show* (Mon.-thru-Fri. 7-9 a.m.).

Andrew G. Haley, the Washington radio attorney whose hobby is rockets and who was 1954 pres. of American Rocket Society, is author of "Outpost in the Sky" in Feb. 20 *American Weekly* in which he urges colonizing a nearby asteroid. During World War II, he was pres. of Aerojet Engineering Corp.; currently he's writing book titled *All the World's Rockets* to be published next autumn.

Sports Broadcasting Assn. elects these 1955 officers: pres., Don Dunphy, succeeding Dean Miller, United Press Radio; 1st v.p., Jim McKay, CBS-TV; 2nd v.p., Les Keiter, WINS, N. Y.; secy., Frank Litsku, UP Radio; treas., Len Dillon, WFAS, White Plains, N. Y.

George F. Goodyear, ex-patent attorney and investment broker who is pres. of WGR-TV, Buffalo, revealed on CBS-TV's *I've Got a Secret* show Feb. 23 that he has read entire *Encyclopaedia Britannica*, said it took him 22 years.

Charles C. Kolster, New York regional mgr. of FCC engineering & Monitoring Bureau, retires after more than 40 years of govt. service, having started in 1913 as radio inspector in Commerce Dept.'s Bureau of Navigation.

Telecasting Notes: "Nobody has made an offer yet that really interests us." Thus Paramount Pictures v.p. Paul Raibourn, when asked to verify published reports that some 2000 Paramount short subjects are about to be sold for TV, including *Popeye* cartoons, *Grantland Rice Sportlights* and comedy shorts with Jack Benny, Robert Benchley, Eddie Cantor, Burns & Allen, et al. According to *Billboard*, which in the past has accurately forecast the release of movies to TV, the Paramount price tag is reported to be \$4,000,000 . . . By inference, of course, Raibourn's reply to our inquiry would indicate that the Paramount short subjects can be had—at a price. But it's also a fact that, having been written off long ago, they probably would have to be sold as a package rather than piecemeal in order that the big movie firm can cash in on them via capital gain. Right now, the movie industry is doing so nicely (see Financial & Trade Notes, Vol. 11:8) that there's no disposition to rent them out to TV or to enter into any profit-sharing deals covering their TV uses . . . If Paramount does sell its short subjects—and it would seem that it's bound to do so eventually—it would follow the recent example of Warner Bros., which has just sold 191 cartoons to Guild Films via the William Morris Agency (Vol. 11:8) and of Columbia Pictures and Universal. *Billboard* also predicts MGM will "spring open its vaults for TV via the Morris office" and observes: "With Paramount making a move now and other firms still to be heard from, there is no way of telling now whether the dam will burst entirely"—referring, of course, to pressures for release of backlogs of feature films . . . 20th Century-Fox's Sid Rogell told *Variety* in Hollywood this week that it's going into TV production in big way and "with full knowledge of its vast potential"; Western Ave. lot's 7 movie sound stages are being converted into 15 for TV, and study is being made of TV possibilities of such properties as *The Jones Family*, *Mr. Moto*, *Charlie Chan*, *My Friend Flicka*, *Mr. Belvedere*. Michel Kraike, ex-Screen Gems, named asst. to Rogell, in charge of TV . . . Ziv TV by April 1 will be completely located in newly acquired Hollywood studios, old National Studios, now being remodeled . . . Decca Records and sponsor Dow Chemical Co. have made tie-in, whereby recording of Victor Young's *Theme from the Medic* will be heavily promoted on TV, in displays, etc. and sent to disc jockeys with samples of *Saran Wrap* . . . Klaus Landsberg's KTLA, Los Angeles, will go it alone in covering 1956 GOP convention in San Francisco, handling own coverage via own lines rather than joining network pool.

Feature movies' hold on TV audience is reflected in Advertest Research's Jan. test of TV viewing habits, which shows 88% of N. Y. area TV families view such movies, 7 out of 10 saying they like TV movies as well as or better than other types of TV programs. Primary objections were too many old and too many poor movies and "too many commercials [always at] crucial moment." Types of preferences: 12 noon-5 p.m., westerns and musicals; 5-7 p.m., mysteries & musicals; 7-11 p.m., drama & mystery; after 11 p.m., drama & mystery.

Walt Disney has edited his 3 *Davy Crockett* TV films, each of which ran about 50 min., and will release them in June as a theatrical feature titled *Davy Crockett, King of the Wild Frontier*, running about 90 min. Though it's estimated 40,000,000 people have seen the films on ABC-TV *Disneyland*, 10% of the 8000 fan letters received were said to have asked when they might be seen in a theatre.

Reginald Clough, *Tide Magazine* publisher, joins *Reader's Digest* exec. staff March 14 in charge of information & sales development for advertising.

Paul Archinard, NBC correspondent, elected pres. of Anglo-American Press Assn., Paris.

Station Accounts: Farm programs on TV, though still in test stage, are proving profitable for the comparatively few national sponsors pioneering the field, reports *Tide Magazine* in 3-article series (Jan. 29, Feb. 12 & 26). It says 45% of stations now carry some sort of program aimed at farm audience, which usually are 2 types: (1) market reports, weather, other day-to-day news farmer needs to run his business; (2) features designed to increase efficiency, such as interviews with county agent, films on modern methods, etc. Most popular times are noon, early morning, early evening . . . Most sponsors are local feed mills, implement dealers, insurance agents—but experiences of 3 national sponsors are cited to prove it's worth cost: Murphy Products Co., Burlington, Wis. (livestock concentrates); Ralston Purina Co., St. Louis; Staley Milling Co., Kansas City . . . These stations are credited with "strong" farm programming: KFEQ-TV, St. Joseph, Mo.; WFBM-TV, Indianapolis; WMCT, Memphis; WHAS-TV, Louisville; WOW-TV, Omaha; KPRC-TV, Houston; KOIN-TV, Portland, Ore.; KATV, Pine Bluff-Little Rock; KLZ-TV, Denver; WHO-TV, Des Moines . . . DuMont-owned WABD & WTTG this week started carrying film of President's press conferences with before-&-after announcements that it was being shown under auspices of DuMont TV receiver sales div. on behalf of franchised dealers; they plan to continue practice weekly, White House press secy. having raised no objection to such "house ads" . . . Shulton Co. (Old Spice toiletries), buying first program after 2 years in spots, places MPTV's *Paris Precinct* in 35 major markets starting in March, thru Wesley Assoc., N. Y. . . Amoco switches Washington Redskins' football games from WMAL-TV to WTOP-TV as origination point for 15-station hookup this fall, thru Joseph Katz Adv., Baltimore . . . Though hard liquor is banned by the code, TV "saturation campaign" is announced for Jose Cuervo Tequila, popular brand of the Mexican drink, distributed in U. S. by Young's Market Co.,

Los Angeles. Agency is Tullis Adv., L. A. . . . Among other advertisers currently reported using or preparing to use TV: Towne Talk Co., Los Angeles (Pride toppings), thru Arthur Meyerhoff & Co., Beverly Hills; T. T. Keane Co., Washington (Mrs. Keane's beefsteaks), thru Courtland D. Ferguson, Washington; Harmless Sleepwell Products, N. Y. (Sleepwell capsules), thru Friend-Krieger & Rader, N. Y.; Omar Inc., Omaha (bakery goods), thru Bozell & Jacobs, Omaha; Brazilian International Airlines, Miami, thru Roland-Bowdee & Flint Adv., Miami Beach; Emaline Knitted Sportswear Co., N. Y. (ladies' sportswear), thru Dunay Co., N. Y.; Screen Gems Inc., N. Y. (commercial & industrial films), thru Joseph Katz Co., N. Y.; American Dietetics Co., Yonkers, N. Y. (Frenchette salad dressings), thru Harry B. Cohen Adv., N. Y.; Latter & Sons, Oakland, Cal. (Morehouse mustard & Morstang mustard), thru Bernard B. Schnitzer, San Francisco; Foster-Milburn Co., Buffalo (Doan's Pills), thru Street & Finney, N. Y.; Drug Research Corp., N. Y. (Sustamin 2-12 for pain), thru Dowd, Redfield & Johnstone, N. Y.; F. Schumacher & Co., N. Y. (Waverly Bonded fabrics), thru Lawrence Kane, N. Y.; Ball Bros. Co., Muncie, Ind., Consumer Products Div. (Bonnie Jonnie toilet bowl cleaner), thru Applegate Adv. Agency, Muncie, Ind.

Rate increases: WGR-TV, Buffalo, adds new 8-10 p.m. daily Class AA hour at \$950, min. at \$170, Class A hour remaining \$800; WCIA, Champaign, Ill. adds new 7:30-10 p.m. daily Class AA hour at \$550, 20-sec. at \$115, raising Class A hour from \$450 to \$500; WTRF-TV, Wheeling, W. Va., raises base hour from \$400 to \$450, min. \$80 to \$90; KFVS-TV, Cape Girardeau, Mo., from \$250 to \$300 & \$50 to \$60; WAGA-TV, Atlanta, Ga. raises Class A min. from \$135 to \$150.

Rate decrease: WEWS, Cleveland, which lost CBS affiliation, cuts base hour from \$1200 to \$950, 20 sec. from \$600 to \$300.

Network Accounts: NBC-TV's widely publicized women's show *Home* (Mon.-thru-Fri. 11 a.m.-noon) marks first anniversary March 1 with more than \$8,000,000 in gross billings during first year. By contrast, Dave Garroway's *Today* (Mon.-thru-Fri. 7-9 a.m.) grossed \$1,800,000 its first year. Roy Porteus, sales mgr. of NBC participating programs, said *Home* is running well ahead of its sales quota for 1955. Mort Werner, director of participating programs, said more originations from various cities are in prospect for 1955, along with special emphasis on homebuilding & remodeling . . . New Disney program, *Mickey Mouse Club*, debuts on ABC-TV Oct. 3, Mon.-thru-Fri. 5-6 p.m., having already signed as partic. sponsors Colgate, Borden's, General Mills & Campbell Soup; cartoon show 5 days a week is also being sought for fall by NBC-TV, which has started negotiations with several companies for pilot films . . . Brillo to sponsor *Star Tonight* on ABC-TV Thu. 9-9:30 p.m., thru J. Walter Thompson . . . Procter & Gamble seeking new program to introduce variety of new products on NBC-TV Sun. 10-10:30 p.m. this fall, thru Benton & Bowles . . . ABC-TV takes over *Johns Hopkins Science Review*, dropped recently by DuMont, as sustainer starting March 12, Sat. 7-7:30 p.m., though format will be changed to stress opportunities in science for youngsters.

CBS-TV's "Extended Market Plan" for extension of network programs to small-market affiliates at minimum cost (Vol. 10:49) got 2 more sponsors this week, bringing total of advertisers using all or part of plan to 28. Camels ordered all 15 stations added for *I've Got a Secret* (Wed. 9:30-10 p.m.) & *Topper* (Fri. 8:30-9 p.m.), thru Wm. Esty Co. General Foods (Instant Maxwell House Coffee) added all 15 for *December Bride* (Mon. 9:30-10 p.m.) thru Benton & Bowles. "EMP" stations: KBST-TV, Big Spring, Tex.; WMSL-TV, Decatur, Ala.; KGVO-TV, Missoula, Mont.; KVEC-TV, San Luis Obispo, Cal.; KFXJ-TV, Grand Junction, Colo.; WINK-TV, Ft. Myers, Fla.; KLIX-TV, Twin Falls, Ida.; WFAM-TV, Lafayette, Ind.; KVOS-TV, Bellingham, Wash.; WDXI-TV, Jackson, Tenn.; WBOC-TV, Salisbury, Md.; KLAS-TV, Las Vegas, Nev.; WKNY-TV, Kingston, N. Y.; KTAG-TV, Lake Charles, La.; WCBI-TV, Columbus, Miss.

NBC-TV's program service arrangement, whereby some big network shows are fed to optional affiliates as a circulation booster even though they are not ordered by sponsors (Vol. 10:49), picked up 2 more programs this week—*Caesar's Hour* starting March 14 and *George Gobel Show* starting March 19. Under this plan, *Howdy Doody* is currently fed to 65 optional affiliates, *Home* to 42, *Today* to 28, *Imogene Coca Show* to 25.

New reps: KFEL-TV, Denver to Hoag-Blair (from Blair TV); WTVO, Rockford, Ill. to Headley-Reed (from Weed); KFVS-TV, Cape Girardeau, Mo., to Headley-Reed. New rep offices: Free & Peters March 5 moves to 250 Park Ave., occupying entire 18th floor.

Curtis Circulation Co.'s new *TV Program Week*, launched as competitor of *TV Guide*, suspended publication this week after 8 weekly issues.

Canadian Broadcasting Corp. on April 1 raises Class A network rates of CPFL-TV, London, Ont., from \$300 to \$370; CKCO-TV, Kitchener, Ont., \$300 to \$360; CFCM-TV, Quebec City, \$200 to \$230.

G. M. Basford Co. absorbs industrial adv. div. of Sterling Adv., Sterling's Paul B. Slawter Jr. joining Basford March 1 as v.p. Sterling will concentrate on consumer accounts.

HIGHLIGHTS of hearing before Senate Commerce Committee on nomination of chairman George C. McConnaughey to FCC (see story, p. 2):

Uhf problems: Outlining steps to help uhf, McConnaughey stated: "As the Plotkin report indicated, I think it would be wise—thinking for myself now, not the Commission—for the Commission to consider rule-making, on a selective basis possibly, on de-intermixture. It is not easy, because there are many problems involved with reference to the public who already have hundreds of thousands of vhf receivers." He urged prompt removal of excise tax from all-channel sets, saw development of 1-megawatt transmitting plants as hopeful sign. He agreed with Sen. Pastore (D-R. I.), chairman of communications subcommittee, that FCC to date has not taken "positive action" to help uhf.

Chairman Magnuson (D-Wash.) urged Commission to take action immediately—"in this controversy in the markets between uhf & vhf frequencies." Even while his committee is conducting the investigation, he said, "you might take some places where the matter can be solved first, then take the more complicated ones later." McConnaughey replied: "I hope so, too . . . and I assure you the Commission has given that serious study."

Newspaper ownership: Under questioning by Sen. Daniel (D-Tex.), McConnaughey said newspaper ownership should not disqualify a TV applicant, but on the contrary, all other things being equal, "I think he ought to have a little bit in his favor because of experience and background." Questioned later by Sen. Kefauver (D-Tenn.), he said he didn't mean to say he would prefer the newspaper-owned applicant, but in some cases newspaper ownership "could be a favorable factor with reference to experience," although each case had to be judged on its individual merits. "Where it is the sole newspaper and they have the other methods of communication [too], that is a different situation," he added.

Monopoly: Kefauver hammered at "monopoly" issue, particularly "purchases of independent stations by groups." McConnaughey said he hadn't studied situation, but felt "no alarm," would make study of it as "already suggested by the committee."

License renewals: Much of hearing was devoted to

AT&T's promised lower-cost off-air microwave TV service for stations off the beaten track (Vol. 10:51) is ready to be offered, phone company informed FCC this week. As for costs, AT&T Long Lines operations director Ralph L. Helmreich said preliminary estimates indicate that "the charges in cases involving distances of 100 to 125 miles . . . probably will average about half of those which would apply for direct connections to the network. In individual cases, the differences may vary substantially from this average—tending to be larger for shorter distances." Exact charges won't be known until a customer comes to AT&T and latter files tariff with Commission. AT&T action is victory for small-town operators who insisted they didn't need AT&T's best facilities and that they could build and operate their own far more cheaply. Another prospect for easing network costs cropped up this week with disclosure that Western Union officials are seeking to interest telecasters in microwave service claimed to be less expensive than that of AT&T. FCC turned down similar effort of WU several years ago, on grounds its plans were too vague and uncertain. One source said WU's current proposal is "revolutionary." During Senate hearing on confirmation of FCC Chairman McConnaughey this week (see above), union official Joseph P. Selly, pres. of American Communications Assn. (Ind.), urged that WU be encouraged to compete with AT&T in TV network service.

questioning about procedures in Lamb case, Sens. Magnuson, Monroney (D-Okla.) and Kefauver asking the questions (see story, p. 6). "The whole question of [renewal] procedure should be reviewed in the near future," said McConnaughey. Magnuson then asked whether it would be advisable to issue TV-radio licenses for an indefinite period, remaining in effect until FCC gives notice to licensee. McConnaughey said he didn't know enough about it to give an answer.

Military frequencies: Reiterating his desire to investigate "the freezing of part of the TV band by the military," Magnuson asked McConnaughey whether military has "too much frequencies tied up." McConnaughey replied he didn't know, but that FCC's relations with military authorities had always been good.

Station financial reports: Magnuson questioned nominee about former investigation counsel Robert F. Jones' request for FCC to turn over individual station and network financial data (Vol. 10:52). At that time, FCC attorneys ruled this would violate Federal law. Magnuson quoted decision by Senate legislative counsel that it is "unlikely" that any FCC employe would be prosecuted for giving such data to committee. McConnaughey said he wants opinion from Justice Dept. before he does anything about it.

Past affiliations: Considerable questioning centered on McConnaughey's past activities as attorney for Ohio Bell Telephone Co. (AT&T) and Cincinnati & Suburban Telephone Co. (30% owned by AT&T). He said he felt his personal qualifications provided assurance he would act in public interest. Chicago attorney Harry R. Booth, representing Utility Users League, appeared in opposition to nomination on grounds McConnaughey has been "involved as an advocate upon the identical question on which he will now be required to pass for the FCC."

Sen. Bender (R-O.) made statement on behalf of McConnaughey, whose praise was also put in the record by committee members Bricker (R-O.) and Schoeppel (R-Kan.). Pres. Joseph P. Selly of American Communications Assn. (Ind.) also appeared to urge committee to probe McConnaughey's attitudes on "monopoly trends" in TV-radio, telegraph and international communications industries.

Another telecaster selling AM adjunct in order "to devote its full attention" to TV is Darrold A. Cannan, owner of KFDX-TV, Wichita Falls, Tex. (Ch. 3), who filed for transfer of KFDX (10-kw day, 1-kw night, 990 kc, ABC) to Grayson Enterprises for \$100,000. Purchasers are Sid Grayson (50%), v.p.-mgr. of KMID-TV, Midland, Tex.; Nat Levine, investments (25%); Meyer Raban, auto dealer (25%).

Merger of off-air WNAM-TV, Neenah, Wis. (Ch. 42) and grantee WFRV-TV, Green Bay, Wis. (Ch. 5), whereby former gets control of latter, was approved by FCC this week (Vol. 10:49, 11:2). WNAM's S. N. Pickard family will have control; largest interest retained by WFRV-TV stockholders will be 10.9% each held by George Nau Burrige & Clayton Ewing.

WINK-TV, Ft. Myers, Fla. (Ch. 11) & WINK are now wholly owned by Arthur B. and Edward J. McBride (50% each), parent company United Garage & Service Corp. having acquired, for undisclosed sum, the 50% held by Daniel Sherby estate. United Garage has home office in Cleveland where it operates Yellow Cab Co.

Approval of \$45,000 sale of WRRR, Rockford, Ill. (1-kw, 1330 kc), was sought in application filed this week by Boyd Phillips. Purchaser is Wisconsin radio group headed by Wm. E. Walker of WMBV-TV, Marinette-Green Bay, Wis. (Ch. 11).

SATELLITE PROPOSAL, in which FCC contemplates stations with powers as low as 100 watts and no minimum height (Vol. 10:51), drew quite a few comments on Feb. 25 deadline—though Commission, at last minute, extended deadline to April 1 at request of RETMA.

Most comments were from small operators—and most of them endorsed lower power while warning that big-city stations shouldn't be permitted to smother or preclude independent small-town stations through use of satellites.

Frank C. McIntyre, of KLIX-TV, Twin Falls, Ida., due on air next month, stated: "There is inherent danger that a nationwide system of local or area TV stations could never be established should satellite stations be authorized indiscriminately." He saw 2 circumstances wherein satellites should be permitted: (1) When city within normal range of a station is blocked by geographical barriers, provided city doesn't already have a station or CP. (2) When economics of a city preclude a local station, provided city doesn't already get adequate service.

E. B. Craney, operator of KXLF-TV, Butte, Mont., suggested that 4 kinds of satellites and boosters be authorized—tailored to each area's needs. They range from low-power station doing local originations to unattended on-channel booster serving logging camps, etc.

Louis Wasmer, KREM-TV, Spokane, Wash., said he didn't oppose power reductions, provided other rules remain substantially same. "The satellite," he said, "even though it is locally owned, should be required to produce locally originated programs. Otherwise, the smaller communities will have no outlets for local self-expression. Even though it did nothing but rebroadcast the programs of its parent, the operation of a satellite would block the construction on that channel of a station which would offer local programs."

Archer S. Taylor, of Montana U physics dept., endorsing low power, calculated that 9 stations using 100 watts and 100 ft. antennas could reach 217,000 people for half cost of reaching 258,000 in those cities with stations employing 1 kw and 300 ft.

WILK-TV, Wilkes-Barre, Pa., stated that it endorsed FCC's objectives, but asked for safeguards against "monopolistic practices." It suggested that signal level from distant stations determine whether a town should have satellite—as opposed to using a 50-mi. rule of thumb.

KFXJ-TV, Grand Junction, Colo., said it "believes that satellite low-power stations should be permitted in communities not presently receiving acceptable service and so low in population that it is not reasonably expected that they could support a station." It suggests 25,000 population limitation and location based on available service, not on distance from existing stations.

Radio WABR, Winter Park, Fla., said satellites shouldn't be authorized until local AMs and others have had "fair opportunity" to enter TV.

Sole large operator responding was Crosley, which stated: "Use of satellite or booster TV stations should be made upon a case-by-case and area-by-area basis in order to achieve the plan for this service."

Dage TV Div., Thompson Products, was only manufacturer submitting comment. It stated that questions of low power and of satellite operation are separate; that low power should be authorized immediately; that actual satellite approval should be deferred until small communities have reasonable time to establish low-powered stations programmed on regular basis; that minimum hours of operation should be waived. It estimated that low-power station capable of telecasting film and network would run \$34,904; for film, network and one live camera, \$45,865; for film, network and 2 cameras, \$51,382. These exclude tower, transmitter building and studio, which, Dage said, would be negligible for many AM stations.

TEN NEW STATIONS have started operating thus far this year—and March should bring these 6 more: KFOR, Portland, Ore. (Ch. 12); KBET-TV, Sacramento, Cal. (Ch. 10); WTVT, Tampa, Fla. (Ch. 13); KLIX-TV, Twin Falls, Ida. (Ch. 11); KWTX-TV, Waco, Tex. (Ch. 10); KFDM-TV, Beaumont, Tex. (Ch. 6). Also due in March is another in Canada—CHEX-TV, Peterborough, Ont. (Ch. 12). [For details about Jan.-Feb. starters, see Vol. 11:3-7.]

As number of starters declines, so do orders for new-station equipment. Only such order reported by GE this week was from Texas State Network's upcoming KFJZ-TV, Ft. Worth (Ch. 11), due on air this summer, for 5-kw driver, 20-kw amplifier, 12-bay antenna, 2 studio cameras, portable 2-camera chain, 2 vidicon film cameras, 2 projectors. To existing stations, GE this week shipped 5-kw transmitter to WSJS-TV, Winston-Salem (Ch. 12); 5-bay helical antenna to CBS's new WXIX, Milwaukee (Ch. 19); 3-bay antenna to KGBT-TV, Harlingen, Tex. (Ch. 4).

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In our continuing survey of upcoming stations, these are the latest reports received:

WBRZ, Baton Rouge, La. (Ch. 2), has April 1 test pattern target, plans NBC & ABC programming before April 15, reports gen. mgr. Roy Dabadie. It has 10-kw RCA transmitter wired & ready for dummy load; 750-ft. Ideco tower is about 25% built and 12-bay RCA antenna is scheduled for installation by March 20. It's owned by Manship family, publisher of *Baton Rouge Advocate* and *Star Times*. City's other outlet, WAFB-TV (Ch. 28), began in April 1953. Base rate will be \$250. Rep will be Hollingbery.

KTBS-TV, Shreveport, La. (Ch. 3), granted Feb. 16, plans to be on air by Aug. 1, reports pres.-gen. mgr. E. Newton Wray. It asked for equipment bids this week, plans 1151-ft. tower. It will be second local outlet, KSLA (Ch. 12) having begun in Dec. 1953. Patrick J. White will be promoted from radio to TV station mgr.; C. H. Maddox to chief engineer; Marie Gifford, national sales mgr. Rep not yet chosen.

WHIS-TV, Bluefield, W. Va. (Ch. 6), has changed target to May, reports mgr. P. T. Flanagan for grantee *Bluefield Daily Telegraph*. RCA equipment is on order and 100-ft. Ideco tower is due to arrive in 2 weeks. Rep not chosen.

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Grant of new Ch. 12 station in Jonquiere, Que. to Radio Saguenay Limitee (Henry LePage, pres.), operator of radio CKRS there, was recommended by CBC this week. Town is about 20 mi. west of Chicoutimi at headwaters of Saguenay River. CBC also recommended request of CJON-TV, St. John's, Newfoundland, to change from Ch. 2 to Ch. 4 and increase power to 21-kw ERP.



Feb. 28 week network color schedules: CBS-TV—March 2, *Best of Broadway*, "The Guardsman," with Claudette Colbert, Franchot Tone, Reginald Gardiner & Mary Boland, 10-11 p.m.; March 6, *Jack Benny Show*, 7:30-8 p.m. NBC-TV—March 2, *Norby*, 7-7:30 p.m. Starting April 6, *Norby* will be changed to live program in black-&-white for several weeks, to be reconverted to film after changes in format have been agreed upon. Eighteen of the films, sponsored by Eastman Kodak, have been made, and 13 will have been shown by end of March. Cost of each is estimated at \$45,000.

DuMont reports color scanner shipment this week to WDSU-TV, New Orleans, and receipt of order for March 20 delivery to WAGA-TV, Atlanta. RCA shipped 3-V color camera Feb. 22 to WNHC-TV, New Haven.

Britain's 4,000,000th TV set was licensed early in Dec., according to figures released by Postoffice Dept.

GOVT. KEEPS ALOOF FROM DISCOUNT FIGHT: The significance of Federal Trade Commission ruling this week that it has no authority to help states enforce fair trade laws is simply this: There won't be any action by FTC either to assist or curtail the activities of discount houses in TV-radio-appliances or any other commodity. Under fair trade laws, which are on books in 42 states, manufacturers and retailers can set minimum prices for designated merchandise sold within those states.

This FTC hands-off policy with respect to discount house competition means dealers can cut prices below list without fear of Federal intervention. In fact, FTC declared retailers can cut prices "with impunity" to meet discount houses if a manufacturer is lax in enforcing price-fixing contracts under state fair trade laws. Fair trading in appliances is quite extensive, comparatively limited in TV-radio.

Govt. ruling came in letter to unidentified retail jewelers assn., which had requested investigation of fair trade enforcement practices in its industry. But FTC said its ruling was a statement of policy on all discount house relationships.

Various means of "self-help" are available to retailers in competing with the discount houses, said FTC. Besides ignoring prices fixed by a manufacturer who does not enforce his state fair trade contracts against all retailers alike, FTC advised dealers to go into state courts to get injunction preventing discount houses from selling specific items at less than fair trade prices. In such cases, said FTC, the retailer would have to prove only that the discount house operator knew what the fair trade prices were and that he wilfully disregarded them.

The jewelry group said it was under "moral compulsion" not to engage in price wars with discount houses. To which FTC replied: "It cannot seriously be suggested that price competition is morally reprehensible. A retailer forced to cut prices to compete [with discount houses] could do so with impunity."

NARDA's reaction was that FTC decision "imposes a serious blow to fair trade because of the almost impossible task of uniform enforcement." Managing director A.W. Bernsohn doubted, however, that any widespread "price war" would result.

* * * *

A new Congressional investigation of franchise agreements in major appliances and electrical housewares, including a study of where discount houses fit in picture, will be undertaken in near future by a House Small Business subcommittee headed by Rep. Roosevelt (D-Cal.). He said it was not planned to cover TV sets unless specific complaints are received, but a committee spokesman said it was hard to see how any such study could fail to cover TV, so intertwined are TVs and appliances. He also added that Philco's franchise agreements, on which a Dept. of Justice anti-trust complaint has been filed (Vol. 10:51), may also come under study of subcommittee.

[Note: Philco's answer to that complaint is due to be filed in U.S. District Court in Philadelphia on or before March 2.]

Roosevelt explained scope of his probe at press conference: "We have plans for our program to include inquiry into the distribution of electric equipment and appliances. We want to know whether a freer and better distributive system can be evolved which will not only aid the small businessman and the consumer but will also impose no burden or hardship upon the manufacturer. We believe that in many cases the manufacturer will actually find it in his own self-interest to work with the committee to see that the fullest possible play is given to free enterprise.

"We shall be interested particularly in the deleterious effects and results flowing from terms and conditions imposed on purchasers, lessees & franchise holders by big suppliers. Also, we shall expose the facts regarding the practice and effects of price discriminations in the areas I have mentioned."

TV production totaled 176,030 week ended Feb. 18, compared to 171,434 units in preceding week and 171,624 in week ended Feb. 4. It was 7th week of year, brought output to 1,175,000 for year to date as against 730,000 in same period of 1954.

Radio output totaled 271,942 (151,136 auto), compared to 261,827 preceding week and 264,693 week before. It brought 7-week total to 1,800,000, compared to 1,700,000 in corresponding period year ago.

Topics & Trends of TV Trade: Shipments of TVs to dealers in 1954 totaled 7,161,362, compared to production of 7,346,715, according to RETMA state-by-state report released this week. They compared with 6,704,193 shipped in 1953, when production was 7,215,827. New York led, with 653,852; California second, 517,935; Pennsylvania third, 465,785. Dec. shipments were 1,014,227, compared to 774,379 in Nov. and 660,515 in Dec. 1953. Here's state-by-state report for full year (county-by-county tables available to members from RETMA on request):

State	Total	State	Total
Alabama	108,829	New Hampshire	34,876
Arizona	34,985	New Jersey	202,155
Arkansas	92,192	New Mexico	24,487
California	517,935	New York	653,852
Colorado	59,352	North Carolina	176,317
Connecticut	95,560	North Dakota	34,658
Delaware	15,960	Ohio	356,009
District of Columbia	47,895	Oklahoma	102,161
Florida	216,286	Oregon	84,913
Georgia	160,606	Pennsylvania	465,785
Idaho	41,679	Rhode Island	24,356
Illinois	439,127	South Carolina	99,891
Indiana	216,884	South Dakota	24,409
Iowa	157,285	Tennessee	152,683
Kansas	119,186	Texas	379,646
Kentucky	94,038	Utah	27,850
Louisiana	146,149	Vermont	26,324
Maine	92,954	Virginia	122,330
Maryland	85,703	Washington	126,418
Massachusetts	190,475	West Virginia	80,735
Michigan	295,771	Wisconsin	191,612
Minnesota	145,082	Wyoming	8,088
Mississippi	59,239	U. S. TOTAL	7,147,953
Missouri	204,599	Alaska	3,166
Montana	26,588	Hawaii	10,243
Nebraska	75,443		
Nevada	8,596		
		GRAND TOTAL	7,161,362

DISTRIBUTOR NOTES: Emerson creates new factory branch, Emerson Radio of Buffalo Inc., headed by Emerson Radio of Ohio pres. Murray Gennis, replacing M&N Distributing Co.; Emerson Radio of Florida Inc. expands territory to include all of state, taking over Jacksonville-Orlando distribution from Peaslee-Gaulbert Co. . . . Admiral Chicago factory branch appoints Ray Peters TV sales mgr., succeeding Wm. Oppenheim, now mgr. of Baltimore branch; Admiral Pittsburgh names Irwin Schutzer, ex-Keps Electric Co., as sales mgr. . . . Arnold Wholesale Corp., Cleveland (Zenith) elects L. L. Gustafson pres., succeeding late Robert C. Hager . . . Westinghouse Electric Supply Co., San Francisco, names Martin B. Sauer western regional mgr. for consumer products, succeeding Louis G. Berger, now in charge of apparatus & supply div.; J. R. Achilles transferred from Dallas as consumer products sales mgr. . . . Arvin: Paige E. Mulholland Co., Ft. Smith, Ark. & Tulsa, replacing Wholesale Supply Co., Little Rock . . . Apollo Distributing Co., Newark (Crosley-Bendix) creates separate electronics div. for Crosley TV receiver merchandising, under v.p.-gen. mgr. Bernard Walsh . . . CBS-Columbia N. Y. factory branch names Jerome Rosner, ex-Motorola, as comptroller.

Allied Electric Products Inc., Irvington, N. J., on behalf of subsidiary Sal-Mar Laboratories Inc., this week filed civil anti-trust action against RCA in Federal district court in Newark. It asks for triple damages of \$2,250,000, alleging illegal pooling of patents and "onerous and illicit exactions, fees and royalties." Counsel are Arnold, Fortas & Porter, Washington, and Robert F. Colquhoun, Newark. Plaintiff also asks the Federal court to halt RCA suit for \$175,000 back royalties filed last Nov. in Hudson County Superior Court.

Trade Personals: Don G. Mitchell, Sylvania chairman since 1953, also resumes presidency vacated by recent death of H. Ward Zimmer; Frank J. Healy, Sylvania v.p.-operations, lighting div., elected a director . . . Robert C. Sprague, chairman, Sprague Electric, appointed director of Boston Federal Reserve Bank, term ending Dec. 31, 1957 . . . Kenneth C. Prince resigns as exposition mgr. of International Sight & Sound Exposition Inc., operators of annual high-fidelity shows, selling his stock to S. I. Neiman, show pres. . . . Ralph Walch promoted to asst. treas., Magnavox . . . Hal B. Cook appointed sales director, Columbia Records, succeeding v.p. Paul J. Wexler, reassigned as operations director of Columbia Electronics Products, a new div. for all of company's products other than records (phonographs, transcriptions, precision plastics); Cook is succeeded as sales mgr. of Capitol Records Inc. & v.p. of Capitol Records Distributing Corp. by John K. Maitland, Chicago district sales mgr. . . . James W. Safford, onetime Sylvania eastern sales mgr., resigns as Andrea Radio sales mgr. . . . Walter S. Lefebre retires as market development mgr., Sylvania TV-radio div. . . . Charles Butcher, chief engineer of CBS-Hytron plant in Newburyport, Mass., promoted to plant mgr. . . . Grant R. Loomis promoted to asst. gen. traffic mgr., Stromberg-Carlson TV-radio dept. . . . Allen B. DuMont Jr. transferred from DuMont CR tube div. to TV receiver sales div. as asst. merchandising mgr. . . . E. Eugene Ecklund, from instrument div., named DuMont mgr. of automotive test equipment sales . . . Robert J. Murray named service mgr., National Co., Malden, Mass., replacing Don Swain, resigned . . . Harvey Finkel, recently returned from military service in Korea, named gen. production mgr. of JFD Mfg. Co.—the 7th son of pres. Julius Finkel to join firm . . . Walter Jablon, ex-Freed Electronics & David Bogen Co., succeeds Burt U. Levy as sales mgr. of Radio City Products Co., Easton, Pa. (test equipment) . . . W. J. O'Brien named Canadian Marconi public relations mgr., Montreal . . . C. A. Parris, ex-National Electrical Mfrs. Assn., joins RETMA engineering dept. on military engineering problems & specifications . . . Joseph Martin resigns as music editor of *Billboard* to become eastern div. director of Mercury Records, N. Y.

Conviction of Jacob Freidus, onetime large stockholder in now-defunct Starrett Television Corp., on charge of falsely stating to RFC that Starrett had assets of approximately \$600,000 in connection with his proposed purchase of Kansas City juke-box maker Aireon Mfg. Corp. (Vol. 9:51), was voided this week by U. S. Court of Appeals in Washington. He was convicted in Dec. 1953, sentenced to 1-3 years in prison and fined \$10,000. Before that, he was convicted in N. Y. in separate case involving tax fraud and was sentenced to 4-year prison term.

Nathan Chirelstein, 55, chairman of board of Allied Electric Products Inc., whose Sheldon Electric Co. div. makes CR tubes, died Feb. 19 at Irvington (N. J.) General Hospital after a short illness. He founded Allied in 1933, was pres. until 5 years ago. He formerly headed Sonatron Tube Corp., Newark. Surviving are his widow, son and daughter.

Frank J. Feely, 63, wartime mgr. of Western Electric manufacturing operations, who retired in 1952, died of a coronary thrombosis Feb. 22. He leaves his wife, a son and daughter.

Electronics Reports: Leaders in the electronics manufacturing industry aren't only ones with penchant for forecasting miracles to come. From Dr. Vannevar Bush, pres. of Carnegie Institution of Washington, these possibilities for "improvement in communications" were suggested in address on that subject last week before American Society of Mechanical Engineers:

Televised telephone conferences among a number of persons at different time; a machine that "would type when we talked to it"; a system of coding messages that would make almost all mail sorting automatic; disappearance of metal type and a trend to national newspapers and more nearly current magazines; coded telegrams keyed to preselected data already in the hands of the recipient; domestic alarm systems that would automatically call the fire dept. whenever there is either undue smoke or excessive heat in any part of a house; a system that will permit the position of every airplane in the sky to be known centrally at all times, and possible extension of a similar system for freight shipments and trucks.

"Entertainment is a form of communication," said Dr. Bush. "I think that it is fortunate that entertainment and advertising have made possible the enormous growth of advertising and television. Together with the press and magazines, these media are producing an informed electorate and a united public opinion throughout the country beyond anything that was possible without them. Of course, there are and will be abuses so long as clever men try to sway multitudes for selfish purposes. But I suspect that a demagogue would have to be superhuman to put over a false act on the American people when he appears before them on their TV screens at so close range that they can almost count the hairs on his eyebrows.

"I also suspect, although perhaps I am overoptimistic, that the very weight of advertising that is thrown at the public today is developing a healthy skepticism, and that this may in time necessitate a greater reliance on reason and less on mere repetition. Bacteria, when they are attacked by an antibiotic, sometimes mutate and escape its destructive effects. A public attacked by slogans may find some equivalent protection."

* * * *

Emitron Television Ltd., of England, has changed name to EMI Electronics Ltd., which will be a controlling and coordinating company absorbing as subsidiaries EMI Engineering Development Ltd., EMI Factories Ltd., EMI Research Laboratories Ltd. Firm is managed by W. C. Morgan, is concerned with design, development & marketing of all electronic devices other than Govt.—including TV broadcasting equipment, TV transmitting tubes, microwave links, RF heaters, test equipment. It's also concerned with automation and color TV. Board comprises L. F. Lockwood, L. J. Brown, G. E. Condliffe, C. Metcalfe, J. B. Steveson, S. J. Preston.

Military equipment panel was established this week by RETMA engineering dept., under chairmanship of H. M. Hucke, Bendix Radio. It consists of 6 committees: components engineering coordination (S. W. Cochran, RCA, chairman); drawing standardization (W. J. Myers, GE); test equipment & procedure (E. H. Jones, Bell Labs); apparatus specification (A. M. Okun, Bell Aircraft); electronics systems (J. A. Biggs, Collins Radio); electronic applications (L. M. Clement, Crosley).

John R. O'Brien, ex-Corning Glass, lately head of own engineering services firm, named to new post of eastern div. mgr. of Hoffman Labs div., headquartering in Washington; he's in charge of electronic sales activities in East.

New junction transistors announced this week: 2N104, for low-power audio applications, by RCA; 2N82, high-temperature amplifier, by CBS-Hytron.

Financial & Trade Notes: RCA did \$940,950,220 business in 1954, bettering by 10.2% its previous high of \$853,054,003 in 1953—and tripling volume of only 7 years ago. No detailed breakdowns by divisions are disclosed in annual report, mailed to stockholders this week, but company's largest volumes are usually achieved in network-station operations and in set sales. Report disclosed that NBC billings went up 14.3% to new record; that TV set sales also reached record proportions, though amount is undisclosed beyond statement that RCA produced its 5,000,000th TV receiver and "sold a greater number of TV sets in 1954 than in any previous year"; that govt. orders accounted for about 24% of all sales.

Net profit in 1954, before Federal income taxes, was \$83,501,459; after taxes, \$40,525,459 (\$2.66). In 1953, corresponding figures were \$72,436,778 & \$35,021,778 (\$2.27). Gain in earnings was 15.7%. Report notes that all taxes actually totaled \$81,815,000 last year, including \$26,862,000 in excise taxes; this was equivalent of \$5.85 per common share, or more than double year's net profits.

Backlog of govt. orders was in excess of \$300,000,000 at year's end. Military and commercial electronic apparatus sales were reported up 29%. NBC-TV network was said to have gone up "substantially" while radio network showed "moderate decline in line with the industry trend." NBC spot sales were reported up 25% in TV, 14% in radio. RCA participated in industry boom in phonographs and records, and report predicts all-industry volume in records should rise to \$300,000,000 in 1955 from \$225,000,000 in 1954.

Total assets rose to \$548,325,244, new high, from \$493,624,730. Current assets were \$386,522,521, up from \$349,734,691; current liabilities rose to \$151,657,517 from \$120,794,396. Employees total 70,500, up 5500 in year.

* * * *

Western Electric Co., which is more than 98% owned by AT&T, achieved record gross sales of \$1,526,231,329 in 1954 compared with \$1,507,953,132 in 1953. Net of \$55,836,430 in 1954 compared with \$52,604,613 in 1953. Sales to Bell System were 67% of total, amounting to \$1,019,279,000; sales to Govt. were \$452,200,000, compared with \$440,204,000 in 1953. Company paid \$34,650,000 in dividends to AT&T in 1954.

Stromberg-Carlson Co. reports 1954 net earnings of \$1,981,754, or \$3.65 per share on 509,115 shares of common stock outstanding as of Dec. 31, 1954. This is up 19% from the \$1,667,308 of 1953, or \$3.40 on 484,551 shares. Sales totaled \$63,509,429, slightly under record \$65,241,861 of 1953. Pres. Robert C. Tait predicted increases in both sales and earnings this year.

ElectroData Corp., Pasadena, Cal., electronic computer affiliate of Consolidated Engineering Corp., will shortly file SEC registration statement covering common stock issue for about \$2,000,000 in new capital, according to pres. James R. Bradburn.

More on upturn in the movies (Vol. 11:8): Paramount Pictures shows 1954 net profit of \$9,003,000 (\$4.10 a share) vs. \$6,779,563 (\$3.06) in 1953. Republic Pictures for year ended Oct. 31 earned \$804,202 vs. \$697,217.

W. L. Maxson Corp. has authorized 2-for-1 stock split, pres. H. A. Leander announced Feb. 24.

—■—

Dividends: Consolidated Television & Radio Broadcasters Inc., 23¢ on common, 5¢ on "B" common, April 1 to stockholders of record March 15; WJR The Goodwill Station Inc., 10¢ March 10 to holders March 1; Stromberg-Carlson, 40¢ March 31 to holders March 15; Oak Mfg. Co., 35¢ March 15 to holders March 3; Sprague Electric, 30¢ March 14 to holders Feb. 28; Sylvania, 50¢ April 1 to holders March 11; Hoffman Electronics, 25¢ April 1 to holders March 15.

CONGRESSIONAL INQUIRIES into TV-radio marked time this week as committees laid ground-work, sought personnel, etc. Senate Commerce Committee's probe, which got under way during last session, won't resume actively until special counsel and other personnel are selected, although replies by FCC and Justice Dept. to issues raised in Plotkin Memorandum (Vol. 11:6) are due next week.

Chairman Magnuson (D-Wash.) has received batch of applications for top investigation job, and this week was "looking over some possibilities" in his home state. At present time, he favors selection of chief counsel from outside broadcasting industry, perhaps picking industry-oriented personnel for secondary jobs. Republican members of committee have been offered opportunity to select "minority counsel," but probably won't exercise that option if convinced that candidate selected by Sen. Magnuson is neutral.

Meanwhile, Senate Judiciary Committee's anti-trust subcommittee, headed by Sen. Kilgore (D-W. Va.), asked Senate for \$250,000 to carry out its all-encompassing "monopoly" investigation. While TV-radio industry probe was once highly touted by Kilgore, it now appears that it may be minor part of the overall investigation. Committee's request for funds mentions no specific industry.

Another Judiciary subcommittee—Sen. Kefauver's juvenile delinquency probers—asked \$150,000 for another look-see into causes of crime among youth, with additional hearings on TV's impact promised. Formerly headed by Sen. Hendrickson (R-N. J.), subcommittee had prepared draft report on TV, but never issued it.

House Commerce Committee, under Rep. Priest (D-Tenn.), this week received routine authorization from House to "make investigations and studies" into a number of matters, including "the allocation of channels to radio & TV stations, educational TV, subscription & theatre TV, the administration by the FCC of the statutes which it administers." A committee spokesman said no TV-radio investigations were currently in prospect.

Bill to exempt TV-radio stations from libel action for statements made by political candidates (S-1208) was introduced Feb. 25 by Sen. Butler (R-Md.), member of Senate Commerce Committee. Measure would free stations of liability for statements by "a legally qualified candidate for public office" unless they participate "wilfully, knowingly and with intent to defame." Butler said in statement accompanying bill: "Present law places the radio & TV industry at a distinct disadvantage. In effect, it also places the broadcasters in the unpleasant and un-American role of censor."

Long rivalry of Azcarraga-O'Farrill interests, which own all TV stations in Mexico City and hold most construction permits outstanding (see *TV Factbook No. 20*, p. 237), has ended with their merger into one big holding company as result of negotiations conducted since 1952 by Monte Kleban, ex-Texas broadcaster (Vol. 8:26 & 10:51). Theatreman-broadcaster Emilio Azcarraga and industrialist-publisher Romulo O'Farrill each owns 50%.

NARTB insurance committee reports more than 600 stations have taken out tower insurance since program began in July 1953. At meeting this week, committee voted over-all study of all insurance available to broadcasters and will continue special studies of libel and slander insurance by research mgr. Richard Allerton.

President Eisenhower has 11 TVs scattered around the White House, his Gettysburg farm and his vacation domiciles in Georgia & Colorado, reports *TV Guide*, impelling *Washington Star* critic Harry MacArthur to observe, "Man gets to be President he doesn't have any privacy at all any more."

TV-radio implications of *Kansas City Star's* conviction Feb. 22 by a Federal court jury on criminal anti-trust charges won't be determined until there's decision in the companion civil anti-trust suit which was also filed by Justice Dept. when the newspaper was indicted by grand jury Jan. 6, 1953 (Vol. 9:2). Civil suit demands newspaper company be required to dispose of its pioneer WDAF-TV & WDAF, but trial was held in abeyance pending outcome of criminal case. Under Communications Act of 1934, FCC has discretionary authority to revoke license of any firm convicted of anti-trust law violations. Earl A. Jinkinson, chief govt. counsel, said he was eager to complete action on civil suit and would seek a summary judgment on basis of evidence submitted during trial. Newspaper firm was given until March 21 to file motion for new trial. Its adv. director Emil Sees was also convicted of attempting to monopolize dissemination of advertising & news but was acquitted of actually monopolizing. Among charges on which *Star* was convicted: refusing or threatening to refuse space to advertisers who used competing media, or who purchased larger ads in other publications; discriminating on space and location of ads; attempting to coerce advertisers into buying unreasonable amounts of space in *Star*; requiring certain advertisers to buy space both in *Star* and in its morning edition, the *Times*, without giving them an option; refusing to sell subscriptions separately to *Star*, *Times* & *Sunday Star*. Commented pres. Roy A. Roberts: "The real and ultimate goal of the anti-trust division is to break down the *Star's* circulation plan of 13 papers a week—morning, evening & Sunday—for one subscription price."

Ugly business of blacklisting TV-radio personalities hit the headlines again this week with admission by Harvey Matusow, turnabout ex-Communist, that he had falsely accused persons of Communist associations on a blacklist he drew up for Lennen & Newell in 1952, for which he claimed he was paid \$150. Agency v.p. F. C. Barton Jr. promptly denied Matusow was paid for blacklist, said he was paid only for 3 years of back issues of *Counterattack Magazine*, an anti-Red publication for which he worked at the time. In testimony in N. Y. Federal Court this week, Matusow said he was commissioned by Lennen & Newell to draw up a blacklist because a Syracuse supermarket operator had threatened to boycott Schlitz Beer because of allegedly "objectionable" talent on its *Schlitz Playhouse of Stars*. He testified he also worked with BBDO on a blacklist also wrongfully accusing many performers. BBDO denied existence of any blacklist. Meanwhile, Ford Foundation's Fund for the Republic, which is currently backing full-scale investigation of blacklisting in the entertainment field being conducted by John Cogley, ex-editor of *Commonweal*, discloses it expects to release report in June. Fund pres. Robert M. Hutchins indicated at recent press conference that entertainment executives regard blacklist as a nuisance, want it dropped.

Industry's finest annual public service, Voice of Democracy essay contest for high school students (Vol. 10:38, 45) sponsored jointly by RETMA & NARTB, was climaxed at luncheon in Washington Feb. 23 when TV sets and \$500 scholarship checks were given to 4 national winners. Arvin. CBS-Columbia, Raytheon & Westinghouse receivers were given winners, who read excerpts of their essays on "I Speak for Democracy." Presentations of the sets were by RETMA exec. v.p. James D. Secrest, checks by U. S. Education Commissioner Brownell. All 52 state & territorial winners received TV sets donated by 26 firms.

AT&T network interconnection schedule for March: KTVK, Phoenix, March 1; KFOR, Portland, Ore., March 9; KBET-TV, Sacramento, March 13; WPRO-TV, Providence, March 15; WLEX-TV, Lexington, Ky., March 17.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
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MAR 7 1954

SUMMARY-INDEX OF THE WEEK'S NEWS—March 5, 1955

PHILCO DENIES ANTI-TRUST CHARGES in Justice Dept. civil suit on its franchise agreements, asks court to dismiss case (pp. 1 & 10).

METHODS OF HELPING UHF considered, with de-intermixture a major topic, as FCC works up comments on Plotkin Memo for March 18 submission (p. 2).

CANDIDATES MUST BE TELEGENIC and well-heeled, too; GOP and Democratic spokesmen voice views on TV's impact in next year's campaign (p. 2).

NEW SACRAMENTO & PORTLAND VHF's bring total to 427; Hearst's \$2,000,000 purchase of WTVW, Milwaukee approved by FCC subject to court action (p. 3).

5-MILE RULE FOR TRANSMITTER SITE proposed by FCC as answer to "market-straddling"; hearing indicated on sale to CBS of WSTV-TV, Steubenville, O. (p. 4).

VOICE OF AMERICA PLANS EXPANSION of services to growing number of TV stations abroad, will engage new director; Streibert on high-level board (p. 5).

TV OUTPUT, SALES & INVENTORIES in good balance, with retail sales during first 2 months roughly equal to the 1,350,000 sets produced (p. 9).

COLOR TUBE CUSTOMERS sought by RCA as it shows set makers progress at Lancaster plant, including "amazing" reduction in rejection rate to 20-30% (p. 9).

SWING TO FACTORY BRANCHES as distribution outlets in major markets likely to intensify this year as set makers seek tighter controls (p. 11).

ADDITIONS TO STOCK PORTFOLIO in last quarter reported by TV-Electronics Fund; DuMont, Storer, Tung-Sol and other 1954 earnings reports (p. 13).

HOUSE COMMUNICATIONS SUBCOMMITTEE headed by Rep. Harris to look into TV matters; Rules Committee hears pleas for reversal of House TV-radio ban (p. 7).

COMPROMISE NCAA FOOTBALL PLAN, providing for both national and regional telecasts, withdrawn as Big Ten spokesmen boldly hint bolt from NCAA (p. 14).

Full Text of Philco Reply to Dept. of Justice Complaint in Franchise Suit Published as Special Report With This Issue

PHILCO DENIES GOVT. ANTI-TRUST CHARGES: Philco lashed back at the Justice Dept. this week, emphatically denying charges in civil suit of last Dec. 15 that it violated anti-trust laws in distributor franchise agreements of last Aug. (Vol. 10:32,51). In answer filed March 2 in Philadelphia Federal Court, Philco asked exoneration on all charges, seeks dismissal of suit and requests final judgment entered in its favor.

Govt. has no intention of dropping any of the charges as a result of Philco's reply, a Justice Dept. spokesman told us. He said nothing in its answer changed any of the govt. allegations, as far as he could see.

Neither side is sure of next step in case. Both Govt. and Philco could await court action on latter's request for dismissal of charges and final judgment. Or Govt. could request a judgment in its favor. Or, as another alternative, they could proceed with pre-trial "discovery" process, in which depositions are taken on non-controversial aspects of case. Whole problem will have to be worked out in upcoming conferences of both parties, due to begin shortly.

Industry generally seems to be rooting for Philco, though other set makers obviously must refrain from public comment on case. Suspicion of many is that Govt. is on Philco's neck merely because its franchise agreements contain what a Justice official calls "police powers" -- meaning penalty provisions, such as requiring a distributor to buy back goods trans-shipped from his territory at cost & freight, cutting off shipments to a distributor when his inventory reaches a certain level. These provisions distinguish Philco's franchise agreements from others in industry.

Govt. suit asked court to void franchise agreements because of 3 provisions it contends are illegal: (1) Distributors are required not to sell Philco products to retailers outside their assigned territories. (2) Distributors must not deal in any product competitive with Philco. (3) Retailers "approved" by distributors must sell only to consumers in their territories, never to dealers.

(For continuation of this report, see Trade Report, p. 10.)

DE-INTERMIXTURE WEIGHED AS FCC PONDERES UHF: Puzzling how to help uhf, pressured by Senate Commerce Committee (Vol. 11:9), FCC held discussions this week, came up with nothing final. Commission asked Committee if it could delay its comments on Plotkin Memorandum until March 18 so that it could include statement on Jones Report, and delay was acceptable to Committee chairman Sen. Magnuson.

Of all "help uhf" projects, de-intermixture is the one most often mentioned. FCC Chairman McConnaughey told Senate committee he favors another look, and it's expected that a majority will go along with him -- but there's no telling whether Commission will actually vote to de-intermix.

There are 9 cities for which formal petitions for de-intermixture have been filed. All of them asked that the vhf channel or channels in town be designated educational or replaced by commercial uhf channels. In all cases, the vhf channels have at least gone through hearings, with most having initial decisions -- and in 2 cases, petitions ask that vhf operators shift to uhf.

Cities and channels involved in the petitions are these: Evansville, Ind., Ch. 7 and 9 (latter in Hatfield, Ind.); Peoria, Ill., Ch. 8; Madison, Wis., Ch. 3; Hartford, Conn., Ch. 3; Corpus Christi, Tex., Ch. 6 and 10; Waco, Tex., Ch. 10; Raleigh-Durham, N.C., Ch. 5 and 11; Tyler, Tex., Ch. 7; Schenectady, N.Y., Ch. 6.

Original petitions were denied in Evansville, Peoria, Madison, Hartford, Waco, Raleigh-Durham and Tyler. FCC has taken no action yet on Corpus Christi or Schenectady. Petitions for reconsideration of the denials are pending for Evansville, Peoria and Hartford; none has been asked for Waco, Raleigh-Durham or Tyler.

In giving reasons for denying de-intermixture petitions, Commission usually noted that vhf contestants had made heavy investments in hearings, relying on stability of allocation; that complete de-intermixture is frequently impossible because out-of-town vhf stations reach cities concerned; that petitions simply didn't make a convincing showing on how public interest would be served.

It's futile to speculate, at the moment, on Commission's ultimate actions on de-intermixture. It's even more speculative to guess whether FCC will explore even further -- into "extended de-intermixture," i.e., precluding the start of a second vhf in a city with one operating vhf, or taking the drastic measure of shifting any operating vhf stations to uhf.

Commission is deeply troubled and harassed, no doubt of it, as it reconsiders the allocation plan it fashioned during the 4-year freeze, and serious hitch that has developed in its efforts to provide a "competitive nationwide TV system."

It's pondering short-term and long-term problems -- of keeping existing stations going while providing a solid economic and engineering foundation that would support potential of thousands of stations rather than the hundreds now in prospect.

THEY MUST BE TELEGENIC--AND WELL-HEELED: Quite aside from the political pressures on Federal TV regulation, which have commanded so much publicity lately and which now point to the imminent blowup of the ill-conceived Edward Lamb "prosecution" by the FCC, with its share of turnabout ex-Communist witnesses (see p. 14), certain other aspects of the current Washington political scene are particularly significant to the industry. There's political, social and even commercial significance in:

(1) The candid statement by GOP national committee chairman Leonard Hall this week that his party, unable to hold a Congress majority in the last election, must pick, as he put it, "personable" as well as able candidates who must be able to "sell themselves over television." TV has changed everything about political campaigning, he told Republican women workers. "We can't go on the basis that anyone can win. Let's face it, we have to put our best foot forward."

The metaphor was somewhat mixed; he really meant "best faces forward" for in the next breath he urged the women to exert their influence to secure candidates who will appeal to the people when they appear in their living rooms via TV screens. It's impossible to assess how much of his acknowledged popularity with the voters President Eisenhower owes to his "telegenic personality," especially as evidenced in his new film-televised weekly press conferences -- but it must be considerable.

Full Text of Reply

Philco Corp. Answer to Department of Justice Civil Action

Charging Anti-Trust Violations in Franchise Agreements

Filed in United States District Court for Eastern District of Pennsylvania, March 2, 1955

(For text of Justice Dept. complaint and story, see *Television Digest*, Vol. 10:51 and Special Report therewith)

IN THE UNITED STATES DISTRICT COURT
 FOR THE
 EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA,
Plaintiff,

v.

PHILCO CORPORATION,
Defendant.

Civil Action No. 18,216

ANSWER

The defendant, Philco Corporation, answers the numbered paragraphs of the complaint as follows:

1. The jurisdiction of the Court is admitted. All averments of violation by Philco of the Sherman and Clayton Acts are denied.
2. Admitted.
3. Admitted.
4. Philco denies that it has violated the Sherman Act and further denies that any wholesale distributors of Philco products have participated as co-conspirators with Philco in any violation or violations of said Act.
5. Denied.
6. The averments of the first sentence are admitted. The averments of the second sentence are denied, except that it is admitted that Philco is one of a large number of companies which manufacture some or all of said products in quantity.
7. The averments of the first two sentences are admitted. The averments of the third sentence are denied except as hereinafter stated. Relatively few Philco Distributors sell Philco products in interstate commerce. Only an insignificant number of Retail Dealers sell Philco products in interstate commerce.
8. Denied, except as stated in answer to paragraph 7 and as hereinafter stated. Each Philco Distributor maintains a warehouse in the city or locality in which his place of business is located. The Philco products referred to are generally shipped in carload or truckload lots from Philco's manufacturing plants to the Distributor's warehouse, at which point the flow of interstate commerce comes to an end. Such products are subsequently sold by the Distributor in smaller quantities to Retail Dealers and delivered to the Dealer's place of business; and in the relatively few cases in which a sale in interstate commerce is involved, such commerce is terminated at the point of delivery. Individual units are subsequently sold and delivered to the consumer in intrastate commerce.
9. Denied.
10. Denied, except as hereinafter stated. The relationships between Philco and its Distributors and between the Distributors and their respective Retail Dealers who sell

Philco products are hereinafter described. Philco avers that these relationships and actions taken pursuant thereto are entirely proper and lawful, are fully justified by legitimate business considerations, and are reasonably ancillary and necessary to Philco's purpose of distributing its products in vigorous competition with numerous other manufacturers.

NATURE OF THE INDUSTRY

The radio-television and major home appliance industry in which Philco is engaged (hereinafter referred to as "home appliance" industry) is highly competitive. Philco is in direct competition with numerous television, radio, refrigerator, room air-conditioner, freezer, and electric range manufacturers; and its competitors include giant concerns, each having resources many times as large as those of Philco.

Substantial quantities of home appliances are manufactured for large retailers, chains and mail order houses under their own "private brand" trade names and are sold without the intervention of a wholesaler direct to the retailer. The balance and a majority of home appliances are nationally advertised and sold under the trademark and brand name of the manufacturer. They are usually marketed through specialized regional wholesale distributors who represent the manufacturer in a specific territory and have sufficient capital to do the necessary warehousing, to finance inventories and to provide credit extension to retailers. In some instances manufacturers set up wholesale distributing subsidiaries or use factory branches to perform these functions.

Home appliance wholesale distributors conduct their business in a different manner than jobbers who wholesale less complex "shelf" goods in the low-unit price field. Such goods present no installation, service or warranty problems and require no technical knowledge of the product and no training in servicing. Jobbers handling "shelf" goods almost invariably handle several competing lines. By contrast, in the home appliance industry the wholesaler is usually a true regional distributor who concentrates his merchandising efforts on the product of a single manufacturer of each type of home appliance that he handles.

Home appliances (except the "private brand" appliances) customarily move from the wholesale distributor's warehouses to retailers in the distributor's territory. The retailers resell them to consumers and in most cases handle installation, warranty and service. Nearly all retailers handle competing products of a number of home appliance manufacturers, and it is the duty and function of the distributor to persuade the retailer to promote the brand which he represents in preference to competing brands represented by other specialized distributors.

This system of distribution stimulates and does not restrain competition.

Home appliances of the types manufactured by Philco are characterized by increasingly complex mechanisms,

frequent style changes, and seasonal market variations. Retailers must carry in stock or have readily available a virtually complete line of the latest models, or sales will be lost to competing retailers. Any system of distributing home appliances, in order to be competitively effective, must accommodate itself to style and seasonal changes so as to make current models available to retailers and at the same time permit scheduling of factory production for maximum manufacturing efficiency and a minimum of fluctuation in factory employment.

Modern home appliances require skilled servicing, and, in most cases, both expert installation and instructions to the consumer. All manufacturers furnish warranties for the replacement of defective parts. The consumer expects the manufacturer to stand behind its products and to provide for their installation and service. The consumer regards the retailer from whom he purchases as the manufacturer's representative, and failure of the retailer to afford proper installation and effective service or to fulfill warranty obligations causes customer dissatisfaction with the manufacturer and all its products. Very considerable technological knowledge is required of the retailers in order to meet these obligations. One of Philco's largest competitors has sought to meet the problem by performing the installation, servicing and warranty obligations through a nation-wide subsidiary.

THE PHILCO DISTRIBUTION SYSTEM

Philco's system of distribution is universally accepted as lawful and is commonly used in industries in which the products merchandised require special technical knowledge and skilled service.

Since 1928 Philco has followed the principle of selecting a single regional Distributor to handle the wholesale distribution of its products in a specified and natural marketing area. Except in the four largest cities, where wholesale distribution is handled through a subsidiary, the Distributors chosen are independent local concerns. The marketing area assigned to each is as large as Philco and its Distributor agree can be adequately handled in the light of the size and ability of the Distributor's organization, as well as his working capital. It is also small enough for the Distributor to give close personal supervision and training to his Retail Dealers in the merchandising, installation and servicing of Philco products and the performance of warranty obligations.

Philco provides extensive and costly factory-training for its Distributors' servicemen, who, assisted by Philco experts, train the service organizations of the Retail Dealers; and the latter's installation and service activities are performed under the guidance and supervision of the Distributors. Replacement parts to fulfill warranty obligations are supplied by the Distributor to the Retail Dealer and by the latter to the consumer. Philco furnishes its Distributors and their respective Retail Dealers with information bulletins and service manuals which are kept constantly up to date.

Philco does not interfere with the Distributor's right to choose his Retail Dealers in his assigned territory. Philco does, however, urge its Distributors to select Retail Dealers who affirmatively desire to handle Philco products and feature them as a relatively important part of their total sales volume; who will provide honest retail salesmen trained to sell the customer an appliance suited to his needs; and who will willingly undertake and adequately perform their obligations to the consumer with respect to installation, warranty and servicing.

All Philco Distributors set up separate divisions of their business for distribution of Philco products; and many, acting upon their own volition, make the distribution of Philco products their major, if not their only, business activity. All have a common interest with Philco in the sale of its products.

Philco appoints only a single Distributor in each area and finds that the regional distribution system briefly described above is economical and efficient and produces sales of Philco products in larger volume than could be accomplished by any other method.

PHILCO'S CONTRACTS WITH DISTRIBUTORS

Since 1928 it has been Philco's practice to enter into a separate franchise agreement with each Distributor at the beginning of each calendar year. These uniform agreements set forth the terms of the arrangement for the ensuing year, but may be terminated with or without cause by either party at any time. While the form may vary somewhat from year to year, the substantive terms of the 1954 Distributor Agreement have been used for a number of years.

This form of franchise, insofar as pertinent, designated the Distributor's authorized territory and provided that Philco products would not be sold by the Distributor outside that territory. The Distributor agreed to maintain a separate department of his business for the sale of Philco products; to maintain an adequate sales force; to participate with Philco in promotion plans; to make expenditures for local advertising; to enter into retail agreements with aggressive and well financed Retail Dealers with adequate service facilities; and, in order to avoid overstocking and attendant evils, to make reports of sales and stock on hand.

The Distributor specifically agreed to be responsible for providing consistently high quality service for Philco products to Philco customers in his area and undertook to see that his Retail Dealers would maintain adequate servicing facilities and an adequate supply of service parts. The Distributor further agreed to be responsible for the placement of service work by Dealers who did not conduct service establishments of their own and to provide, at his place of business, permanent training facilities for Retail Dealers and independent servicemen, including shop and service clinics. The Distributor further agreed that if the Retail Dealer failed to discharge properly his warranty responsibilities, the Distributor would assume the Retail Dealer's unfilled responsibilities.

Under the regional plan of distribution the Distributor at all times knows what Retail Dealers are selling Philco products to consumers in his area, thereby enabling him to perform his obligations described above.

AGREEMENTS BETWEEN DISTRIBUTORS AND RETAIL DEALERS

Philco Distributors in turn enfranchise Retail Dealers to perform the retail function in the system of distribution. Philco suggests to the Distributors in January of each year a form of Retail Dealer Agreement for the year. Philco is not a party thereto but requests and generally receives copies of such contracts. Philco does not select or approve the Retail Dealers with whom its Distributors contract. The form of Retail Dealer Franchise suggested by Philco for 1954 was typical of those suggested in recent years. It set forth the Philco products the Retail Dealer would sell and the relations to exist between the parties for the coming year, but was terminable by either party at any time.

Insofar as pertinent, it provided that the Retail Dealer would display Philco products prominently, spend liberal amounts on local advertising, and participate in promotions; that the Retail Dealer would give expert service on Philco products by organizing and maintaining a service department or by contractual arrangement with a reliable service organization, and would follow the Distributor's reasonable recommendations with respect to the adequacy of his service organization; and that the Retail Dealer would fulfill his obligations in connection with the printed warranty issued by Philco to the original purchasers of Philco products.

MODIFICATIONS DURING 1954

In August 1954 Philco proposed to its Distributors an amendment to the 1954 Distributor Agreement and suggested a revised form of Retail Dealer Agreement for electronic products. Philco considered these modifications desirable to avoid the confusion in its regional distribution system that resulted when Philco products shipped to one Distributor's area were transshipped to other areas and sold to retailers not regularly franchised and not

trained in Philco's standards of sales and service. The amendment to the Distributor Agreement added to the territorial clause a provision that merchandise transhipped out of the Distributor's territory by the Distributor or his Retail Dealers for resale might be repurchased by Philco for the account of the Distributor. Said suggested Retail Dealer Agreement form contained a new sales function clause under which the Retail Dealers who signed would be bound not to sell the Philco products covered thereby to others than consumers at retail.

On December 7, 1954, Philco suggested a modification of said Retail Dealer Agreement form and a corresponding change in interpretation of its Distributor Agreements. These refinements further emphasized the functional responsibilities of the Distributors and Retail Dealers respectively. The suggested modification changed the sales function clause to provide that the Retail Dealer's function was the maintenance of a retail sales outlet and that if he should resell Philco products covered thereby at wholesale, he would furnish the Distributor with a written agreement by the retailer to whom the products were sold to assume and perform the usual service and warranty obligations with respect thereto. To make its Distributor Agreements consistent with this suggestion, Philco stated that it would interpret the repurchase provision added by the amendment of August 1954 as not applicable to products covered by the written service and warranty agreement of the retailer to whom they had been sold.

Further refinements were made in Philco's 1955 forms of Distributor Agreement and Retail Dealer Agreement, which supersede the various amendments of 1954. In the 1955 Distributor Agreement the territorial clause, after specifying the Distributor's territory, provides that if Philco products purchased by the Distributor should be resold by Retail Dealers within the territory to retailers outside the territory who do not maintain a competent service department or have not arranged with a reliable service organization to render service, the Distributor will reimburse Philco for costs incurred in assuring fulfillment of the usual service obligations, and that, if necessary, such resold products may be purchased by Philco for the account of the Distributor. The sales function clause in the 1955 suggested form of agreement between the Distributors and their Retail Dealers provides that the Retail Dealer's function in the distribution of Philco products shall be the resale of such products to consumers at a retail store maintained by the Retail Dealer.

Philco answers the lettered subparagraphs of paragraph 10 of the complaint as follows, such answers being qualified in their entirety by reference to the foregoing:

(a) Denied, except as stated above and hereinafter. During the period from August through December 1954, the amended agreement between Philco and its Distributors provided that the Distributor would not sell products purchased from Philco outside his territory. This agreement was reasonably ancillary to Philco's system of regional Distributors and to the discharge by the Distributors of their responsibility for the wholesale distribution of Philco products within their territories. Philco, through a subsidiary corporation, is aggressively engaged in foreign commerce. The Philco Distributors referred to in the complaint handle their own territories and do not wish and are not qualified to engage in foreign commerce. Products sold by Philco for use in the United States are not usable in many foreign countries by reason of differences in voltage, electrical specifications, and packaging requirements. Philco avers that any application its Distributor Agreement may have had to foreign commerce was incidental to Philco's lawful system of regional distribution and was not intended to, and did not materially affect such commerce.

(b) Denied. There is no such clause in Philco's agreements with its Distributors.

(c) Denied. There is no such clause in Philco's agreements with its Distributors. Although Philco believes that the form of Retail Dealer Agreement as suggested by Philco from time to time is in the best interests of the Retail Dealers and Distributors, Philco does not make any

requirement that its Distributors enter into any particular form of contract with their Retail Dealers.

(d) Denied, except as stated above in response to this paragraph 10.

(e) Denied, except as stated above in response to this paragraph 10.

(f) Denied. There is no such clause in Philco's agreements with its Distributors. Philco does not reserve or exercise the right to approve or disapprove the Retail Dealers or the classes or descriptions of retailers to whom its Distributors sell.

(g) Denied. Philco's so-called "inventory control" system, by coordinating the Distributors' reports of sales and stocks on hand with local and national sales trends, enables Philco to schedule its production and shipments efficiently and to stabilize employment and prevent lay-offs in its plants and the plants of its suppliers. The purpose of the system is to match inventory to sales; and the system does not restrict the sales volume of any Distributor or pertain in any way to the detection of violations of the Distributors' Agreements or to price cutting.

(h) Denied. Philco is not a party to any contracts between its Distributors and their Retail Dealers. The Distributors do not control the actions of Retail Dealers except to the extent that Retail Dealers have voluntarily entered into the contracts with them described above.

11. Philco denies all averments of conspiracy and illegality and further denies all averments of contracts, agreements and understandings except as stated in paragraph 10 hereof.

12. Philco denies all averments of conspiracy and illegality and further denies all averments of things done by Philco and others for the purpose thereof, except for things done in compliance with the agreements and for the purposes described in paragraph 10 hereof.

13. Denied.

14. Philco denies all averments of illegality and conspiracy and any implication of unreasonable restraint of interstate trade or commerce. Philco denies all other averments of the subparagraphs, except as hereinafter expressly stated.

(a) Philco Distributors are not equipped to perform their specialized wholesale functions except in their own territories and are not natural competitors of one another. Within their territories Philco Distributors encounter aggressive competition both from distributors, manufacturers' subsidiaries, and factory branches handling competing nationally advertised brands of home appliances at the wholesale level and from manufacturers who sell private brands direct to large retailers, chains and mail order houses. The allocation of territorial responsibility among Philco's regional Distributors relates solely to the wholesale distribution of Philco products, encourages and does not lessen competition, and has no adverse effect upon other manufacturers, their distributing organizations or the sale of competing products. As stated in response to paragraph 10, the arrangements between Philco and its Distributors were reasonably ancillary to Philco's lawful purpose of having its products distributed in aggressive competition with those of other manufacturers.

(b) Denied, except as stated in response to paragraph 10 and particularly subparagraph (a) thereof.

(c) The effect of the form of Retail Dealer Agreement for electronic products suggested by Philco from August through December 1954 (as described in response to paragraph 10), if such form had been accepted by all dealers handling Philco products, would have been that retailers in any region would have been required to look to the regional Philco Distributor as their source of supply if they wished to handle Philco products. Philco Distributors are at liberty to choose the Retail Dealers in their territories to whom they sell, and no retailers have been prevented from acquiring Philco products from their regional Philco Distributor except as the result of the exercise by the Distributor of his legal right to choose his

customers. The Retail Dealers who handle Philco brand appliances almost invariably handle similar appliances of competing manufacturers, and there are many thousands of dealers who handle other brands of appliances and do not choose to handle the Philco brand. The Philco distribution system affects only Philco products, does not substantially lessen competition in the sale of said products, and has no adverse competitive effect whatsoever upon other manufacturers, the distributing organizations or retailers handling their products, or the sale of their products. As stated in response to paragraph 10, the Retail Dealer Franchise forms suggested by Philco from time to time were reasonably ancillary to the lawful purpose of Philco and its Distributors to have Philco products distributed in aggressive competition with those of other manufacturers.

(d) Denied, except as stated in response to paragraph 10 and paragraphs 14(a), 14(b) and 14(c).

(e) Denied.

(f) Denied.

WHEREFORE, Philco Corporation respectfully prays that the complaint be dismissed and that final judgment be entered for it.

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(2) Fear that the shorter campaign next year, with the Republican convention in San Francisco moved forward to Aug. 20 and Democratic in Chicago likely to come also in Aug. (Vol. 11:8), may kick off a rush for national and local TV time to pack in as many appearances as possible in the short space before the Nov. elections.

"At first blush," said Sen. Neuberger (D-Ore.) on the Senate floor the other day, "this [short campaign period] might seem a desirable objective. Yet I confess to the fear that it will make big money more dominant than ever in our political life. A short campaign will not reduce the sums available for politics; it will merely mean that these sums can be concentrated more decisively and effectively."

"TV is astronomically expensive," the Oregonian continued, noting that a national hookup may cost \$75,000 and asserting that in the last New York mayoralty election a leading candidate withdrew "because he confessed that soaring TV costs made a \$1,000,000 exchequer necessary to be elected." He concluded:

"I am disturbed over the total impact of TV upon our national life. Through TV, it is possible to introduce theatrical techniques into politics. When we give additional dominance to such a medium, through shortening the period of time for candidates to reach the people, I am alarmed. I wonder if a 'blitzkrieg' on TV will not shape the public mind before a less favorably financed nominee can get his message to the people by slower and less costly means..."

"Some day shorter political campaigns may well be possible and desirable, but I believe they will be premature until we have solved the urgent problem of making TV -- and perhaps other media -- equally available to candidates irrespective of their financial backing."

2 NEW STARTERS, HEARST GETS MILWAUKEE: You can add 2 more vhf starters to log of TV stations in U.S., bringing total to 427 (112 uhf). All set to begin test patterns as this was written are KBET-TV, Sacramento (Ch. 10), first vhf in the California capital, which plans debut as basic CBS outlet March 20; and KLOR, Portland, Ore. (Ch. 12), second vhf in that uhf-pioneering city, which begins testing this week end.

KBET-TV goes on the air despite appeal to U.S. Court of Appeals by McClatchy (Sacramento Bee) and friend-of-court brief about to be filed by American Newspaper Publishers Assn., charging FCC with undue discrimination against newspaper interests. New 50-kw GE station is city's 2nd TV, first having been uhf KCCC-TV (Ch. 40), which started in Sept. 1953. Owners are local business group headed by Wm. P. Wright, as pres., and John Schacht, v.p. & gen. mgr. George Kapel, ex-WGN-TV, Chicago, is sales mgr.; Roger Van Duzer, operations mgr.; Vince Williams, production mgr.; Peter K. Onnigian, chief engineer. Base hour rate is \$600. Rep is H-R Television.

KLOR becomes Portland's ABC primary March 9, reports gen. mgr. John Schile, ex-KUTV, Salt Lake City. NBC outlet is Storer's uhf KPTV (Ch. 27) and CBS's is the Oregonian-Ted Gamble group's KOIN-TV (Ch. 6). Station has 25-kw RCA transmitter. Its principal owners are Henry A. White, retired banker & shipbuilder; Julius L. Meier, dept. store executive; Wm. A. Healy, furniture manufacturer; Stephen Thompson, lumber & paper. Base rate is \$500. Rep is Hollingbery.

* * * *

Hearst Radio's \$2,000,000 purchase of WTVW, Milwaukee (Ch. 12) was approved by FCC this week, subject to any action by Court of Appeals in Gran Enterprises Co. suit to stay transfer. Theatreman L.F. Gran, holding 38.5% of stock in the ABC outlet which started operation last Oct., had offered to purchase station on same terms and conditions, then filed for Ch. 12 but was rejected by FCC (Vol. 11:6). Comr. Hen-nock dissented from sale approval, noting newspaper ownership (Milwaukee Sentinel), pointing to Gran offer, suggesting hearing should be held on local ownership, integration of ownership-management, concentration of mass media control. Comr. Bartley also dissented, noting his original opposition to merger resulting in WTVW "with particular reference to its impact on stimulating strike applicants and whether payoffs are involved." He stated: "I cannot agree with this transfer which involves a substantial profit to Milwaukee Area Telecasting resulting purely from the fact that it possesses a permit for an assigned frequency in which it has no ownership rights."

ALLOCATIONS PHILOSOPHY seems to be undergoing change at FCC. While thinking about de-intermixture (see p. 2), Commission this week issued notice of proposed rule-making which would require stations to place transmitters within 5 mi. of border of principal city to be served—unless good reason for waiver is shown.

Up to now, Commission's policy has been to let transmitters be located anywhere, as long as they comply with mileage separations specified in allocations plan. This week's action is aimed at halting "market-straddling" and construction of "area stations."

Action was on petition of WKNX-TV, Saginaw, Mich. (Ch. 57), which is seeking to keep WJRT, Flint (Ch. 12) from building at site 15-20 mi. from Saginaw. WKNX-TV asked that applications such as WJRT be held inactive pending rule-making, but Commission denied request, said it would continue to act on case-to-case basis.

Proposed rule provides that those seeking waiver of 5-mi. rule give reasons for asking waiver. In addition, they'd be required to disclose all agreements with networks regarding affiliation and their plans for studios and local programming. Proposal is Notice 55-268, Mimeo. 16546, Doc. 11297, copies obtainable from FCC or from us.

In same policy vein, Commission sent "McFarland Letter" to WSTV-TV, Steubenville, O. (Ch. 9), saying it couldn't approve move of transmitter to Pittsburgh and sale to CBS for \$3,000,000 (Vol. 10:47) without a hearing. Letter stated: "In proposing a transmitter location only 3.5 mi. from the business center of Pittsburgh, the application appears to seek to establish a station operating on a Steubenville-Wheeling channel in a manner and to a degree inconsistent with the purpose for which that channel was assigned . . ."

These moves are part of a pattern forced by Congressional pressures. Influence of Plotkin Memorandum—though it was view of only one staff member, not officially endorsed by Senate Commerce Committee — has had an obvious effect.

Personal Notes: Charles M. Underhill, ex-ABC-TV program v.p., joins TV staff of U. S. Steel, specializing on production of *U. S. Steel Hour* on ABC-TV; he replaces John Rust, who resigned to become independent TV producer . . . Wm. Thomson, formerly with Washington TV-radio attorney George O. Sutton, forms partnership, Adams & Thomson, with Albert F. Adams, ex-Ford, Bergson, Adams & Borkland, with offices at 800 National Press Bldg., phone National 8-0055 . . . Dr. Philip Eisenberg resigns as CBS research psychologist to form own research organization, Motivation Analysis Inc., 1140 Elberon Ave., Elberon, N. J. . . . Gordon Mills has resigned as DuMont Network midwest sales mgr., which has closed offices . . . Frank C. Oswald, administrative asst. to Edward Lamb and v.p. of WICU, Erie, recuperating at Toledo Hospital from severe heart attack . . . Robert F. Metzler assigned to NBC film div. as production supervisor for West Coast productions . . . Guy Runnion, ex-KABC-TV, Los Angeles, named news director of CBS-TV's new WXIX, Milwaukee . . . Gordon Moore promoted to national sales mgr., WMUR-TV, Manchester, N. H. . . . Wm. Carlier, ex-mgr. of radio WRBC, Jackson, Miss., named sales mgr. of WSLI-TV, same city . . . Ed Murphy, ex-WCAN-TV, Milwaukee & KSTM-TV, St. Louis, named operations director of upcoming WFRV-TV, Green Bay, Wis. (Ch. 5), due in April . . . Don McCune, from AM affiliate, named gen. mgr. of KFAR-TV, Fairbanks; John Miller, ex-WTPA, Harrisburg, Pa., named program director, Charles Gray chief engineer . . . Dennis Townsend, from radio affiliate, named program director, CHSJ-TV, St. John, N. B. . . . Lamont L. Thompson, ex-mgr. of CBS spot sales, San Francisco, now with network's TV spot sales in N. Y. . . . Wilbur M.

Ch. 8 CP in Des Moines is in the works, after agreement was reached this week between Cowles (KRNT) and Kingsley H. Murphy Jr. (KSO), whereby latter is to acquire 40% of grant. Cowles had obtained favorable initial decision last Aug. (Vol. 10:35). Under agreement, Cowles will contribute up to \$35,000 to buy stock options of Murphy employes. After 3½ years, Cowles has option to buy out Murphy at price to be negotiated then. Murphy counsel Benito Gaguine, of Fly, Shuebruk, Blume & Gaguine, will become a v.p. of grantee concern.

Another appeal was thrown into the court hopper this week when WJIV, Savannah, contested final decision granting Ch. 3 to WSAV. Prime contention is that WSAV had begun construction before getting CP.

Latest action in celebrated case of grantee WPRO-TV, Providence (Ch. 12) was grant of STA by FCC, permitting station to build temporary tower and begin operating. However, Commission said STA is subject to action of U. S. Court of Appeals which is to hear argument in April on merits of appeal by WNET (Ch. 16) which has protested grant. WPRO-TV management says it will go ahead and build.

In oral argument before FCC this week, Miami uhf grantee WMFL (Ch. 33) urged that Commission look into Storer's plans for promoting conversions of receivers to receive his WGBS-TV (Ch. 23). WMFL counsel Leonard Marks said that there are reports that Storer is encouraging single-channel conversions; that Storer bought WFLL-TV, Ft. Lauderdale solely to get NBC affiliation; that WMFL principals told Storer they wouldn't protest if he'd promote all-channel conversions and agree to joint use of his tower. Storer counsel John McCoy stated that WMFL's overtures were "purest kind of blackmail"; that WMFL didn't offer to pay anything for use of tower; that Storer wasn't promoting single-channel conversions or selling uhf converters; that Storer is spending \$10,000 monthly in newspaper ads to convert the 50% of Miami sets still incapable of getting uhf.

Fromm, ex-TV promotion supervisor, promoted to mgr. of adv. & promotion, NBC Spot Sales, N. Y. . . . John Kucera promoted to v.p. & director of broadcast media, Biow-Beirn-Toigo Inc. . . . J. Lingeman, ex-CBLT, Toronto named TV-radio director, J. Walter Thompson Co. Ltd. of Canada; Frank Flint remains Toronto TV-radio mgr., and Mariette Mineau heads French TV-radio, Montreal . . . Louis G. Bissell Jr. named TV-radio director, Reach, Yates & Mattoon Inc., N. Y. . . . Hal Thompson, ex-WFAA & KFJZ, named mgr. of Ft. Worth office of Free & Peters; Barney Kobres, ex-WLWA, Atlanta, recently TV-radio director of Quednau Adv., Tampa, named TV sales director, WSUN-TV, St. Petersburg; Fred H. Kenkel and Frank Stisser named v.p.'s, C. E. Hooper Inc. . . . Mann Holiner named head of Hollywood office, Ted Bates Inc., succeeding Austin Peterson, resigned, with Frank O'Connor named production mgr. . . . Eugene B. Dodson promoted to asst. mgr. of WKY-TV & WKY, Oklahoma City, in realignment of personnel following *Daily Oklahoman's* recent acquisition of WSFA-TV & WSFA, Montgomery, Ala.; Robert Olson named operations mgr. of WKY-TV, John Haberlan national sales mgr., Joseph Jerkins production supervisor.

J. M. Clifford, NBC administrative v.p., elected pres. of network's newly-acquired Kagran Corp., which controls rights to *Howdy Doody*, *Author Meets the Critics*, etc. (Vol. 11:7). Clifford later announced that Edward L. Justin, a Kagran official, would be retained in a "principal operating position."

Michigan State College's 5th annual TV Workshop for brief credit courses in TV programming, production & management, has been scheduled for Aug. 1-19.

Telecasting Notes: "TV, with its commercials, has apparently enhanced the impact value of theatre screen advertising," according to Sindlinger & Co. survey for Assn. of Theatre Advertising Companies; some 6650 interviews, testing recall, were conducted in test cities of Waterville, Me.; Fayetteville, N. C.; Bucyrus, O.; Belleville, Kan.; Bonham, Tex. It's estimated about 12,000 U. S. theatres show sponsored films, varying from spots to full-reel subjects, but a lot of this business has recently gone to TV . . . Whereas movie industry not long ago was bemoaning closedowns of many theatres, another Sindlinger survey, this one for Council of Motion Picture Organizations, puts number of active film theatres in U. S. at 19,101, up 1136 in year; of these, 4062 were drive-ins . . . Hal Roach Jr., 36, became sole owner this week, by purchase from his father, of 18-acre Hal Roach Studios in Culver City, including various features and short subjects which bring his new Hal Roach Enterprises to estimated value of \$10,000,000; Roach produces for TV *My Little Margie*, *Public Defender*, *The Erwins*, *Passport to Danger*, *Racket Squad*, and also made at his studio are *Life of Riley*, *It's a Great Life*, *You Are There*, *Amos 'n' Andy*, *So This Is Hollywood*, *Where Were You?*, *Waterfront* . . . ABC Film Syndication Inc. (Geo. T. Shupert, pres.) is now exclusive distributor of *Douglas Fairbanks Presents*, *Sheena Queen of the Jungle*, *Life Can Be Beautiful* and, with Hal Roach Jr., will produce & distribute at least 2 new series as yet untitled; current ABC properties include *Passport to Danger*, *Racket Squad*, *The Playhouse*, *John Kieran's Kaleidoscope* . . . "New Millions for Old Pix" are seen by *Variety*, reporting that General Teleradio's *Million Dollar Movie* package of 30 features, for which it paid Bank of America \$1,250,000, has grossed \$2,000,000 thus far from first-run playings (up to 14 repeats weekly for each picture) in 70 markets and "could well hit \$3,000,000" exclusive of sale to Libby, McNeil & Libby in all Canadian markets . . . TCF Television Productions is name of new 20th Century-Fox TV subsidiary just set up under Sid Rogell (Vol. 11:9); executives, headed by pres. Spyros Skouras, conferring currently with networks and agencies, have stated they're prepared to produce anything from short subjects to spectacles . . . Worthington (Tony) Miner, currently under NBC contract, producer of *The Medic* and other major TV shows, plans to film 3 new series for NBC: *Frontier*, a western; *Briefcase*, based on lawsuits, with cooperation of Calif. Bar Assn.; *Challenge*, with democracy theme, with cooperation of Fund for the Republic . . . North American rights to first showings of BBC's documentary series *War in the Air*, 15 half-hour films produced in cooperation with U.K. Air Ministry and telling story of impact of air power on world during last 20 years, have been acquired by CBC which is releasing them this month . . . Clete Roberts, who is subject of personality sketch in March 2 issue of *Fortnightly Magazine*, has formed Clete Roberts Productions Inc., 321 So. Beverly Dr., Beverly Hills, Cal., to handle own filmed *World Reports*; v.p. is attorney Joseph Brenner.

Authorized broadcasts of ball games do not constitute news in the public domain, N. Y. State Supreme Court held this week in granting injunction against Martin Fass, who allegedly used TV & radio broadcasts to compile play-by-play accounts of baseball games, which he sent by teletype of out-of-town radio stations. Complaint was brought by N. Y. Giants.

H. Leslie Atlass, CBS Chicago v.p., has filed petition in Tax Court of the U. S., Washington, challenging Internal Revenue Service demand for \$128,284 additional taxes for 1946-49. Revenue Service had rejected claims of \$121,423 losses on his Sunny Ridge Farm, also \$84,633 for entertainment, including \$42,959 for operation of yacht.

VOICE OF AMERICA's services to TV stations in foreign countries, now a sideline of the U. S. Information Agency's foreign propaganda operations, will be expanded to staff of 29 (from present 9) if Congress approves new \$1,100,000 program budget and \$160,000 personnel budget for fiscal 1955 starting next July 1. This would be part of \$18,200,000 radio budget in an over-all budget of \$88,000,000 sought this week from House Appropriations Committee by Theodore F. Streibert, USIA director.

There's no plan to operate TV stations in view of their limited scope of coverage, though Voice of America now operates 78 radio transmitters throughout the world with staff of 1617. Plan is to provide kinescopes, films and other material to the growing number of TV stations, govt.-owned or otherwise, in language areas where they would be acceptable. USIA already supplies some films, mostly newsreels, to 29 stations in 21 free world nations.

Growth of TV operations abroad, evidenced by log showing 137 stations in 35 foreign countries published in *TV Factbook No. 20* (pp. 238-242), to which more have been added since publication, impelled VOA industry advisory committee to set up TV subcommittee recently to advise on expansion into TV field. Subcommittee consisted of Howard Meighan, CBS; Chris Witting, Westinghouse stations; Jack Harris, KPRC-TV, Houston.

Expansion programs, it's planned, will be headed by a new top executive brought in from the industry. Present VOA services relating to TV are handled by Jack Gaines. Emphasis of USIA, of course, will continue to be on its vast radio broadcasting programs designed to pierce Iron Curtain, which report to Congress this week, covering July-Dec. 1954, shows are now going out in 34 languages.

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Theodore F. Streibert, director of U. S. Information Agency and onetime MBS pres., named by President Eisenhower to operations coordinating board of National Security Council, top-level policy group that succeeded old Psychological Strategy Board. Its chairman is Herbert Hoover Jr., Undersecretary of State; other members are Robert Anderson, Undersecretary of Defense; Allen Dulles, director of CIA; Harold Stassen, director of FOA; Nelson Rockefeller & Robert Cutler, special assts. to the President.

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Alfred I. duPont Foundation, whose annual awards to TV-radio stations and commentator for outstanding performances in public interest will be presented at dinner March 25 in Washington's Mayflower Hotel, this week named to its awards committee Turner Catledge, managing editor of *New York Times*, and Dr. Susan B. Riley, pres. of American Assn. of University Women. Catledge replaces Ben McKelway, editor of *Washington Star*; Dr. Riley replaces Mrs. Oscar A. Ahlgren, pres. of General Federation of Women's Clubs. Other members: Mrs. Jessie Ball duPont, who established awards in 1942 in honor of her late husband; Dr. Hadley Cantril, director of Princeton's Office of Public Opinion Research; Dr. Francis P. Gaines, pres. of Washington & Lee U, which administers awards. O. W. Riegel is curator of Foundation.

Annual George Polk Memorial Awards for "distinguished achievements in journalism," created 8 years ago in honor of late CBS correspondent, go to commentator Eric Sevareid for his Washington radio coverage and his *American Week* on CBS-TV; NBC-TV public affairs dept., for atomic bomb documentary *Three Two One — Zero*; N. Y. municipal radio station WNYC, for distinguished community service. Awards will be presented April 7 at luncheon in New York's Roosevelt Hotel.

American Women in Radio & Television holds next national convention in Drake Hotel, Chicago, May 5-8.

Station Accounts: Good revenue producer, and an interesting & useful program besides, is *TV Classified* on WCSH-TV, Portland, Me., Mon.-thru-Fri. 3:30-3:45 p.m. & Sun. noon-12:15 p.m. At rates comparable to the local newspaper, usual type of classified and/or low-budget business messages is accepted—each set up on flip cards in special type, televised on live camera with staff announcer reading the copy as it appears and adding a commentary if time allows. Feature has been on about 5 months, carrying help wanted, positions wanted, lost & found, real estate, bank, auto, restaurant and what-have-you advertising—one ad even offering tailor-made dog collars! Says mgr. Jack S. Atwood: "Revenue-wise, it is worthwhile, besides making more potential advertisers aware of the value and effectiveness of low-budget TV advertising" . . . Alamac Knitting Mills Inc. ties in with Monsanto Chemical Co. (All detergent) and Norge washing machines to demonstrate washability of its synthetic knitted fabrics; TV-radio will be used in Aug. to back up magazine & newspaper campaign . . . Hi-V Corp. (orange juice) sponsoring alt. week *Ireland's Heritage*, folkways program produced with aid of Seton Hall U's Institute of Irish Culture, starting on WATV, Newark, March 10, Thu. 8-8:30 p.m., thru Franklin Bruck Adv., N. Y. . . . John Deere & Co. (farm implements) supplying its dealers with 27 one-min. films for local TV placement, prepared by Reid H. Ray Film Industries, St. Paul . . . Among other advertisers currently reported using or preparing to use TV: Cinch Products Inc., Los Angeles (cake mixes), thru Hixson & Jorgensen, Los Angeles; Ivano Inc., Chicago (Plumite drain cleaner), thru Ruthrauff & Ryan, Chicago; Milnot Co., Litchfield, Ill. (milk compounds), thru McCann-Erickson, Chicago; East Ohio Gas Co., sub. of Consolidated Natural Gas Co.,

Cleveland (ovens & burner units), thru Ketchum, MacLeod & Grove, Pittsburgh; Moto-Mower Co., Richmond, Ind. (power mowers), thru Clark & Bobertz, Detroit; Ideal Toy Corp., N. Y. (toys), thru Grey Adv. Co., N. Y.; Loma Linda Foods, Los Angeles (Gravy Quik instant gravy), thru Elwood J. Robinson, Los Angeles; Abbotts Dairies, Philadelphia (ice cream), thru Richard A. Foley Adv., Philadelphia; Brighton Fish Co., div. of Safeway Stores, San Francisco (Captain's Choice frozen seafood), thru Brooke, Smith, French & Dorrance, San Francisco; Carter Products, N. Y. (Bingo instant shave lather), thru Sullivan, Stauffer, Colwell & Bayles, N. Y.; Fradelis Frozen Food Corp., Los Angeles (frozen dinners), thru Mogge-Privett, Los Angeles; West Coast Airlines, Seattle, thru Miller, Mackay, Houck, Hartung Inc., Seattle; Chef Boy-Ar-Dee Foods Inc., N. Y. (spaghetti sauce), thru Young & Rubicam; Hills Bros., San Francisco (Red Can Brand coffee), thru N. W. Ayer, San Francisco; Effanbee Doll Corp., N. Y., thru Monroe Greenthal Co., N. Y.; Nu-Color Corp. of America, Los Angeles (Fabspray fabric spot remover), thru Edwards Adv., Los Angeles.

Broadcasting & Film Commission, National Council of Churches of Christ in the U.S.A., 220 Fifth Ave., N. Y. (Dr. S. Franklin Mack, exec. director) this week approved 1955 budget of \$1,405,000 for production of religious films and for TV-radio programs, up \$245,000 from 1954 budget. Newest TV program series planned will have outstanding churchmen in person-to-person interviews. About 1200 TV & radio stations carry Commission's various sustainer programs on behalf of 30 Protestant, Anglican & Eastern Orthodox communions, and Commission is considering whether to make them available for sponsorship.

TV techniques will be used to revitalize NBC Radio, whose top v.p.'s Wm. H. Fineshriber Jr. and Ted Cott both resigned within 2 weeks (Vol. 11:8-9). A new program concept, calling for 48-hour around-the-clock weekend network service of music & information, was disclosed by exec. v.p. Robert W. Sarnoff, in speech to Minneapolis Sales Executives Club, as first step in arresting what he called "the depressing downward trend of radio network revenue." He said new weekend service properly adapts network radio to age of TV, will use TV personalities and may be sold in partic. spots a la NBC-TV's highly successful *Today, Home & Tonight*. It may also use audio portions of some NBC-TV shows. "It will be a service that for the first time wipes away the artificial barrier between radio and TV, and brings the radio listener exposure to the great TV stars," he said. He cited fact that "the most popular individual radio network programs attract audiences of less than 4,000,000 homes; the top-rated TV shows reach up to 17,000,000 homes." Meanwhile, reports continued to circulate that Charles R. Denny, v.p. of NBC's o-&o stations, would take command of radio network, though NBC offered no comment. Note: Plight of radio was pointed up sharply this week when 2 big names, Edward R. Murrow and actor Edward Arnold, lost big sponsors. Ford Motor dropped its Mon.-Wed.-Fri. sponsorship of Murrow's Mon.-thru-Fri. 7:45-8 p.m. newscast on 121 CBS stations, while Hallmark Cards dropped its noted *Hall of Fame* on CBS Sun. 6:30-7 p.m., emceed by Arnold. On other side of coin, Doeskin Products, abandoning TV, will sponsor Dr. Norman Vincent Peale's religious program on NBC Radio starting April 4—first time his show has permitted commercial sponsorship in 20 years.

AT&T's new AM rates, filed with FCC this week, would permit purchase of network facilities on 8-hour-per-day basis instead of previous 16. Customer may now buy 8-hour service at \$4.50 per mile per month; up to now, cost has been \$6 for 16 hours or less. Next 3 hours after first 8 per day will cost 25¢ each; next 5 hours are 15¢ each.

"Play Marco" is no lottery, in opinion of attorneys for Paramount Pictures' KTLA, Los Angeles, whose license renewal has been held up by FCC pending study of the program (Vol. 10:52). The bingo-type program, KTLA informed Commission this week, requires public to submit nothing of value to station, sponsors or ad agency. Commission was concerned lest participants' visits to stores and making of toll phone calls constituted giving "something of value." KTLA counsel Arnold, Fortas & Porter stated that if participants give something of value to a third party—such as the price of a stamp to post office or payment to phone company for toll call—no lottery is involved. Ad agency Caples Co. said it had cleared program with local postal inspectors. Station reported that, although there have been telephone jams, there have been no complaints from official agencies such as police and fire departments, and that normal service was unaffected. Furthermore, it said, new system has eliminated jams.

"Television can sell soap, soup and cigarettes—it is our belief it can also sell salvation." Thus Rev. Dr. Louis H. Evans, of Board of National Missions of the Presbyterian Church in the U.S.A., announcing this week he has agreed to do 13-week half-hour films for commercial sponsorship this fall. Evangelist Billy Graham has also disclosed he's considering—and probably will accept—offers to appear on sponsored TV program comparable to that of Admiral-sponsored Bishop Sheen.

Rate increases: KPRC-TV, Houston, adds new Class AA hour (7-9:30 p.m. Mon.-Fri. & 6-9:30 p.m. Sat.-Sun.) at \$900, min. at \$180, Class A hour going from \$770 to \$750; KYTV, Springfield, Mo., raises base hour from \$200 to \$250, min. \$50 to \$60; WEHT, Henderson-Evansville, April raises base hour from \$200 to \$250, min. \$40 to \$50; WLOS-TV, Asheville, N. C., April 1 raises Class A min. from \$35 to \$50.

New reps: WSFA-TV, Montgomery, Ala. to Katz (from Headley-Reed); WINK-TV, Fort Myers, Fla. to McGillvra (from Weed).

Network Accounts: Fabulous success of ABC-TV's *Disneyland* and prospective competition of new Disney program, *Mickey Mouse Club*, which debuts on same network Oct. 3 (Mon.-thru-Fri. 5-6 p.m.), has sent both CBS-TV & NBC-TV scurrying to acquire their own film cartoon programs for children audience next fall. Both are currently negotiating with United Productions of America, among others, for cartoon series. UPA is one of best-known producers in animation field, having won many awards for its shows featuring "Mr. Magoo" as well as for its animated commercials. In addition to the kiddies' show, NBC-TV is also reported interested in a cartoon show depicting lives of famous contemporary artists . . . Chesterfields to sponsor *Mr. Citizen* as replacement for *Stu Erwin Show* on ABC-TV starting April 20, Wed. 8:30-9 p.m., thru Cunningham & Walsh . . . Camels to become co-sponsor of filmed *Phil Silvers Show* due on CBS-TV next fall in undetermined time period, thru Wm. Esty Co. . . GE, for its Slumber Cover electric blanket, buys 8 partic. on NBC-TV's *Today* starting May 4, thru Young & Rubicam; Armour buys 4 partic. on *Home* starting May 23, thru Henri, Hurst & McDonald, Chicago . . . Old Dutch Cleanser buys twice-weekly partic. for 13 weeks on *Panorama Pacific*, CBS-TV's Mon.-thru-Fri. 7-9 a.m. show on Pacific network, thru Weiss & Geller, Chicago; Lorraine Burton Salad Dressing once-weekly partic. for 13 weeks, thru Howard M. Irwin & Assoc., Los Angeles; Kendall Co. (Blue Jay corn remedies) 12 partic. thru Leo Burnett Co., Chicago; Pioneer Rubber Co. (Neoprene household gloves), 10 partic. thru Carr Liggett Adv., Detroit . . . NBC-TV extends *Pinky Lee Show* to 6 days a week starting March 5, adding Sat. 10-10:30 a.m. period to its Mon.-thru-Fri. 5-5:30 p.m. schedule; it replaces *Happy Felton's Spotlight Gang* on Sat. . . Kent cigarettes to sponsor *Appointment with Adventure* on CBS-TV starting April 3, Sun. 10-10:30 p.m., thru Young & Rubicam.

Parlay whereby owners of WEMP, Milwaukee, acquire facilities of Lou Poller's WCAN (5-kw, 1250 kc) for \$250,000, while selling their 250-watt, 1340-kc plant for \$200,000, received FCC approval this week. Buying old WEMP facilities, for which it will get new call letters, is Foster & Assoc. Inc., owned by Gordon McLendon family of Dallas, vitamin-chemical mfr. James H. Foster, and C. W. Weaver—latter to be mgr. Also approved this week was \$70,000 sale of KMBY, Monterey, Cal. (250-watts, 1240 kc, CBS) to Frederick A. Gwynn, required by terms of merger whereby KSBW-TV absorbed shared-time KMBY-TV and retained radio KSBW (Vol. 11:5).

Pleading for reversal of TV-radio ban in House of Representatives imposed by Speaker Rayburn (D-Tex.), 2 Republican Congressmen this week asked Rules Committee to adopt H. Res. 99 which would permit House committees to decide individually on whether to permit TV & radio at hearings, as Senate committees now do. Appearing in favor were Rep. Bronson (R-Ind.) and author, Rep. Meader (R-Mich.). In letter to Rules Committee Chairman Smith (D-Va.), NARTB pres. Harold Fellows urged passage of measure—but Committee members appeared cool to any move to overturn Rayburn's ruling.

New TV audience survey covering 140 medium & small markets (163 cities) for which no current TV data is now available, was announced this week by American Research Bureau, National Press Bldg., Washington. "Abilene-to-Zanesville" study, to be released annually beginning late this month, is designed to provide information on: (1) percentage of homes having TV, (2) percentage able to receive each available vhf & uhf station, and frequency of viewing, (3) stations viewed most in each market daytime and evening.

New House subcommittee on transportation & communications under Rep. Harris (D-Ark.), named this week by Commerce Committee Chairman Priest (D-Tenn.), is preparing to look into several TV problems, but plans no big "investigations." Harris told us his 11-man group hopes to hold hearings on bills introduced by himself and Rep. Hinshaw to limit height of TV towers (H. J. Res. 138 & 139, see Vol. 11:4, 6). Though subcommittee hasn't yet determined its course, Harris said he personally feels it should take another look at Communications Act, that there are indications "some sections need revising"—particularly the "protest" section, subject of complaints by FCC and broadcasters. Hinshaw's subscription-TV bill (HR-524) is pending before committee, but Harris said there are no plans to take it up, nor does his subcommittee plan to look into uhf situation while Senate Commerce Committee is investigating it. He said he was "very much interested in the spectrum problem," and subcommittee March 10 begins consideration of possible allocations conflicts between military radio use and civilian air navigation aids. Other subcommittee members are Democrats Williams (Mass.), Mack (Ill.), Dollinger (N. Y.), Rogers (Tex.), Flynt (Ga.); Republicans Wolverton (N. J.), Hinshaw (Cal.), O'Hara (Minn.), Hale (Me.), Dolliver (Ia.).

WTAP, Parkersburg, W. Va. (Ch. 15) has been sold for \$124,609 to Zanesville Publishing Co., majority owner of WHIZ-TV, Zanesville, O. (Ch. 18), by Frank Baer-Howard Chernoff group, subject to FCC approval. In application filed at FCC, Zanesville publisher Clay Littick (*Zanesville Times-Recorder* and *Signal*) reveals WHIZ-TV operated in black "4 out of the first 7 months of [fiscal] 1954-55," but WTAP balance sheet shows deficit of \$157,542 as of Dec. 31, 1954, of which \$128,088 was incurred in 1954. WTAP lists \$252,054 in total assets against liabilities of \$334,595. Zanesville Publishing Co., which owns 63% of WHIZ-TV, did not file WHIZ-TV balance sheet, but revealed that its TV losses put entire publishing venture into red in 1954. Station went on air in May 1953 and by end of year publishing company's share of the loss amounted to \$39,299. For entire year 1954, company lost \$74,368 on TV station—but for last half of 1954, its loss from TV was only \$5982. "Prospects are that this amount will be reduced by the second 6 months" of fiscal year, said Littick, pointing to 4 months of profitable operation.

Long anticipated theatre telecast of a legitimate stage attraction now seems close to reality with the booking of 35 theatres for Broadway's annual *ANTA Album* March 28. Closed-circuit telecast will be joint benefit for ANTA (American National Theatre & Academy) and CARE, consisting of revue featuring theatre's top stars. Another novel theatre-TV presentation still in exploration stage is special benefit show sponsored by Jesuit order, possibly featuring Mario Lanza, to raise funds for the more than 100 Jesuit colleges and prep schools in U. S.

W. A. Sawyer's Northwest Radio & Television School, which started in Portland, Ore. and now operates schools in Chicago and at former ABC studios in Los Angeles, opens Washington school May 1 in 1627 K St. N.W. studios being vacated by WWDC. Resident registrar is Harry R. Shank, and training will include script writing, announcing, set design, music librarians, camera assistants, projectionists, radio operators, TV-radio servicing. It will also operate placement service for graduates.

Former boxing greats Jack Dempsey, Jack Sharkey and Luis Firpo, as "friends of the court," have joined appeal by ex-fighter Al Ettore of Philadelphia district court ruling that showing of old fight films does not invade fighter's privacy (Vol. 10:49). Defendants in suit are sponsor Chesebrough Mfg. Co. (Vaseline) and WPTZ, Philadelphia. Sharkey also filed separate suit against Chesebrough in N. Y. Federal court.

Color Trends & Briefs: A single color standard for all European countries is one topic of discussion for March 21-April 6 international parley in Brussels. Though each country went its own way in black-&-white, tremendously complicating border reception and exchange of programs, members of CCIR study group 11 have agreed to talk about single color standard for operations in Band 4—above 470 mc. A second topic is exchange of programs in black-&-white, covering methods of transferring programs from one system to another.

U. S. is sending 3 representatives who will participate largely on an advisory basis on color, because our color standards have been fixed. CCIR study group 1, on transmitters, will meet at same time. U. S. participants will be Charles Hirsch, Hazeltine, heading group; John D. Coleman, RCA; Matthew Jones, State Dept. telecommunications attache at Paris embassy.

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Color TV tape, demonstrated in Hollywood last week by Bing Crosby Enterprises (25% CBS-owned), will be commercially available in about 1½ years, according to exec. director Frank C. Healey. A 4-min. recording of *The Women* was shown, taken from KRCA's telecast. Crosby officials stated that system demonstrated had already been superseded by new system on which experiments were to start this week. Healey said BCE will shortly have equipment capable of recording 16-min. program on 15-in. reel. He estimated that tape stock for hour program would run \$300-\$400 vs. about \$4000 for color film stock.

"There is still a large variance in the estimates on the probable production in 1955 of color TV sets, which use a considerably greater number of capacitors and resistors than black and white sets. It is believed, however, that there will be a steady increase during the year in the production of color receivers. Thus, while information on hand appears to indicate that there will be a decline of roughly 10% in the production of all types of TV sets in 1955, the increasing percentage of color sets should enable your company to maintain or even possibly increase its sales of components to the TV industry."—From 1954 annual report, Aerovox Corp.

Honest-to-goodness color spectacular, in anyone's book, will be colorcast of a A-bomb blast from Nevada, to be carried by NBC-TV during week of April 3-10. It's understood NBC-TV will originate other color events from site during week.

Novel color receiver, employing 3 tubes and dichroic mirrors, was developed by RCA's A. V. Bedford, recently granted patent for it. Set employs 2 tubes of same size for red and green images, but smaller tube with magnifying lens is used for blue image.

New color dot-bar generator, for adjusting convergence and linearity on both 21-in. and 15-in. sets, is being offered by RCA at \$147.50. Also offered, without charge, is kit for converting earlier generators for 15-in. sets so they may be used with 21-in. receivers.

March 7 week network color schedules: NBC-TV—March 7, *Peter Pan*, 7:30-9:30 p.m.; March 9, *Home*, aquarium show, 11:03-11:11 a.m.; March 9, *Norby*, 7-7:30 p.m.; March 12, *Max Liebman Presents*, "Connecticut Yankee," 9-10:30 p.m.

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Canadian Assn. of Radio & TV Broadcasters holds 30th annual convention in Quebec's Chateau Frontenac, March 21-23. Among speakers: Thomas F. O'Neil, MBS pres.; John Karol, CBS radio sales v.p., latter speaking on "Radio's Resurgence."

NBC gross income was \$200,423,000 in 1954, up from \$176,052,000 in 1953 and representing 21.3% of RCA's total income of \$940,950,000 (Vol. 11:9).

MIAMIS SECOND VHF, like St. Louis' and Pittsburgh's, looks like it will be an educational. New Ch. 2 WTHS-TV is expected to have old WTVJ Ch. 4 transmitter & antenna converted by end of March and to begin test patterns first week in April, reports Vernon Bronson, asst. director, Dept. of Radio & TV Education, Dade County Board of Public Instruction. However, programming will be developed "very, very slowly," he states, and won't go full scale until station finds "kind of educational program which will supply needs and service which cannot be supplied by the commercial broadcasters." Staff hasn't yet been announced. Granted Nov. 12, 1953, WTHS-TV was first educational CP to be questioned by FCC for lagging, then got 6-month extension (Vol. 10:41).

RCA shipped 12½-kw amplifier March 3 to WFAM-TV, Lafayette, Ind. (Ch. 59); on same day 25-kw amplifier went to KYTV, Springfield, Mo. (Ch. 3). GE shipped 35-kw amplifier this week to WRBL-TV, Columbus, Ga. (Ch. 4), and DuMont shipped 2-kw standby transmitter March 1 to WSPD-TV, Toledo (Ch. 13).

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

WFRV-TV, Green Bay, Wis. (Ch. 5), keeping to April 15 test pattern target, now hopes to begin May 1 as ABC & DuMont outlet, writes Don C. Wirth, v.p.-gen. mgr. It has new ownership setup following merger whereby owners of off-air WNAM-TV, Neenah (Ch. 42) get control (Vol. 11:9). RCA 5-bay antenna arrived this week and about mid-March will be installed on 463-ft. tower of *Green Bay Press-Gazette's* defunct WJPG-FM on Scray's Hill next to WBAY-TV (Ch. 2). DuMont 25-kw transmitter, now being checked out at factory, is due about April 1. Neenah studios of WNAM-TV will be used to supplement Green Bay facilities. Base hour will be \$300. Rep will be Headley-Reed.

WTVS, Detroit (Ch. 56, educational), has 500-ft. Stainless tower ready, plans to install 5-bay GE antenna early in March, reports exec. secy. Wm. E. Stirton, of Detroit Educational Television Foundation, which comprises 18 local organizations. Antenna and 12-kw GE transmitter are on hand, but "perhaps early next summer" is only answer as to target date. It will have studios at WDTR-FM, as well as at Wayne U and U of Detroit. Operating funds will come from fees paid by member organizations for time on air.

KFJI-TV, Klamath Falls, Ore. (Ch. 2) expects to start in late summer or early fall, reports mgr. Alan K. Abner for owner W. D. Miller. It has ordered 3-bay GE batwing antenna, already has 5-kw GE transmitter. Klamath Falls (pop. approx. 16,000) is about 55 mi. east of Medford's KBES-TV (Ch. 5). Rep will be W. S. Grant.

WIPR-TV, San Juan, Puerto Rico (Ch. 6, educational), granted Puerto Rico's Dept. of Education Feb. 2, hasn't ordered equipment yet, but plans Jan. 1956 start, according to Mariano Villaronga, Secretary of Education.

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Status of FM spectrum was touched on by FCC Comr. Robert E. Lee in speech March 5 over radio WGMS, Washington, in conjunction with hi-fi fair. He said there's "no immediate danger" that other services will get FM frequencies, but warned: "We cannot indefinitely permit valuable frequency space to lay fallow, and the day may come when the public interest might conceivably require the consideration of some adjustment in the FM band." On other hand, he said, declining network revenues may induce AM operators to "take another look at the economics of FM," and decide that FM might be more attractive than maintaining "a multiple tower AM array tying up many acres of expensive, heavily taxed suburban real estate." National Assn. of Manufacturers recently petitioned FCC to let industry use unoccupied FM channels (Vol. 11:6).

OUTPUT, SALES & INVENTORY IN BALANCE: There's a heartening balance to preliminary TV figures for the first 2 months of 1955, which show retail sales roughly equal to the 1,350,000 sets produced. With sales and production thus "going steady," the inventories at all levels haven't risen above the 2,000,000 at start of year. The inventory situation is perhaps most encouraging aspect of a generally bright trade picture, in view of earlier warnings of an inventory buildup (Vol. 10:49-50, 11:4).

TV production totaled 176,887 in week ended Feb. 25, compared to 176,030 in preceding week and 171,434 in week ended Feb. 11. According to RETMA statistics, production in each of the 4 weeks of Feb. did not vary by more than 5000 units.

Radio production totaled 275,648 (149,023 auto), compared to 271,942 units week ended Feb. 18 and 261,827 week before. Radio production in Feb. was 1,070,000, against 770,000 in Feb. 1954. Two-month output was 3,000,000 vs. 1,640,000 in 1954.

RCA's PROGRESS IN COLOR TUBE PRODUCTION: Frankly soliciting color tube customers, RCA has been laying its cards on the table in series of 15 sessions at Lancaster, Pa. tube plant during last 3 weeks. Virtually all major set manufacturers have sent delegations and, though they're tremendously impressed by tube production progress, it's obvious that none is yet ready to make heavy commitments on tube purchases.

Story RCA is telling is this: Quality control has so reduced rejection rate that 7-8 out of every 10 tubes are good -- very close to black-&-white rate. Given even modest volume -- 250,000 or so a year -- RCA can make money at \$100 per tube and aim for cut in price before long. With present facilities, RCA could produce around 5000 tubes a month; this is much greater than was expected, thanks to the remarkable improvement in shrinkage. Goal for third quarter is a production rate of some 250,000 annually -- assuming there's demand for that many.

Part of RCA's basic pitch is to convince industry that 21-in. round metal-cone tube is "it" for the visible future; that rectangular may come eventually but isn't ready now. Among points made by RCA is that metal-cone tube provides its own shield from earth's magnetic field, whereas all-glass rectangulars need to add a metal shield. In addition, they say, rectangulars don't provide same savings in cabinet that they do for black-&-white sets, because of the magnets or coils needed around face of tube to control beams.

Along with report on tube progress, RCA engineers filled manufacturers in on improvements and simplification of components such as deflection yokes -- with price of these dropped as much as 50%.

Though delighted with cut of tube price from \$175 to \$100 a couple months ago (Vol. 11:1) and impressed with current production progress, set makers are still very cautious about color. Westinghouse pres. Gwilym Price reiterated opinion of many this week when he said mass market won't come until price drops to about \$500 -- and that he expects this won't happen until 1956-1957.

Emerson v.p. Dorman Israel said RCA showed "one of the best color pictures I've ever seen." He said that "RCA has an excellent engineering story," but he added that price and quality of the tube and its associated components are "only one factor" determining whether manufacturers will go into color heavily.

DuMont receiver mfg. mgr. Paul Eshleman stated: "The reduced shrinkage is amazing. From RCA's standpoint, if it can get any volume production -- say, some 300,000-400,000 units -- I wouldn't be surprised to see the price of the tube come down from \$100 to \$60. That could mean a saving of as much as \$120 in the manufacturing cost of the sets, but I don't see the set itself down yet."

CBS-Columbia pres. Seymour Mintz said: "\$100 is still too high a price for the picture tube to enable us to hit a production schedule for a mass market" and he added that "CBS-Columbia still has color sets to sell."

RCA itself has just about completed run of 3-4000 sets using 38-tube chassis

and adheres to originally stated plans to introduce the 28-tube "simplified chassis" set next quarter. Rate of production and price of latter have not been indicated. RCA officials say most of the 38-tube sets have been sold.

As for future prospects, RCA firmly believes color TV will take hold -- perhaps first as a "Cadillac class" item, then "sweeping the country." As a spokesman put it, "The industry is now in the Valley of Indecision."

PHILCO REPLY TO GOVT.—(Cont. from p. 1): Philco entered a sweeping denial of all the charges, contending that suit presents "a new and dangerous challenge to those manufacturers who are endeavoring to preserve the system of independent distributors. This was a reference to fact that Philco's 130 independent distributors were made "co-conspirators" in suit, while its 4 factory branches in New York, Chicago, Los Angeles & Philadelphia were exempted. Philco pres. James H. Carmine had previously implied that if Justice suit were successful, company might be forced into widespread factory distributorships operating directly under its control.

Philco's reply hit hard at charge of restricting competition, which is core of govt. suit. Far from restricting competition, Philco says its distribution system "stimulates competition." Rather than being illegal, it contends the agreements are "entirely proper and lawful, are fully justified and necessary to Philco's purpose of distributing its products in vigorous competition with numerous other manufacturers." Philco's competitors, the answer said, "include giant concerns, each having resources many times as large as Philco."

On territorial exclusivity, Philco said its distributors "are not equipped to perform specialized wholesale functions except in their own territories, and are not natural competitors of each other. Within their territories Philco distributors encounter aggressive competition from both distributors, manufacturers' subsidiaries and factory branches handling competing nationally advertised brands of home appliances at the wholesale level and from manufacturers who sell private brands to large retailers, chains and mail order houses."

Proper selection of retailers who can carry out all obligations to consumers is vitally important to any manufacturer, said Philco, and sales by untrained and unqualified dealers are harmful to the public and damaging to company's reputation.

"Modern home appliances require skilled servicing and, in most cases, both expert installation and instructions to the consumer," reply said. "The consumer expects the manufacturer to stand behind its products and to provide for their installation and service. The consumer regards the retailer from whom he purchases as the manufacturer's representative, and failure of the retailer to afford proper installation and effective service or to fulfill warranty obligations causes consumer dissatisfaction with the manufacturer and all its products."

In obvious reference to RCA, company said "one of Philco's largest competitors has sought to meet this problem by performing the installation, servicing & warranty obligations through a nationwide subsidiary." In this connection, it's interesting to note that Philco this week started own factory service -- in Chicago only. Spokesman said company has no intention of going into factory service nationally, a la RCA.

On controlling distributors' inventory, Philco said purpose of cutting off shipments after they reach certain level "is to match inventory to sales; the system does not restrict the sales volume of any distributor or pertain in any way to detection of violations of the distributors' agreements or to price cutting."

DuMont's "Decorator Ensemble" series, to be offered as spring line, consists of 4 basic 21-in. models with optional step-tables and swivel or caster bases. Norwood, table model with matching step-table & metal cabinet, lists at \$180 in cherry, \$200 in mahogany or blonde (step-table \$50 extra); Danver, table model \$210 in mahogany, \$220 blonde (step-table \$50 extra); Trevor, table model \$220 in walnut, \$230 mahogany, \$240 blonde (step-table or bases \$20 & \$50 extra); Lancaster, open-face console \$330 in mahogany, \$340 blonde (step-table or bases \$20 & \$50 extra).

Another price increase this week—this time by Crosley, which hiked its widely publicized 17-in. "Super V" table model from \$130 to \$140 in mahogany, \$140 to \$150 in blonde. It was third company in 4 weeks to hike prices, Philco and Hoffman having previously raised prices on several models by \$10-\$20 (Vol. 11:7-8).

Excise tax collections for TV-radio-phonograph industries totaled \$54,354,000 in period of July 1-Nov. 30, 1954, compared to \$55,748,000 in corresponding period of preceding year, reports Internal Revenue Service. Nov. collections were \$32,120,000 vs. \$33,128,000 in Nov. 1953.

Topics & Trends of TV Trade: Westinghouse's purchase of its N. Y. distributor Times Appliance Co. this week illustrates shift to factory-owned distributorships in major markets, a trend which has increased in last year or so and which figures to intensify even further rest of 1955 as some manufacturers seek tighter control under more competitive circumstances.

Admiral has been most active in replacing independent distributors with factory branches, adding 8 such branches in 1954 and one (Pittsburgh) thus far this year, for a current total of 20. Company recently set up subsidiary, Admiral Distributors Corp., to conduct its branch operations (Vol. 11:6). CBS-Columbia has replaced independent distributors with 5 factory branches. Emerson and Hoffman Electronics are among several companies which have been active in setting up branches recently.

RCA, Westinghouse & GE have wholly-owned nationwide distributing subsidiaries, supplemented by independent distributors. Philco and Motorola each has 4 factory branches, Zenith 3.

Main reasons for replacements of independent distributor are lack of sufficient capital to carry major lines and low profit margins as well as desire of manufacturer to control merchandise.

One manufacturer, anxious to preserve system of independent distributorships, tells us one solution to problem of undercapitalization might be smaller territories assigned to each distributor. All things being equal, he said he would prefer an independent distributor to a factory branch because the independent distributor is a businessman putting his own money into the operation and is anxious to protect that investment, plus fact that he's usually a local resident with some civic influence in the community he serves.

* * * *

Sparton's continuance in TV-radio business is in doubt, following union rejection this week of company's proposal to cut wages average of 18¢ an hour to reduce production costs. Sparks-Withington pres. John J. Smith, in letter to employes, presented 3 alternatives if employes rejected pay cut: (1) Get out of TV business. (2) Move plant from Jackson, Mich. to area where labor costs are lower. (3) Contract with other manufacturers to produce sets under Sparton brand. Charts attached to letters indicated Sparton workers are paid average of \$2.02 an hour, or 29¢ higher than industry average of \$1.73. Rejection of pay cut by members of Local 666, United Automobile Workers (CIO) was unanimous. Its contract with company expires in June.

All-channel receiver tax exemption bill (Vol. 11:7-8) will be considered by House Ways & Means Committee in "a month or 6 weeks," its author Rep. Ikard (D-Tex.) predicts. He says he's pleased with the manifestations of interest from the public so far, and he hopes to get enough background information from Treasury and other sources to "start getting it off the ground in the next week or so." His bill (HR-7040) is completely separate from current measure pending in Senate to extend some excise taxes (not including TV-radio-appliances) for another year.

Coin-operated 27-in. console will be introduced by Sentinel about May 1, for distribution through coin-machine outlets. To be produced in Los Angeles plant space recently acquired by Sentinel, set will give 15-min. of TV for 25¢, will be priced between \$1300 & \$1500, according to Art Welch, sales promotion mgr.

Shipments of radios to dealers, exclusive of auto radios, totaled 6,187,503 in 1954, compared to 7,243,073 in 1953, according to RETMA state-by-state report released this week (county-by-county tables available to members on request to RETMA). Dec. shipments were 1,059,166, compared to 711,554 in Nov.

Trade Personals: Merle S. Wick, CBS-Columbia financial administrator, appointed administrative v.p.; Will James, director of operations, named v.p. in charge of operations; Robert K. Hartman, director of govt. operations, promoted to v.p. in charge of govt. & industrial div. . . . Irving Sarnoff, Bruno-N. Y., and Mrs. Sarnoff leave March 15 for Tokyo, where they will visit son Pfc. Arthur Sarnoff; they will make tour of Far East, including Hong Kong, Bangkok, Honolulu . . . Louis G. Pacent Jr., Emerson works mgr., elected manufacturing v.p. . . . Gordon G. Hoit, Stromberg-Carlson exec. v.p., was chairman of American Management Assn.'s special electronic conference this week in N. Y. . . . Joe F. Dolland resigns as gen. mgr. of Magnavox TV-radio-phono plant at Greenville, Tenn. to become manufacturing v.p. of O. A. Sutton Corp., Wichita (air conditioners); W. T. Winter, ex-CBS-Columbia, named sales mgr. . . . Arthur G. Connolly, senior partner in Wilmington, Del. law firm of Connolly, Cooch & Bove and specialist in electronics patents, elected a director of Sprague Electric, which he has served as patent counsel since 1943 . . . T. J. Newcomb, replaced recently as Westinghouse TV-radio gen. mgr. by Edward J. Kelly, remains in div. as asst. to Kelly . . . Wm. S. Peters promoted to mgr. of Raytheon transistor sales, Chicago . . . W. E. Laswell, from Texas office, named Motorola southeastern regional sales mgr., Atlanta, replacing Dale Andrew, resigned . . . Lee Chism named Westinghouse TV-radio mgr. for Denver district, succeeding John Adams, transferred to Los Angeles as district mgr. . . . Edward L. Meehan, ex-Zenith, named CBS-Columbia midwest regional service mgr., Chicago; John Lewis, ex-DuMont, named southeastern service mgr., Atlanta . . . Paul H. Little, ex-Emerson Chicago, named sales promotion mgr., Waters Conley Co. (phonographs) . . . Wm. K. Headley, ex-Highway Safety Appliances Inc., St. Paul, named sales mgr., Spencer-Kennedy Labs Inc., Cambridge, Mass. . . . Ray E. Horner, ex-Air Force officer, joins GE as central district sales mgr. for light military electronic equipment . . . Alexander M. Poniatoff, pres. of Ampex Corp., Redwood City, Cal. (tape recording equipment) elected chairman, T. Kevin Mallen vice-chairman, G. I. Long pres. . . . John C. FitzMaurice named sales mgr. of GE tube dept. in Brooklyn-Long Island area, Theodore M. Weicker sales mgr. for Tucson-Salt Lake Phoenix-San Diego region . . . Charles Kriss, ex-RCA, Sylvania & Thomas Electronics, forms Kriss Electronics Inc., 191 Oraton St., Newark, to produce new & rebuilt CR tubes . . . Miss Marjorie E. Lenox, ex-Sylvania International, named asst. to Ernest A. Marx, director of DuMont international div. . . . John H. Pflieger, RCA mgr. of facilities accounting, corporate staff, elected vice chairman, facilities task committee, National Security Industrial Assn.

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DISTRIBUTOR NOTES: Admiral appoints Southern States Distributors Inc., 1065 NW 71st St., Miami (Lawrence E. Murphy, pres.) . . . Stromberg-Carlson: Graybar, 60 Florida Ave., NE, Washington (F. F. Jaspersen, mgr.) . . . RCA Victor Distributing Corp., Buffalo, appoints Wm. J. Walsh appliance sales mgr. . . . Pittsburgh Products Tristate Co., Pittsburgh, appoints Jack Miller district mgr. for Crosley products . . . Kierulff & Co., Los Angeles (Motorola) promotes Arthur Eddy to radio merchandise mgr. . . . Canadian Westinghouse appoints F. Thomson consumer products sales mgr. of Hamilton, Ont. branch . . . Allied Appliances, Denver (Motorola) moves to 4425 E. 46th Ave. . . . Cooper Distributing Corp., Newark (Motorola) appoints Robert Barron sales mgr., replacing Frank Millman, resigned.

Raymond W. Durst Jr., 21, only son of the pres. of Hallicrafters Co., who in 1953 had to leave Notre Dame engineering college as a junior due to illness, died in Chicago's Passavant Hospital Feb. 27.

Electronics Reports: Licensing of industrial microwave, moving it out of developmental class, is current objective of FCC, which has called industry conference for March 14. During last 2 years, RETMA and other groups have been collecting data on microwave equipment and systems to aid Commission in formulating new rules (Vol. 10:41).

Growth of microwave has been orderly, despite "developmental" label, but demand is growing at such a rate that Commission believes specific rules are required. Oil and gas pipelines are heaviest users of microwaves, having some 75% of mileage, but other industries are moving in, finding large savings possible. So far, only intercity microwave is authorized, but such organizations as department stores are seeking intracity systems—for branch store credit checking etc.

* * * *

Oliver J. Greenway, operations v.p. and director of International Resistance Co., Philadelphia, has been sworn in as consultant to Electronics Div. of Commerce Dept.'s Business & Defense Services Administration, headed by Donald S. Parris. His major assignment will be to confer with electronics manufacturers on industrial defense problems, "including steps which may be taken by manufacturers to protect their facilities against attack, sabotage or natural disaster and to provide for continuity of production and management under emergency conditions" (Vol. 11:1).

The 3 military services had unobligated balance Jan. 1 of more than \$1 billion on hand for aviation electronics procurement and an unexpended balance of \$2.38 billion, reports Feb. 28 *Aviation Week*. Obligations for aviation electronics and communication equipment July 1-Dec. 31, 1954 totaled \$420,263,000 for the 3 services; expenditures for same period totaled \$318,724,000. In addition, the 3 services had unobligated balance Jan. 1 of \$811,522,000, unexpended balance of \$1.84 billion, for guided missile procurement. Guided missile obligations during last 6 months of 1954 totaled \$411,006,000, expenditures \$232,447,000.

Thor Corp., big Chicago washing machine manufacturer, plans bigger plunge in non-consumer electronics, it was revealed this week by chairman Arnold H. Maremont following agreement whereby Bendix Home Appliances takes over production of automatic washers for Thor, effective March 31. Currently producing electronic relays and controls, Thor will use capital derived from sale of its automatic washer plant at Cicero, Ill. to expand in electronics. Buyer of plant has not been disclosed.

Hupp Corp., Detroit, announced it is negotiating for purchase of electronics business of Brown-Allen Chemicals Inc., parent company of Standard Piezo Corp., Carlisle, Pa. (crystals) and its subsidiaries Standard Transistor Corp. and Allied Mfg. Corp., West New York, N. J. (TV components). Brown-Allen's electronics properties are said to include "certain arrangements with Siemens & Halske," large German electrical & electronics firm.

Associated Missile Products Corp. is new Pomona, Cal. firm specializing in development & production of guided missile ground-handling and check-out equipment. Raymond Crisp is pres.-gen. mgr.; Dr. Joseph Tampico, v.p.-research & development; Samuel H. Depew, v.p.-customer relations; Earl R. Skaggs, v.p.-products engineering; Robert L. Hull, secy.-treas.

Melvin L. Jackson, ex-Airborne Instruments Laboratory, Mineola, L. I., named v.p., C.G.S. Laboratories Inc., Stanford, Conn. (components).

Chief Signal Officer Maj. Gen. George I. Back will address luncheon meeting of RETMA's electronics industry committee at New York's Roosevelt Hotel, March 20.

Do's and Dont's in management-union negotiations, submitted by TV-radio management consultant Richard P. Doherty in speech before American Management Assn. executive conference in Los Angeles recently: (1) Avoid negotiating against the clock. (2) Be wary of horse trading. (3) Beware of clauses which provide for "mutual" decisions or determinations. (4) Don't think only of settling immediate contract. (5) Don't treat each provision as separate document. (6) Don't negotiate a "blind" contract. (7) Don't permit union to introduce individual grievances during general contract negotiations. (8) Don't get perturbed by union contentions of "inequities." (9) Don't be alarmed by table pounding and strong language. (10) Don't underestimate significance of non-wage provisions. (11) Don't lack competent advisors. (12) Don't rely on oral agreements. (13) Don't make agreements with a negotiator who lacks binding authority. (14) Don't be afraid of a strike. (15) Don't forget your employes while negotiating a contract.

Dallas oilman H. L. Hunt's Facts Forum Inc. now has 4 TV-radio discussion shows on the air, is planning a fifth titled *The Infil-traitors*, and spends about \$4,000,000 a year on them—mostly for production costs, since more than \$3,000,000 worth of time is given free by stations with some 60 local commercial sponsors. Reputed richest Texas oil millionaire of them all, Hunt and his activities are subject of article headed "Where One Texan's Money Goes" in recent *U. S. News & World Report*. It discloses that weekly *Facts Forum* on film (30-min.) and sound recordings (15-min.) go to 80 TV & 265 radio stations; weekly 30-min. *State of The Nation*, 400 MBS radio stations; *Answers for Americans*, 50 TV & 138 radio stations; *Reporters' Roundup*, 350 MBS radio stations.

RETMA publishes 12-p. booklet, *Your Television Antenna System*, explaining in laymen's language need for antenna, description of basic types of antennas, installation practices and reasons for periodic inspections. Booklet is available free from TV dealers, service technicians & local Better Business Bureaus.

Illustrating crackdown on TV-radio repair "gyps," Brooklyn couple who operated Sutter TV Service Station were sentenced to 6 months in jail this week after being convicted of bilking customers of more than \$350,000 over 5-year period.

Nobel Prize for Dr. Lee deForest is being urged by Hugo Gernsback, the publisher, who is gathering testimonials from scientists, engineers, bodies of learning, industrial leaders and others for forwarding to the Nobel Fund, Stockholm.

New community operations div., headed by Wm. H. Miller, has been established by Jerrold Electronics Corp. to manage community antenna systems in which it holds interests.

Dr. R. Bowling Barnes, pres. of Olympic Development Co., will receive first \$1000 Beckman Award in Chemical Instrumentation at American Chemical Society meeting in Netherland Plaza Hotel, Cincinnati, April 2.

Maj. Gen. James O'Connell nominated as Chief Signal Officer of the Army to succeed Maj. Gen. George I. Back, whose term expires April 30.

Bonnell W. Clark, 71, retired Westinghouse v.p. in charge of sales, ex-pres. of National Electrical Manufacturers Assn. and of National Assn. of Electrical Distributors, died March 3 in Stamford, Conn. Surviving are his wife and 3 daughters.

Mervyn M. Millikan, 57, v.p. of Electronics Corp. of America, died in Cambridge, Mass. March 4 of a heart attack.

Financial & Trade Notes: DuMont Laboratories Inc. reports 1954 gross income of \$92,843,000 compared to \$91,450,727 in 1953. Net earnings were \$7,597,000, equal to \$3.17 per common share; this figure, however, includes \$6,727,000 profit after capital gains tax on recent \$9,750,000 sale of WDTV, Pittsburgh (now KDKA-TV), to Westinghouse (Vol. 10:49 & 11:2). Earnings from operations for 1954 were \$870,000, or 32¢ per common share. In 1953, net income was \$1,544,362, or 60¢ a share.

Arvin earned \$2,231,198 (\$2.50 per share) after taxes of \$2,399,395 on sales of \$53,372,757 in 1954, compared to \$2,255,000 (\$2.53) after \$2,437,146 on \$73,395,197 in 1953. TV-radio div. accounted for 29% of total income in 1954, compared to 34% in 1953. Chairman-pres. Glenn W. Thompson commented in annual report that 1955 will prove "a most satisfactory year," adding that growing number of 2-set TV homes and increasing number of stations are creating new sales opportunities. He also stated demand for popular-priced radios continues "surprisingly strong."

Aerovox Corp. consolidated sales were \$23,017,000 in 1954 compared to \$27,065,000 in 1953, while net profit after taxes was \$552,000 (77¢) after write-off of losses suffered at New Bedford plants during Hurricane Carol, compared to \$1,074,600 (\$1.54) in 1953. Damage claims have been partially settled, company receiving \$807,000 insurance against total estimated loss of \$1,428,000.

Storer Broadcasting Co. reports 1954 net earnings of \$3,680,779, equal to \$3.23 per share based on 1,100,000 common and Class B shares outstanding prior to 2-for-1 split Feb. 25, 1955. Earnings compare with \$2,186,415 (\$1.70) in 1953. For last quarter, earnings were \$1,324,804. Annual report, with further details, is due to be released in about 2 weeks.

Tung-Sol Electric earned \$2,077,062 (\$3.15 per common share) after taxes of \$2,225,000 on sales of \$39,052,458 in 1954, compared to \$1,780,882 (\$3.07) after \$2,112,000 on \$40,017,549 in 1953. Net working capital at end of 1954 was \$14,779,665, up from \$9,235,345 at end of 1953.

General Precision Equipment Corp. consolidated report for year ended Dec. 31, 1954 shows net sales rose to \$123,332,634 from \$37,763,925 in 1953 and \$54,326,849 in 1952. Net earnings were \$3,436,349 (\$6.49 per share) compared to \$3,436,349 (\$5.09) in 1953 and \$1,255,278 (\$1.88) in 1952.

Stewart-Warner 1954 net income was \$2,757,000 (\$2.05 a share) on sales of \$92,882,000, compared to \$4,081,000 (\$3.04) on \$128,798,000 in 1953—the drop due largely to reduced military shipments.

Dividends: Admiral, 25¢ payable March 31 to stockholders of record March 16; Arvin Industries, 40¢ March 31 to holders March 14; Wells-Gardner, 15¢ March 15 to holders March 4; American Phenolic, 12½¢ April 29 to holders April 14; GE, 40¢ April 25 to holders March 18; Capitol Records, 15¢ March 31 to holders March 21; Decca Records, 17½¢ March 30 to holders March 16; Olympic Radio, 5% stock April 15 to holders March 25; American Electronics, 12½¢ March 15 to holders March 9; Standard Radio Ltd. "A," 15¢ April 7 to holders March 18; RCA, 25¢ April 25 to holders March 15.

Allied Electric Products Inc., whose founder-chairman Nathan Chirelstein died Feb. 19, filed Chapter X petition in Federal district court in Newark this week, Judge Modarelli appointing pres. Charles Penk and attorney Martin Moroney as trustees to continue operation under \$50,000 bond. Judge's order states debts exceed \$250,000, stays civil suits by creditors of stockholders. Financial statement filed with court shows liabilities of \$1,884,872, assets \$2,970,139.

TELEVISION-Electronics Fund Inc. reports total net assets of \$79,231,366 (7,275,265 shares) as of Jan. 31, 1955, up from previous quarterly report showing \$55,868,018 (5,901,271 shares) on Oct. 31, 1954. During the quarter, it added 7000 shares of ACF Industries Inc. at market value of \$337,750; 5000 Consolidated Electronics Industries, \$176,250; 800 Consolidated TV & Radio Broadcasters Inc., \$19,400; 2600 Electric Controller & Mfg. Co., \$131,300; 30,000 Elox Corp. of Michigan "A," \$187,500; 15,000 Elox "B," \$93,750; 10,000 Food Machinery & Chemical Co., \$486,250; 10,000 Litton Industries Inc., \$150,000; 11,000 Ryan Aeronautical Co., \$363,000; 12,600 TelAuto-graph Corp., \$403,200. Eliminated from portfolio were 9000 American Bosch Arma Corp.

Fund added to its holdings in these stocks during the quarter: Addressograph-Multigraph, Allis-Chalmers, ABC-Paramount, American Chain & Cable, AT&T, Beckman, Bell & Gossett, Boeing, Borg-Warner, Bulova, Chemical Products, Columbia Pictures, Cornell-Dubilier, Corning Glass, Cutler-Hammer, Curtiss-Wright, Eaton Mfg., Eitel-McCullough, Garrett, General Controls, GE, General Tire, Globe-Union, Goodyear, Hammond Organ, Hoffman Electronics, IBM, International Nickel, I-T-E, Liquidometer, Magnavox, Minneapolis-Honeywell, National Acme, National Cash Register, North American Aviation, Northrop Aircraft, Paramount Pictures, RCA, Reliance Electric, Remington-Rand, Royal McBee, Sangamo Electric, Sperry, Sprague, Square "D," Stewart-Warner, Taylor Instruments, Texas Instruments, Thompson Products, Tung-Sol, 20th Century-Fox, Warner Bros., Worthington Corp.

Part of holdings in the following were sold during the quarter: Admiral, Burroughs, Clark Controller, Clevite, Emerson Radio, Theodore Gary & Co., General Dynamics, Hazeltine, IT&T, Robertshaw-Fulton, Stromberg-Carlson, Sylvania, United Aircraft, United-Carr, Western Union, Westinghouse Air Brake.

Bache & Co. Market Letter of Feb. 4 foresees "excellent growth prospects for the television and radio business" and suggests these as representative stocks that have substantial attraction for capital appreciation: Admiral, CBS, Hoffman, IT&T, Motorola, Philco, RCA, Raytheon, Sylvania, Tung-Sol, Zenith. In special study for its Feb. 14 edition, United Business Service, Boston, states it's "convinced of the excellent growth to come in the electronics field" and recommends every investor have a stake in it. UBS suggests that those who can afford to take greater risks might buy a few of the lesser-known electronics issues, listing the following: Aircraft Radio, Allied Control, American Electronics, Ampex, Eastern Industries, ElectroData Corp., Electronics Associates, Electronics Corp. of America, Hycon Mfg., Laboratory for Electronics, W. L. Maxson, Norden-Ketay Corp., Panellit Inc. In its fortnightly review of Feb. 21, Carl M. Loeb, Rhoades & Co., New York, refers to electronics as a "healthy billion dollar baby" and discusses RCA, Philips of Holland, Raytheon, Collins Radio, DuMont.

Walter Winchell's stock market tips on his Sun. night ABC-TV show, while strikingly demonstrating the "pulling power" of TV, drew such criticism at Senate Banking Committee's hearing on stock market operations March 4 that there's talk of some sort of curb on TV-radio. Even Sen. Bush (R-Conn.), onetime member of CBS board, urged steps to "put an end to this irresponsible business of giving out market tips." Winchell said he has no financial interest in any company, bought only U. S. bonds.

The record business is up, too: Capitol Records Inc. reports 1954 net income of \$733,718 (\$1.53 per share) compared to \$690,154 (\$1.43) in 1953.

American Bankers Assn. survey shows 247 banks will use TV advertising this year as against 180 in 1954.

COMPROMISE national-regional football TV plan was revealed this week, then suddenly withdrawn for revision when it was indicated Big Ten wasn't satisfied with it. NCAA TV committee's originally announced plan—which was not sent to member colleges for ratification this week as planned—was designed as compromise between eastern colleges' announced position in favor of national telecasting and Big Ten & Pacific Coast conferences' all-out push for regional TV.

The withdrawn proposal envisioned 5 nationally telecast "game-of-the-week" programs and 5 days of regional telecasts. Nation would be divided into 3 zones—eastern, central, far west—with no team permitted to appear on a regional or national network more than once and no regional games to cross zone lines. TV committee also said exceptions would be made for schools wishing to televise sellout games on a local basis—a bone of contention in former years.

The plan would have taken NCAA out of the business of negotiating with networks and sponsors, since it provided for free negotiation by each school to arrange terms of sponsorship with advertisers and networks.

NCAA TV committee is expected to revise its plan after further meetings next week in New York. Plan was withdrawn after U of Illinois athletic director, having heard details of NCAA proposals, told Illinois State Senate education committee that the Big Ten "may be divorced from the NCAA."

Low-power rule proposed by FCC, which contemplates construction of satellites and operation with 100-watts ERP, drew comments in addition to those reported last week (Vol. 11:9). GE favored rule but suggested Commission suspend requirement that lower side-band be attenuated, stating that this would "materially reduce the cost of a low-power transmitter" without appreciable degradation of signal. Gates Radio, endorsing rule, said it could supply the following for less than \$60,000: transmitter, 200-ft. antenna, transmission line, dual projectors, video control, sync generator, dual vidicon chain. It also suggested that one vhf channel be set aside for low-power operation, for "local" stations, as is done with several AM frequencies. Joint Committee on Educational TV said it's "highly in favor" of rule but suggested that low-power stations not be limited to cities with population under 50,000. U of Arizona said low power would permit it to start transmitting with 2-camera vidicon chain it now uses on closed circuit. Radio stations WCTC, New Brunswick, N. J. and WIRA, Ft. Pierce, Fla. spoke up against satellite principle, fearing invasion by repeaters of big-city stations.

Two TV applications were filed with FCC this week: for Walla Walla, Wash., Ch. 5, by J. Elroy McCaw, owner of KTWV, Tacoma (Ch. 13), 25% owner of KONA, Honolulu (Ch. 11), 75% owner of WINS, New York, with holdings in 5 other AMs; for Hattiesburg, Miss., Ch. 9, by Harold M. & Dave A. Matison Jr. (who hold interest in 5 Miss. & La. AMs) and clothier Milton J. Fine. Fine & Dave Matison formerly held stock in Hattiesburg Bcstg. Co., Ch. 9 applicant now scheduled for hearing. [For further details about applications, see *TV Addenda 20-H* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

Govt.-industry tall tower committee of Air Coordinating Committee (Vol. 11:4) held organization meeting March 4, plans second meeting soon, at which aviation industry spokesmen will state arguments against tall towers and TV spokesmen will give their side. FCC Comr. Robert E. Lee and CAA chairman F. B. Lee are co-chairmen.

End the Lamb hearing and renew license of WICU, Erie—that's substance of petition filed this week with FCC examiner Herbert Sharfman by attorneys for Edward O. Lamb, who argued Broadcast Bureau in 5½ months of hearings had "failed to make out a prima facie case" of its subversive-association charges against the Toledo broadcaster-publisher-industrialist. At same time, they asked Commission to delete from the hearing Lamb's countercharge that FCC personnel tried to induce false testimony against him and offered at least one bribe for false testimony. Broadcast Bureau is expected to reply to petition next week, and oral argument would be next step. Another pending motion by Lamb's attorneys would strike out testimony by Broadcast Bureau's first witness, ex-Communist Wm. G. Cummings. Meanwhile, Federal grand jury in Washington opened its secret investigation of the testimony of turnabout govt. witness Mrs. Marie Natvig by quizzing Broadcast Bureau attorney Thomas B. Fitzpatrick and investigator Robert D. J. Leahy.

Subscription TV became hot subject before N. Y. City Council this week, after Council pres. Abe Stark introduced resolution urging FCC not to approve pay-as-you-look TV. He said that such systems would leave low-income families watching "little more than mediocre shows and third-rate movies," while all good shows would have to be paid for. He said that poor free shows would tend to drive children out of the home, increasing juvenile delinquency. Fee-TV proponents immediately jumped Stark. Byron Bentley, pres. of National Theatre Arts Council, vowed that subscription TV would breathe new life into legitimate theatre. Skiatron pres. Arthur Levey said that pay-TV was no threat to TV; that it would bring into homes high-grade programs and events now out of reach of low-income groups. Zenith pres. E. F. McDonald stated that fee TV would merely supplement free TV and urged public to write to FCC and encourage favorable action.

National Assn. of Broadcast Employees & Technicians (NABET-CIO), representing some 2500 network engineers, script writers & editors, this week rejected new contract proposal from NBC-TV & ABC-TV (Vol. 11:6). Under proposal, NABET was to relinquish jurisdiction over film production to International Alliance of Theatrical & Stage Employes (IATSE), thereby opening way for both networks to join CBS-TV in producing own films. CBS-TV already has right to film own shows under separate agreement with IBEW. NABET pres. Cliff Rothery said there will be further attempts to negotiate a settlement before strike is called.

In wake of Storer decision by Court of Appeals last week (Vol. 11:9), in which FCC was told it couldn't limit ownership of stations to specific number, Commission will seek appeal to Supreme Court, provided Solicitor General concurs; consultations between the two will be held. Everyone else seems to be sitting tight, meanwhile, though Senate Commerce Committee is certain to consider whether or not it should establish numerical limits which FCC is now forbidden to set.

Edward Lamb Enterprises, Toledo, has purchased assets of Rasch Mfg. Co., Kansas City manufacturer of water heaters. Lamb interests about 2 years ago acquired White Products Co., Middleville, Mich., major manufacturer of electric & gas water heaters.

Action on McConnaughey nomination to FCC will be taken next Wed., March 9, by Senate Interstate & Commerce Committee, with confirmation by Senate expected shortly thereafter.

"Electronicam" may be name of new method being perfected by DuMont for shooting film at same time live show is being televised (Vol. 11:8).

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SUMMARY - INDEX OF THE WEEK'S NEWS—March 12, 1955

BOOMING ELECTRONICS INDUSTRY headed for \$20 billion-a-year business by 1964, predicts industry expert, giving detailed breakdowns (p. 1 & Special Report).

NBC BUYS BUFFALO UHF WBUF-TV, which resumes operation; network will shift affiliation away from vhf WGR-TV when contract expires (p. 3).

BINGHAMTON & TUCSON STATIONS SOLD: Walter Annenberg buys WNBF-TV for \$3,000,000, Harry Maizlish group buys KVOA-TV for \$450,000 (p. 2).

COLOR GETS ITS BIGGEST BOOST to date from 2-hour "Peter Pan" telecast, probably most successful single show in history of TV (pp. 2 & 11).

JUSTICE DEPT. "ON THE ALERT" for network anti-trust violations; Commission still unable to agree on reply to Plotkin & Jones reports, due next Friday (p. 3).

UNWRITTEN TALL-TOWER "BAN", imposed by Pentagon, spurs demands for showdown on whether FCC or military has right to control tower heights (p. 4).

GUARANTEED ANNUAL WAGE, to compensate for automation, sought by labor this year in electronics industry; auto talks watched for guide (p. 12).

DISCOUNT HOUSES AND FAIR TRADE to get thorough review by Govt. in next month, with prospect of hot political fight in offing (p. 14).

CORPUS CHRISTI Ch. 6 grant to KRIS due after Baptists drop out; educators get Ch. 2 in Andalusia, Ala.; WTVI granted shift to St. Louis' Ch. 36 (p. 6).

TV'S OWN ACADEMY AWARDS, annual "Emmy" presentations, may soon outstrip moviedom's "Oscars" in popular interest; first award telecast a success (p. 7).

NEWSPAPERS INCREASINGLY CRITICAL of TV in speeches and ads, but ANPA spokesman says it's not part of organized campaign (p. 9).

CBS & NBC BILLINGS SET RECORDS in Jan. PIB report, with over \$33,000,000 in billings by 4 TV networks; network radio slips badly (p. 16).

THE ELECTRONICS INDUSTRY—WHAT'S AHEAD: Whether you're a telecaster, manufacturer, distributor, dealer or what-have-you -- certainly if you're interested in investment in one or the other facets of the electronics fields -- we commend to your attention this week's speech by Sylvania's finance v.p. W. Benton Harrison before the Financial Analysts of Philadelphia, which we send you herewith as a Special Report. In a field where marvels, even statistical, are becoming commonplace, Mr. Harrison, a one-time professional security analyst himself, who went to Sylvania from General Aniline in 1951, spells out the fiscal course the industry is taking better than anyone else has yet done, in our opinion. He had an assist, of course, from RETMA's statistical chairman Frank Mansfield, Sylvania's knowledgeable sales research director.

Read the whole thing to get its real import, especially if you're charting a course for your own particular field of electronics endeavor. Suffice here to note Mr. Harrison's confident remark that electronics as a whole "has a growth potential beyond the scope of most other industries" and that it's now a \$9 billion business which by "conservative estimate" should go to \$20 billion annually by 1964.

It's a rosy picture of a dynamic industry, altogether, which Mr. Harrison paints, based as he says on "realistic projections of sales trends that have become well established." For example, he reports that this will be an "excellent TV year" but hastens to show that better ones are ahead; that govt. business will go up from \$2.5 billion this year to more than \$4 billion by 1964 -- on peacetime basis; that markets for home radios, car radios, replacement tubes & components, servicing, etc. are consistently on rise; that wholesale & retail mark-ups, running about \$2 billion this year and last, should rise to \$4.2 billion in 10 years; that non-military & industrial uses and markets for electronics products & services have "no ceiling"; that broadcasting revenues (TV & radio) which last year aggregated \$1.14 billion will rise to \$3 billion in the years 1958-60, hit over \$5 billion by 1964.

BINGHAMTON & TUCSON STATIONS SOLD: Pioneer WNBC-TV, Binghamton, N.Y. (Ch. 12), only outlet in city, fed by all networks, was sold this week with its radio adjunct WNBC (5-kw, 1290 kc, CBS) to Triangle Publications, headed by Walter Annenberg, publisher of Philadelphia Inquirer. Price was \$3,000,000, less about \$300,000 in net quick assets, and station will be operated under the direction of Triangle's WFIL-TV mgr. Roger W. Clipp, with gen. mgr. Geo. Dunham remaining in that capacity. Howard Stark, broker, handled deal whereby John C. Clark interests, pre-freeze founders who control about 80% of stock, will leave TV-radio station field.

Among other station deals still cooking, one was disclosed this week -- sale of KVOA-TV, Tucson, Ariz. (Ch. 4) with radio KVOA (1-kw, 1290 kc, NBC) to partners Harry C. Maizlish, Frank Oxarart & Morton Sidley. They operate KFVB, Hollywood, are paying about \$450,000 for the properties, said to be on "borderline" of profitability. Sellers are KTAR Bcstg. Co., operating radio KTAR and TV station KVAR in Phoenix, whose principals are John J. Louis & family (Needham, Louis & Brorby, Chicago ad agency), with pres.-gen. mgr. R.B. Williams also selling his 10.13%.

'PETER PAN' MAY PROVE TO BE COLOR TRIGGER: The spark that will ignite color TV may have come this week in the form of NBC-TV's phenomenally successful Peter Pan program (see p. 11). It provided most widespread, longest (2 hours) and most pleasing exposure to color ever given to the public.

At every level of industry, there's hope and belief that this impact, if followed up promptly and properly, will give color the kind of impetus that first championship fights, World Series, political conventions, etc. gave to black-&-white in 1946-50. Networks are scurrying to find programs of comparable impact -- but they're mighty rare. Nevertheless, more big spectaculars are in the works, and, combined with more regular color shows promised by networks (Vol. 11:8), they could prove to be the stimulus everyone has been waiting for.

"The influence of Peter Pan," said Irving Sarnoff, of Bruno-N.Y., biggest RCA distributor, "gave TV in general and color in particular a stature it never before enjoyed. And we think it gave color its biggest shot in the arm yet." In week preceding Peter Pan, he said, Bruno-N.Y. sold more color sets than in the whole period since deliveries of 21-in. began in Dec. He said he'd obtained 350, sold them all -- with nearly all now in hands of consumers, not dealers.

"Sixty days ago you couldn't even talk to a dealer about color," he said. "They don't feel that way now. There's more faith in color, more enthusiasm for it, and I think nothing is going to stop it."

Brother of the RCA chairman, Mr. Sarnoff feels 3 elements are necessary to "trigger" color: (1) Combined efforts of whole industry. (2) Program continuity and quality. (3) Price. He said he didn't know price to be placed on new 28-tube sets to be delivered in April-May, but he doubted that it will be under present \$895.

Motorola exec. v.p. Robert Galvin termed show "the most significant single shot in the arm color has ever had." He said one eastern distributor sold 6 sets immediately after the show while other distributors have shown marked increase in enthusiasm for color. "Half dozen such shows would be wonderful," he said, "but I don't know how well the networks can afford them."

Another manufacturer with high hopes for color declared: "If we were able to announce more shows like Peter Pan, industry could sell 25,000 sets right away. But remember that this was a onetime shot -- and who knows how many more like it we can expect?" The things that will make color click in a big way, he said, will be a "\$495 price" and "a good program schedule" -- but he wasn't very hopeful about the price factor, at least in the near future.

RCA officials exude confidence and enthusiasm -- but they're very cautious about commenting on future plans. They say that all but a few dozen of the 3-4000 run of 38-tube sets have moved to distributors and that nearly all have been sold to public. "Right now," says an executive, "we could sell more sets if we had them, but of course we're waiting for the new 28-tube chassis next quarter. One phenomenon of the current situation is that, whereas we had hoped the dealers would keep at least demonstration models, most of them have sold out entirely."

NBC BUYS BUFFALO UHF, TO SHIFT FROM VHF: Faltering uhf got another hypo from NBC, again at expense of a vhf affiliation, when the network this week purchased recently silenced WBUF-TV, Buffalo (Ch. 17). NBC will affiliate it in lieu of 6½-month-old WGR-TV (Ch. 2) when that station's contract expires in Aug. 1956.

WBUF-TV quit the air 2 weeks ago (Vol. 11:9), second uhf in city unable to make a go of it, but resumed operation March 9 with ABC schedule and with film. It has no studios, having recently sold them to WGR-TV. NBC states it will continue under present management (Sherwin Grossman & Garry Cohen) who lost some \$450,000 in operating the station since Aug. 1953. NBC is paying \$312,000 cash.

WGR-TV ownership (George Goodyear, Myron Kirk, et al) was flabbergasted at sudden and unexpected turn of events, while NBC undertook to impress FCC and public with "further proof," as pres. Pat Weaver put it, "of NBC's faith in the future of uhf as a broadcasting medium...[This] will preserve the investment of millions of dollars which the people of the Buffalo area have made in uhf receivers.

"We believe our purchase will give encouragement to all uhf broadcasters and will eliminate the unfavorable implications which would have resulted from the failure of uhf to survive in Buffalo market. The full resources of NBC will be placed behind WBUF-TV to develop uhf service as comparable as possible to vhf."

NBC also recently purchased WKNB-TV, New Britain-Hartford (Ch. 30) in deal involving \$800,000 (Vol. 11:2) that's being held up by objections of its New Haven vhf affiliate WNHC-TV (Ch. 8). It's apparently intent, with RCA blessing, on getting further into uhf as quickly as possible and by precept and example in uhf operation stemming tide of failure that has engulfed 39 uhf stations (112 now operating).

There are several ironies in surprise deal, aside from fact that a network is forsaking assured vhf audience in favor of yet-to-be-built-up uhf. NBC becomes owner of an ABC affiliate, mainly GE-equipped, unless WGR-TV can stop transfer and unless WGR-TV elects to shift to ABC before NBC contract expires. Counsel for WBUF-TV is the ex-FCC stormy petrel, Harry Plotkin, who also is of counsel for the New Haven vhf which is fighting similar encroachment of the Connecticut uhf (Vol. 11:7).

Another interesting angle: NBC was unwillingly forced out of vhf affiliations in Buffalo and in Norfolk by CBS more than year ago, now is forcing 2 vhf affiliates out -- and vhf cries of "ouch" further emphasize how dependent TV stations are on network affiliations. As has CBS in Milwaukee, where it bought and now operates uhf WXIX (Ch. 19), NBC shows additional confidence in long-term growth of uhf; it also assumes burden of increasing receiver conversion in Buffalo, where up to 40% is now claimed, for sake of proving uhf is here to stay. It plans to hike the Buffalo uhf power, like one on Mt. Higby, to 1 million watts.

* * * *

Note: Sale of defunct WTOV-TV, Norfolk (Ch. 27), uhf which went dark last Oct. 3, was approved by FCC this week -- and new owner, Hyattsville (Md.) used car dealer Temus Bright (Tim Brite Inc.) states he plans to start it anew and run it as independent in 3 weeks or month. He paid about \$95,000 for station, including the assumption of \$63,000 owed RCA on equipment, acquires 3½ acres of ground, buildings and TV plant. His mgr. will be A.V. Bamford, ex-Oakland radio operator, recently in Hollywood programming, with Phil Bate, ex-Philco, as chief engineer. He may start another used car business in Norfolk as part of his new project, he said.

JUSTICE DEPT. ON NETWORK ANTI-TRUST: While FCC was trying to figure out what to say in its report next week to Senate Commerce Committee on questions raised in Plotkin Memo, industry leaders were trying to figure out exactly what Justice Dept. said in its report submitted to the Committee this week.

Justice Dept. pledged vigilance, revealed no specific plans -- and as result there was complete disagreement on how much reading-between-the-lines was called for. Network spokesmen said they regarded it merely as a pro forma reply.

"We emphasize that we regard the questions raised by Mr. Plotkin's Memorandum to be of great importance," said brief report submitted by Deputy Attorney General Wm. P. Rogers. "It is essential in a free society that access to a medium of com-

munication as influential as TV be limited only by the public interest and the inherent nature of the phenomena that make broadcasting possible."

All Federal anti-trust laws apply to networks -- that's Justice Dept.'s view as indicated in its report -- despite 1948 case in which Supreme Court upheld lower court decision "which intimated that different standards of accountability" apply to networks. But Rogers passed the buck to FCC in answer to Plotkin's question whether abolition of chain broadcasting regulations would promote freer competition and more effective regulation of networks.

Govt. is "on the alert for information indicating that any network is engaged in a violation" of anti-trust laws, said Rogers. "It would be inappropriate to report on any particular complaints, but you may be assured that we will continue to investigate any complaints submitted..." More complete report from Justice Dept. has been requested by Chairman Magnuson "as soon as convenient."

(Copies of Justice Dept. report may be obtained from Senate Interstate & Foreign Commerce Committee or we'll get one for you.)

* * * *

FCC has yet to come to agreement on how to respond to Plotkin & Jones memo-randa; another meeting is set for March 14. There may well be several different comments submitted because of inability of commissioners to agree. It's certain Comr. Hennock will have one, and it's likely one or more of the others will have separate views. The Commission's reply is due next Fri., March 18.

No one expects FCC to commit itself to drastic moves. Some members feel that "another look at de-intermixture" is warranted. Others claim that the amount of good to come from de-intermixture is negligible. As for wholesale moves to uhf, one member said: "If I were sure that were the answer I'd go for it -- but I'm not." His opinion is that de-intermixture would rob rural viewers of service, and he feels that FCC's first duty "is to provide at least one signal to everyone in the country before trying to create more competition in the big cities."

One top FCC staff member may have summarized majority view when he said: "It's obvious that there's no quick answer. In the long run, I think the FCC can improve the situation -- though I don't think it's as bad as some claim it is. But it should be remembered that the FCC is only one element in the whole picture. There are the advertisers at one end and the set manufacturers at the other. They operate in a normal free-enterprise manner, and that's the way it should be. I think the Senate committee could learn a lot by asking representatives of the top agencies and manufacturers to present their views."

SHOWDOWN DUE IN TALL TOWER STALEMATE? Exasperated applicants for high towers are looking to FCC to override the Pentagon's unwritten ban on towers over 1000 ft.

Showdown could come as soon as next week -- or in 6 months, or indeed not at all. While the Commission is anxious to encourage maximum coverage via high towers, at the same time it is fearful of overruling the military. It has authority to do so, and high-tower applicants are watching to see if it will stand up against what they consider "arbitrary and capricious" action by the Pentagon.

Though they deny their actions are arbitrary, plain fact is that the 3 military members of Washington Airspace Subcommittee (which advises Commission on the aeronautical aspects of tower proposals) have opposed all proposals for towers over 1000 ft. that have been advanced within the last 4 months.

This despite fact that Regional Airspace Subcommittee had given unanimous approval in every case -- and despite fact CAA & CAB representatives on Washington Subcommittee voted for approval in each case.

Military failed to get the 1000-ft. ban put in writing last January, when the top-level Air Coordinating Committee (ACC), parent of Airspace Subcommittee, couldn't agree on it, and instead ordered industry-govt. study of whole high tower situation (Vol. 10:48 & 11:3). Meanwhile, ACC ordered subcommittee to continue considering tower proposals on case-to-case basis, using same criteria as it has in past. The industry-govt. study finally got under way last week, may take 6 months.

Now pending before FCC are 3 tall-tower applications which lack unanimous approval by Airspace Subcommittee because of military opposition. FCC has 2 choices in these almost unprecedented cases: grant application despite Armed Forces' opposition (which it has never done before), or call hearing, letting the military appear and state their specific objections.

FCC is clearly not satisfied with the reasons given by the Pentagon for opposing recent high tower proposals. (In one case, tower merely was called "a mental and physical hazard".) Commission this week asked ACC to request subcommittee members to be more specific in listing their reasons for tower turndowns. ACC took up Commission's request, drew promise from Air Force to give more details.

The recent cases of military tower turndowns: WSLA, Selma, Ala., 1993-ft. tower; KSWB-TV, Roswell, N.M., 1610-ft.; KGE0-TV, Enid, Okla., 1356-ft. In Little Rock, Ark., KARK-TV recently made informal inquiries about possibility of building a tower higher than 1000 ft., was told it would be disapproved. Still unapproved is the 2003-ft. tower proposed by WHAS-TV, Louisville (Vol. 11:8), tallest yet.

Interesting sidelight on the 1000-ft. situation is case of WJRT, Flint, Mich. Originally it had planned 1049-ft. tower, but changed height to 999 ft. Its tower proposal breezed through Washington Airspace Subcommittee last week.

First test case may come next week when FCC considers request by KGE0-TV to make immediate grant for new tower, despite opposition by military.

The Enid, Okla. station now has 816-ft. tower 5 mi. from city airport, 12 mi. from Air Force base, less than 2 mi. from intersection of 2 air routes. It proposes 1356-ft. tower at new site 28 mi. from both airfields, 9 & 10 mi. from nearest air routes. Proposed new location was endorsed by city airport mgr. and air base commandant as safer than old one, is considered necessity by station since current site provides poor reception in Enid and station has consistently lost money (see p. 10).

Station wants immediate grant overruling military members of subcommittee, fears it can't hold out the 6 months or more it would take to wait for hearing.

* * * *

Adding to high tower blues are 2 Congressional resolutions, which not only would make it difficult or impossible to build any new tower over 1000 ft., but might effectively block renewal applications by stations with existing tall towers. H.J. Res. 138 & 139 were introduced by Rep. Harris (D-Ark.), chairman of House communications subcommittee, & Rep. Hinshaw (R-Cal.), member of that subcommittee, who is being considered for presidency of Air Transport Assn., trade group favoring tower ban.

SUBSCRIPTION TV's most ardent opposition, movie exhibitors' Joint Committee on Toll TV, is busily girding its loins for coming struggle before FCC. This week, it appointed new public relations counsel, Robert S. Tappinger & Assoc., N. Y., and offered its services to "other groups which already are interested in presenting the views of various public interests against the toll plan for home TV audiences." JCTT also announced that Cohn & Marks would continue as Washington counsel. In addition, it is considering hiring as economic consultant Dallas Smythe, ex-FCC, now a professor at U of Illinois, who has also worked for Joint Committee on Educational TV.

Meanwhile, the extraordinary success of NBC-TV's *Peter Pan* (see p. 11), led Zenith v.p. H. C. Bonfig, in speech this week before Chicago chapter of Robert Morris Associates, to predict subscription TV would bring 50 or more Broadway productions into the home each year—at a fraction of regular boxoffice prices. He ventured that pay-as-you-look TV has excellent chance of getting going this year.

Our recent report on the "silent men" of the pay-TV controversy—the operators of networks and stations (Vol. 11:9)—elicited prompt reaction from Leon P. Gorman Jr., mgr. of WABI-TV, Bangor, Me. (Ch. 5). Stating that he has been "carrying on a running battle with the subscription TV people since about 1948," he enclosed copy of letter he had written to NARTB recently, stating in part:

"It seems to me that these subscription people—and all their drum beaters—are living 'schmoos', walking, talking Al Capp-ish human beings who are everything to everybody. About the only thing they haven't promised is to stop the coming and going of the tides. If you're an educator, they promise educational shows; if you're a politician, be our guest and have a political program; if you're a housewife, then nothing but the finest of Hollywood's most lavish productions for you; if you're a sports fan, then it's Hialeah, ping pong, baseball, horseshoe pitching and bean bag throwing anytime you want it. There are stamp collecting shows for stamp collectors; poetry shows exposing Shakespeare for Baconian enthusiasts; and 'How-to-Find-Uranium-Without-Leaving-Your-Home' for the poor, the hungry and the hopeful. And, last but not least, to the poor beleaguered TV station man—be he uhf or vhf—they promise untold wealth and unlimited happiness and long life."

First permanently established and solely owned closed-circuit network for large screen business meetings" was announced this week by TNT Tele-Sessions gen. sales mgr. Fanshawe Lindsley. Tele-Sessions now has installations in 41 cities, using GPL projection equipment, operated under contract by RCA Service Co., available for use in theatres, hotels & auditoriums.

Personal Notes: I. E. (Chick) Showerman, onetime NBC central div. v.p., recently named gen. mgr. of Hearst Radio's WISN, Milwaukee, has taken over management of newly acquired Ch. 12 WTVW, Milwaukee (Vol. 11:10), with John J. McPartlin, ex-WNBQ, Chicago, named asst. mgr. this week by D. L. Provost, Hearst TV-radio v.p. . . . Vincent A. Francis, gen. sales mgr. of KGO-TV & KGO, San Francisco, winner of local Junior Chamber of Commerce's Man of the Year award in 1954, promoted to new post of sales mgr., ABC-TV western div., San Francisco . . . James H. Burgess, sales director of WLWC, Columbus, named national sales rep for all Crosley stations working out of Cincinnati; Charles R. Dodsworth, ex-sales chief at WLWD, Dayton, replaces him at WLWC and George Gray, ex-WKNA-TV, Charleston, W. Va., replaces Dodsworth . . . Thomas N. Dowd's name is added as Washington law firm, prominent in TV-radio, changes to Pierson, Ball & Dowd . . . Albert J. Feigen, ex-Federal Power Commission, joins Dempsey & Koplovitz, Washington attorneys . . . Wm. Fox, program director of KFMB-TV, San Diego, promoted to gen. sales mgr. . . . Winter Horton promoted to exec. director, KFSD-TV, San Diego . . . Jack Nedell promoted to commercial mgr., WGBI-TV, Scranton . . . George Turner, ex-DuMont film director, named exec. asst. to Herbert Jacobs, v.p. & gen. mgr. of TV Inc. . . . Stanley Chambers promoted to national sales mgr., KTLA, Los Angeles, Robert Mohr continuing as sales mgr. . . . H. Needham Smith, sales mgr. of WTRF-TV, elected pres. of Wheeling Ad Club . . . Stephen J. Machcinski Jr. promoted to gen. sales mgr. and coordinator of TV-radio sales, Adam J. Young Jr. Inc. . . . James C. McCormick, ex-sales mgr., Jack Douglas TV Productions, formerly with Ziv and Mayers Adv., joins Hollywood office of H-R Television Inc., which has new phone number: Hollywood 2-6453 . . . Richard B. Rawls, mgr. of KPHO-TV & KPHO, Phoenix, elected pres. of Arizona Broadcasters Assn., succeeding Charles Garland, KOOL-TV . . . Edward R. Beach resigns as v.p. & secy., Benton & Bowles, to become v.p. & a director of International Affiliates Inc., producer of foreign movies & TV films . . . David Y. Bradshaw named TV-radio mgr., Young & Rubicam . . . D. H. Humm named TV-radio time-buyer, Charles W. Hoyt Co., N. Y. . . . Pat Weaver, NBC pres., returned from Europe this week . . . R. A. Borel, director of WBNS-TV, Columbus, left March 9 for month in Germany . . . Frank E. Mullen, onetime NBC exec. v.p., now consultant with offices at 8949 Sunset Blvd., Hollywood, resigned this week as pres. of Vitapix-Guild Programs Inc.; Kenyon Brown, KWFT-TV, Wichita Falls, was elected pres. and Edward E. Hall exec. v.p. . . . John H. Dodge promoted to eastern administrative sales mgr., NBC-TV network sales dept., reporting to Walter D. Scott, administrative sales mgr.

Latest Armed Forces TV station is new Ch. 8 low-power installation at Keflavik Airport, Iceland. It's 4th station to be established by Armed Forces TV Service of Defense Dept.'s Office of Armed Forces Information & Education (Lt. Col. Mel Williamson, chief, TV branch). AFTS now ships 60 hours of film and kines to the stations weekly, hopes to have 10 stations on air by July 1. It already has approval for new TV installations at Thule, Sonderstrom Fjord and Narsassuak, Greenland and at Ramey Air Force Base, Puerto Rico (possibly uhf). Also being considered are stations in Okinawa, Guam and elsewhere. (For list of existing Armed Forces TV stations, see *TV Factbook No. 20*, p. 55).

George J. Podeyn, 65, who joined old WEAJ, New York (now WRCA) in 1923, helped develop the NBC network, was its Pacific Coast mgr., died March 8 in Greensburg, Pa., where since 1940 he had been mgr. of radio WHJB. Surviving are his wife and 2 sons.

CORPUS CHRISTI Ch. 6 grant soon is in prospect, with dropout this week of Baptist General Convention from competition with KRIS. In petition for dismissal, group said "no consideration" is involved, and reason for withdrawing is to get service going quickly. Cowles grant of Ch. 8 in Des Moines moved a step closer when FCC Broadcast Bureau recommended immediate grant, now that KSO has pulled out (Vol. 11:10).

There was one CP this week, educational Ch. 2 grant to Alabama Educational TV Commission, for Andalusia. Also authorized was shift of WTVI, Belleville, Ill. (Ch. 54) to St. Louis' Ch. 36, which was relinquished by now-silent KSTM-TV.

Channel shifting which would permit WWLP, Springfield, Mass. (Ch. 61) to move to Ch. 22 was issued as proposed rule-making, along with counter-proposal by Rhode Island Board of Education which would give WWLP Ch. 36 instead of Ch. 22. CP-holder KAKI, Visalia, Cal. (Ch. 43) asked that its channel be moved to Fresno, citing "economic reasons."

Three uhf CPs were turned back: WCNO-TV, New Orleans (Ch. 32); KMIV, Miami, Okla. (Ch. 58); WNAM-TV, Neenah, Wis. (Ch. 42).

Proposed purchase of WKNB-TV, New Britain, Conn. (Ch. 30) by NBC and its shift to Mt. Higby (Vol. 11:2) were endorsed in comments filed with FCC this week by Dr. F. E. Engleman, Connecticut commissioner of education, and General Teleradio-Hartford Times' WGTH-TV, Hartford (Ch. 18). Opposition was filed by WATR-TV, Waterbury, Conn. (Ch. 53) which feared NBC's ownership of station in area would make competition for major network affiliation too great.

Application of WHAS-TV, Louisville (Ch. 11) for 2000-ft. tower (see p. 5) was opposed by WLEX-TV, Lexington, Ky. (Ch. 18) which said that greater height would permit WHAS-TV to throw strong signal into predominantly uhf territory.

Petition of WRTV, Asbury Park, N. J. (Ch. 58) for assignment of Ch. 8 for low-power operation was opposed by WGAL-TV, Lancaster (Ch. 8), which objected to prospective interference, said that WRTV's reasons "do not warrant the radical departure from the allocation plan now in effect."

Efforts of KRIC-*Enterprise* to keep KFDM-TV, Beaumont (Ch. 6) from going on air pending litigation were turned down by Court of Appeals, but it asked FCC to hold up for the present approval of transfer whereby W. P. Hobby (KPRC-TV and *Houston Post*) acquires 32½%. KFDM-TV has April 1 target.

Consolidated TV & Radio Broadcasters Inc. (Bitner), which is paying \$3,135,000 for Ch. 11 time-sharing WTCN-TV, Minneapolis & WMIN-TV, St. Paul, along with radio WTCN (Vol. 11:5), in transfer papers filed with FCC this week disclosed that its profit for first month of new fiscal year (Nov. 30, 1954-Jan. 1, 1955) was \$118,115; that net after Federal taxes for preceding fiscal years ended Nov. 30 was: 1954, \$1,253,661; 1953, \$824,254. Also shown in transfer file were gross sales of \$187,500 by WTCN-TV & WTCN in 13 weeks ended Jan. 1, 1955.

FCC's loyalty proposal, aimed at weeding out subversives among licensed radio operators (Vol. 10:34, 40), drew renewed opposition this week from American Civil Liberties Union. Attorney Herbert M. Levy wrote Commission that proposal wouldn't help enforce security because licensed operators may constitute only small percentage of those having access to transmitter, but it might endanger civil liberties by causing licensees to fear expression of unpopular views lest they be considered pro-communist.

Telecasting Notes: Prediction: TV's annual Emmy awards (see list below) in not too distant future will outstrip movie industry's "Oscar" awards in popular interest. Reason is that more people have come to know the TV nominees as frequent "visitors" in their homes. They're just as glamorous and telegenic, too, as March 7 nation-wide NBC telecast of awards from Hollywood & New York proved. Certainly the TV show was handled better than the recent telecast of the nominations of the Academy of Motion Picture Arts & Sciences, though it's to be assumed the final movie awards on NBC-TV March 30, with Bob Hope as m.c., will be an improvement . . . Nominees and winners, most of whom were on hand, came in one big show as the TV "Emmies" were handed out. Fact that up-&-coming ABC got so many awards seems to epitomize growing strength of the once-tottering "third network"; fact that Studio City TV was only non-network syndicate to have own winner (though TPA produces the CBS Campbell Soup Co. winner *Lassie*) would seem to indicate the TV film syndicates have to do more self-promotion of their identities . . . Fact that Walt Disney and Loretta Young, both winners of movie "Oscars," were on the TV winners list points up growing affinity between the TV and movie media; there will probably be more such dual winners in years to come . . . Why "Emmy"? The word was coined as a sort of contraction of "image orthicon" (TV camera tube), obviously with thought of building up a running mate if not rival for "Oscar." Academy of Television Arts & Sciences has headquarters at 6525 Sunset Blvd., Hollywood; Don DeFore is pres., Isabelle Pantone, exec. secy. . . . End of stand-offish attitude of Hollywood majors toward TV, which persisted despite lead of Columbia's Screen Gems in going early into TV production and profit shown by Republic Pictures in releasing its oldies, is seen by *Variety's* Fred Hift in significant March 9 article in which he notes "every indication that Hollywood is getting ready to move the massive impact of its facilities, know-

how, talent and story reservoir into the TV field for what's seen as a mutual payoff." "The studios," he adds, "have stopped thinking in terms of the worst being good enough for their electronic competitor" . . . Warner Bros., which recently sold 191 cartoons to TV (Vol. 11:8) has been huddling with ABC, as has 20th Century-Fox, and both now have TV production units under way. There's persistent report, unverified, that Warners will soon break open its vaults and release batch of 1933-44 features to TV . . . "It would seem," states Hift, "that it was Walt Disney's plunge into the video pool, and the impressive ratings of his show, that cued the new Hollywood interest. There's still a degree of caution [so as] not to antagonize their exhib customers." . . . Newest batches of oldies being peddled to TV are said to be 37 Pine-Thomas features once released by Paramount, and 52 J. Arthur Rank features—with many more to come . . . RKO-Pathé is moving into TV, too, contemplating production in Bermuda of one series to be titled *Sarong*, with Dorothy Lamour, and another based on Philip Wylie's *Des & Crunch* stories in *Saturday Evening Post* . . . Feature film version of Paddy Chayefsky's TV hit *Marty*, first seen on *Philco Playhouse* (NBC-TV), due for N. Y. premiere April 11 (Sutton Theatre); it was produced for United Artists by Harold Hecht . . . Medicos are on air so much that new Caduceus Productions has been formed, headed by Dr. Wm. House, with Bernard Kowalski as v.p.; its first offering will be *GP* (general practitioner) being shot on Hal Roach lot.

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Add telegenic politicians, among whom we rated President Eisenhower high last week (Vol. 11:10): March 14 *Newsweek*, in article on "The Changing Face of Politics," rates Eisenhower "tops" on TV, Adlai Stevenson "excellent," Vice President Nixon "good but not great," Secy. Dulles "fair to good," Sen. Kefauver "effective in a nice quiet way but not outstanding," Sen. Symington "fairly effective, could be much better."

ACADEMY of Television Arts & Sciences presented 7th annual "Emmy" awards on NBC-TV March 7 (see above) for outstanding performers & programs. In addition, awards for technical achievements on networks were subsequently announced. Winners:

ABC-TV: best variety series, *Disneyland*; best individual program, "Operation Undersea" (*Disneyland*); dramatic series, *U. S. Steel Hour*; situation comedy, *Make Room for Daddy*; best actor starring in regular series, Danny Thomas; news reporter-commentator, John Daly; film editing, Grant Smith & Lyn Harrison, "Operation Undersea."

CBS-TV: religious or educational program, *Omnibus*; children's program, *Lassie*; best actor in single performance, Robert Cummings in "Twelve Angry Men" (*Studio One*); best supporting actor in regular series, Art Carney (*Jackie Gleason Show*); best supporting actress in regular series, Audrey Meadows (*Jackie Gleason Show*); male singer, Perry Como; daytime program, *Art Linkletter's House Party*; art direction of live show, Bob Markell in "Mallory's Tragedy on Mt. Everest" (*You Are There*); art direction of film show, Ralph Berger & Albert Pike in "Christmas Carol" (*Shower of Stars*); best written dramatic material, Reginald Rowe in "Twelve Angry Men"; best direction, Frank Schaffner in "Twelve Angry Men"; choreographer, June Taylor in *Jackie Gleason Show*.

NBC-TV: outstanding new personality, George Gobel; best actress in single performance, Judith Anderson in "Macbeth" (*Hallmark Hall of Fame*); best actress starring in regular series, Loretta Young; mystery or intrigue series, *Dragnet*; audience, guest participation or panel program, *This Is Your Life*; female singer, Dinah Shore; sports program, *Gillette Cavalcade of Sports*; best direc-

tor of photography, Lester Shor in "I Climb the Stars" (*Medic*); best written comedy material, Hal Kanter, Jack Douglas, J. Allordice & H. Winkler for *George Gobel Show*; best technical achievement for network's color TV policy and Burbank, Cal. color plant; best engineering effects, 4-quadrant screen used in coverage of 1954 election returns; best sound editing, George Nicholson (*Dragnet*); best original music, Walter Schumann (*Dragnet*).

Studio City TV Productions Inc. received award in western or adventure series for its syndicated *Stories of the Century*, and of course Mike Sillerman's TPA is producer of *Lassie* on CBS-TV. In addition, Victor Young received an award for best scoring of dramatic or variety program, for *Diamond Jubilee of Light* on all TV networks.

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Electronic film production system, which shoots film from high-definition closed-circuit TV monitors, will be in use in U. S. within a few months. Called *Electronscope*, it delivers finished 35mm or 16mm negative (or both simultaneously) said to be equal in quality to best 35mm negatives available today—at half the cost of conventional TV filming methods. System has been in use in England for some time. Developed by High-Definition Films Ltd. (Norman Collins, ex-BBC chief), U. S. rights have been acquired by TV film producer Gordon Levoy and ex-CBS-TV producer Alan Buckhantz.

Unusual display ad to sell TV station now off air was carried in March 9 *Wall Street Journal*, headed "Auction Sacrifice! Complete Half-Million Dollar Television Station." It set inspection time March 12, sale time 9 a.m.-5 p.m. March 14, at 420 W. Commerce, Oklahoma City, address of bankrupt KMPT (Ch. 19) which began operation Nov. 8, 1953 and quit air Feb. 3, 1955 (Vol. 11:6).

Station Accounts: Here's a tip for stations trying to get greater volume of dept. store advertising: encourage them to use still photographs of window displays as 20-sec. spots. Suggestion came this week from Oliver Treyz, pres. of Television Bureau of Advertising, in speech to Washington Ad Club. He said dept. store can saturate its market with "TV windows" by doubling its current window budget—"a comparatively minor investment in terms of coverage and sales impact." Stressing that many of the young couples who are best customers of dept. stores grew up in a TV-radio age, he commented: "If John Wanamaker, the man who vitalized retail advertising with new and daring concepts, were alive today, he'd probably 'televisionize' dept. store advertising. He would recognize immediately that the younger family represents the bulk of the buying power, but that few—if any—dept. stores are going after them with the medium that reaches most of them, TV" . . . Add successful farm programs (Vol. 11:9): Sat. noon-1 p.m. *Farm* on WAVE-TV, Louisville, carried live from own 350-acre model farm about 13 mi. from town; it will originate 25 min. of NBC-TV's *Home* March 21, having been selected as "typical American family farm home" to be visited first day of spring . . . National Gypsum Co. (Gold Bond building products) to sponsor *Fame*, new 15-min. weekly filmed series featuring high points in careers of famous Americans during last 50 years, on WRCA-TV Sat. 11:15-11:30 p.m., thru BBDO . . . Langendorf United Bakeries buys NBC film div.'s *Steve Donovan, Western Marshal* in 13 west coast markets starting week of April 4, thru Biow-Beirn-Toigo, San Francisco . . . American Express Co. mailing TV-radio promotional kits to branches as part of all-media campaign to promote travel, thru Kelly-Nason Inc., N. Y. . . Buick starts TV-radio spot campaign March 30, running to April 22, thru Kudner Agency, N. Y. . . South African Rock Lobster Assn. buys spots on homemaking shows in 10 markets, thru Caples Co., N. Y. . . Among other advertisers currently reported using or preparing to use TV: Beech-Nut Packing Co., Canajoharie, N. Y. (gum), thru Kenyon & Eckhardt, N. Y.; Centennial Flouring Mills Co., Seattle (pancake & waffle mix), thru Cole & Weber, Seattle; Sperry Operations, div. of General Mills, San Francisco (Sperry Wheat Hearts), thru Dancer-Fitzgerald-Sample, San Francisco; International Milling Co., St. Paul (Robin Hood flour), thru H. W. Kastor Agency, St. Paul; Doughboy Industries Inc., New Richmond, Wis. (plastic swimming pools), thru BBDO, Minneapolis; L. Lewis Cigar Mfg. Co., Newark (Seidenberg cigars), thru Lewis Adv., Newark; B. Filippone & Co., Newark (olive oil), thru Pettinella Adv., N. Y.; Felton, Sibley & Co., Philadelphia (paints), thru J. Cunningham Cox, Philadelphia; National Assn. of Auto Trim Shops, N. Y., thru Arpadi-Sarett Assoc., N. Y.

CBS-TV Spot Sales presentation, currently being shown to N. Y. agencies & advertisers and to be made generally available shortly, shows 6 times as many advertisers now using spot TV as in 1949, with dollar investment 19 times as large. Presentation is in 2 parts—"Best Spot in All Advertising," containing latest research on TV generally and unique advantages of spot, and "Best Spot in All Television," highlighting coverage of CBS-TV Spot Sales.

New "5-for-3" discount plan, whereby an advertiser who buys 3 spot announcements per week in times to be specified by station, will be permitted 2 additional announcements free, was disclosed this week by WLWC, Columbus, O.

MCA-TV creates station relations dept. to assist in audience promotion activities for stations carrying its 22 syndicated programs. Heyward Ehrlich is promoted to director of new dept.

ABC and Walter Winchell will end 25-year association by end of 1955, as climax of rift over contract terms. Commentator said he expects to continue on TV-radio with another network or on free-lance basis. He conferred March 11 with NBC officials, said he may move to that network next fall. Winchell said he was embittered to discover that his contract with ABC did not provide insurance against libel, shortly after he won recent \$800,000 suit against 2 men he called "cancer racketeers." Network said it regarded libel coverage as responsibility of insurance company. Winchell, whose stock market tips on air drew criticism at Senate Banking Committee's investigation of market last week (Vol. 11:10), also told AP he was once offered an option on 10,000 shares of ABC stock in lieu of salary raise but that the executive who offered it later reneged. Winchell said he requested release from 6-figure contract and was "very grateful" to ABC for granting it. ABC pres. Robert E. Kintner said: "An honest disagreement in our relations could not be resolved and ABC felt its long and mutually beneficial association with Mr. Winchell required consent to his request for a release from his ABC contract effective Dec. 25, 1955, or sooner if contractual details will permit." For last year, Winchell's Sun. 9-9:15 p.m. simulcast has been on 45 TV, 365 radio stations. Note: Settlement by mutual consent of \$1,525,000 damage suits brought against Winchell by *New York Post* and its editor, James A. Wechsler, was also disclosed this week. Terms weren't revealed.

Trying to end "bait advertising" on air, currently under investigation by N. Y. grand jury (Vol. 11:4-5), 24 TV & radio stations in N. Y. metropolitan area this week voluntarily adopted code of standards designed to curb misrepresentation by so-called "pitchmen." Lone exception was WCBS-TV & WCBS, which contended it never accepted "bait" ads in first place. Announced by N. Y. Better Business Bureau, which had leading hand in drawing up code, standards stipulate that advertised statements shall not only be truthful but shall not create a misleading impression; names of companies offering to demonstrate or to sell in listeners' homes shall be disclosed clearly; advertisers shall provide, upon request by station, data on background of company and its principals and proof of its ability to sell and deliver any advertised item and to fulfill satisfactorily all advertising claims; advertisers must state if they offer higher-priced models of types of production in addition to featured "leaders." State-wide conference on TV-radio fraud, called by Gov. Harriman, will be held March 15 in Albany.

Rate changes: WKRC-TV, Cincinnati, has issued new rate card effective April 1, with different time segments for winter & summer. It moves \$1000 base hour into new Class AA category with new \$190 min. rate. Winter Class AA times are 7:30-11 p.m. Mon.-Sat. & 5-11 p.m. Sun.; summer, 7-10 p.m. Mon.-Sat. & 5-10 p.m. Sun. Class A hour will be \$800 (winter, 7-7:30 p.m. Mon.-Sat.; summer, 10-11 p.m. daily); Class B hour remains \$675. Also April 1: WCSH-TV, Portland, Me. adds new Class AA hour (7:30-10:30 p.m. daily) at \$350, min. at \$70, Class A hour remaining \$300; WLVA-TV, Lynchburg, Va. raises base hour from \$250 to \$300, min. \$50 to \$60. Effective March 15, Crosley Ohio stations raise Class AA min. rate with WLWT, Cincinnati, going from \$160 to \$190; WLWC, Columbus & WLWD, Dayton, from \$140 to \$175.

Maurice Evans' 2-hour TV version of *Macbeth*, carried on *Hallmark Hall of Fame* (NBC-TV) last Nov. 28, being made available free on 16mm black-&-white to high schools & colleges thru Association Films Inc., Ridgefield, N. J.

Signs of times: New York's independent WPIX, lifted by its bootstraps since Fred Thrower became gen. mgr., had best month in its history in Feb., 27% ahead of Feb. 1954; it's reputed to be well in the black now.

Network Accounts: High-ranking shows aren't sacred to old sponsors, as evidenced this week by Philip Morris cancellation of alt. sponsorship (with Procter & Gamble) of *I Love Lucy* on CBS-TV Mon. 9-9:30 p.m., and Lipton Tea dropping of *Arthur Godfrey's Talent Scouts* on CBS-TV Mon. 8:30-9 p.m. Cancellations are effective in fall. Both shows quickly picked up new sponsors, General Foods taking over *Lucy* and CBS-Columbia backing Godfrey. It's no secret that Philip Morris found *Lucy* disappointing as sales stimulus, prompting it to give up full sponsorship 4 months ago (Vol. 10:46). It plans intensive TV spot campaign . . . Pabst weekly fights, fixture on CBS-TV since May 1950, move to ABC-TV June 1, Wed. 10-11 p.m., thru Warwick & Legler; sponsor had turned down CBS-TV request to air fights only twice a month next fall . . . Re-runs of 15 *Disneyland* programs start March 16 on ABC-TV, Wed. 7:30-8:30 p.m., under its 4 current sponsors: American Dairy Assn., thru Campbell-Mithun; Nash-Kelvinator Corp., thru Geyer Adv.; Hudson Motor Car Co., thru Brooke, Smith, French & Dorrance; Derby Foods, thru McCann-Erickson . . . Revlon to sponsor \$64,000 *Question* as substitute for *Danger* on CBS-TV Tue. 10-10:30 p.m., thru Wm. H. Weintraub; Nash-Kelvinator, current alt. sponsor with Revlon of *Danger*, may join as alt. sponsor . . . Quaker Oats to sponsor filmed series *Sergeant Preston of the Yukon* on ABC-TV starting Oct. 1, Sat. 7:30-8 p.m., thru Wherry, Baker & Tilden, Chicago . . . GE to be alt. sponsor (with Campbell Soup) of *Dear Phoebe* on NBC-TV, Fri. 9:30-10 p.m. . . Budweiser Beer to sponsor *All in Fun* variety show on CBS-TV April 2 & 9, Sat. 10:30-11 p.m., thru D'Arcy; it's interim show before Budweiser starts sponsorship of *Damon Runyon Theatre* in same period starting April 16 . . . Maytag buys *Martha Raye Show* on NBC-TV May 10, Tue. 8-9 p.m., and 8:15-9 p.m. portion of May 22 Frank Sinatra spectacular, thru McCann-

Erickson . . . Scott Paper drops *My Little Margie* on NBC-TV Wed. 8:30-9 p.m., is considering replacing it with *Father Knows Best*, thru J. Walter Thompson . . . Texaco drops *Donald O'Connor Show* at end of Aug. on NBC-TV Sat. 10-10:30 p.m., thru Kudner; O'Connor had requested cancellation to free him for other shows . . . Reynolds Metals to drop *Mr. Peepers* on NBC-TV in fall, Sun. 7-7:30 p.m., unless it gets later time same evening . . . Eastman Kodak to shift *Norby* live in black-&-white on NBC-TV to Wed. 8-8:30 p.m. starting April 13, replacing *I Married Joan*, going off air . . . NBC-TV to launch *Ted Mack's Matinee* as sustainer starting April 4, Mon.-thru-Fri. 3-3:30 p.m., shifting *Greatest Gift* to 3:30-4 . . . Sylvania Electric (Canada) Ltd. to be alt.-week sponsor of *I Love Lucy* on 21 Canadian stations starting March 23 . . . Gordon Baking Co. to sponsor special *Kuklapolitan Easter Show* on ABC-TV stations in N. Y., Chicago, Detroit & Elkhart, Ind. April 10, Sun. 6:30-7 p.m., offered also for co-op sponsorship on 110 other stations.

CBS-TV's "Extended Market Plan" to help small-market affiliates by feeding them network programs at minimum cost (Vol. 10:49), got 5 more members this week (4 of them grantees not yet on air), bringing total to 20. New member is WJDM-TV, Panama City, Fla. (Ch. 7), effective immediately. Grantees are KOTA-TV, Rapid City, S. D. (Ch. 3), effective June 1; KLFY-TV, Lafayette, La. (Ch. 7), July 1; WFLB-TV, Fayetteville, N. C. (Ch. 3), Aug. 1; KTVO-TV, Ottumwa, Ia. (Ch. 3), Aug. 1.

NBC-TV's "summer incentive plan," giving free spots as bonus to encourage partic. purchases on *Today*, *Home* or *Tonight* during summer (Vol. 11:8), picked up first sponsor this week—Sergeant's Dog Care Products Inc., Richmond, which bought 20 partic. on *Home* from May 31-Sept. 1, getting 4 free spots as result, thru N. W. Ayer.

NEWSPAPER interests, though they own outright or have stockholdings in some 3 out of every 10 TV stations on the air, have been unusually critical of the TV medium lately. This criticism by newspaper spokesmen, as in the early days of radio, seems to stem from competition for the advertising dollar and for public popularity, stimulated by TV's huge current upsurge. Even some newspaper interests owning or seeking TV have been participating in the attacks.

While acknowledging a recent increase in criticism of TV by some newspaper people, Harold Barnes, director of ANPA's Bureau of Advertising, tells us the attacks are not part of a concerted campaign against TV but are merely spontaneous actions by newspaper managements to protect their own interests.

"I can assure you there is no organized campaign against TV," says Barnes. "These attacks are based on independent decisions by the papers over which we have no control and should not have. In fact, we are proud that representatives of newspapers which own stations have the guts to attack TV's weaknesses."

The criticism is nearly always coupled with an admonition to newspapers to do a better job. This was typified by comment last week of ANPA gen. mgr. Cranston Williams that newspapers must cultivate readership of young people if they are to win "competitive fight" with TV and radio. He addressed a circulation clinic sponsored by N. J. Press Assn. at Rutgers U, New Brunswick.

Theme of self-improvement was also manifest in recent speech by Basil Walters, exec. editor of Knight Newspapers, which own 45% of WAKR-TV, Akron, holds 42½% of proposed grantee of Ch. 7 in Miami, and own 27.7% of uhf grantee WIND, Chicago. Addressing Inland Daily Press Assn., Walters called TV "a challenge, a peril and an opportunity." He said TV could excite interest in news, never satisfy it; challenged commercial spon-

sorship of TV news programs, asking how many in the audience had "heard any reports on TV about the controversy which has been raging the last year about cigarettes and cancer."

Because TV stations are licensed by the Govt., said Walters, the medium "must always be more or less subservient, consciously or unconsciously, to the politicians," whereas newspapers are protected by the Constitution from govt. interference.

Then he put this challenge to his newspaper colleagues to improve their product: "If we fail to fit our products to the TV age, we'll find our readers more and more turning to the national news magazines. Or unless we do the job better than do the TV newscasters, we'll let our readers get fooled into thinking they can get all their news over the air."

"We can do it better" idea was also driven home by research dept. of *Chicago Tribune* (WGN-TV) in recent presentation to gathering of *New York Daily News* sales officials. Called "Fantasy in TV Land," presentation used *Tribune's* survey of Chicago area to attack TV's claims of audience size, audience composition, coverage, attentiveness, cost per thousand, media flexibility. Survey's major points:

Vast majority of TV shows have very little audience, with only *I Love Lucy* seen by more than 50% of all homes while *Tribune* circulation goes to 50% of homes every day; Nielsen audience measurements are inflated by 20% generally, whereas ABC figures are deflated; children constitute large percentage of TV audiences—and they have no interest in commercials; newspapers are better equipped than TV to appeal to either men or women, through special sections (sports, society, financial); too many commercials between programs reduce effectiveness of all; Wheaties, Maxwell House & Colgate each showed sales declines after cutting newspaper ad expenditures to enter

TV, latter 2 showing sales increases after returning to newspapers.

Television Bureau of Advertising promptly hit back at *Tribune's* claims, calling them "some of the 'World's Greatest Nonsense'" from the "World's Greatest Newspaper." Saying TV has "already taken multi-million dollar bites out of advertising investments once earmarked for newspapers," TvB claimed *Tribune's* coverage charges were faulty.

"It points to ratings of less than 50 as a sure sign of TV weaknesses," said TvB. "Even the *Tribune* should know that commercials are repeated during a program, through a rebroadcast cycle, and through a broadcast schedule. This is one of the reasons why TV spot advertising, which the *Tribune* is frankly attacking, is so effective. Any media department junior knows that scheduling spots at various times of the day covers a vast net unduplicated audience far greater than indicated by any per telecast rating." TvB said, too, that children often have decisive influence on brand selection of many products, after seeing TV commercials, and charged that *Tribune's* selection of case-history "failures" were hand-picked and ignored competitive conditions in those industries which were far more important than TV advertising in reducing sales.

Plenty of criticism of TV by newspapers is reported by Feb. 26 *Tide Magazine* on basis of own survey in N. Y., Los Angeles & Chicago. It found most aggressive anti-TV line taken by *New York Post*, whose ads stress newspapers' guaranteed circulation vs. "random" audience of TV programs, with no sure way of knowing who's watching and where. In Los Angeles, *Mirror-Daily News* (owned by *Los Angeles Times'* Chandler family, which controls KTTV) uses Bureau of Advertising's new study, "Working Women," to show that working women don't have time to watch TV at night, prefer newspaper which they can read at leisure. *Chicago Sun-Times*, says *Tide*, makes extensive reference to TV's inexact audience measurements compared to newspapers' guaranteed circulation, often tells a prospective advertiser that dollar stretches further in newspapers and that written word "outlives" spoken word.

American Newspaper Publishers Assn. joined attack on FCC's "diversification" policy this week by filing *amicus curiae* brief bolstering appeal in McClatchy case. McClatchy newspapers have gone to U. S. Court of Appeals to challenge FCC's reasons for giving preference to Sacramento Telecasters in decision on Sacramento's Ch. 10. ANPA's brief asserts that Commission has no authority to discriminate against newspapers as a class—particularly when FCC agrees that newspaper applicant is superior in all other respects and when "monopoly or the threat of monopoly is not present." Brief cites court decisions to effect that though FCC is empowered to give some significance to fact that an applicant has interests in communications media, it doesn't have authority to give it overriding significance regardless of other factors.

Opposition to state-operated educational TV network was expressed this week by Joint Education Committee of Connecticut General Assembly in approving bill to appropriate \$150,000 for "pilot" educational TV programs on existing commercial stations. Little support was expressed for 3-station network proposed by State Board of Education, which holds CPs for WCTB, Bridgeport (Ch. 71); WEDH, Hartford (Ch. 24); WCTN, Norwich (Ch. 63).

Norfolk Newspapers Inc., owner of WTAR-TV & WTAR and publisher of *Norfolk Virginian-Pilot* and *Ledger-Dispatch*, this week bought control of nearby *Portsmouth* (Va.) *Star* from Norman R. Hamilton, who remains as pres. & publisher.

Peaceful coexistence of TV and newspapers—further proof that they are complementary, not competitive—was evidenced by disclosure that daily newspaper circulation in the U. S. last year rose to an all-time high of 55,072,480, continuing its steady postwar rise side-by-side with TV's development. *Editor & Publisher's* 1955 Yearbook reports total circulation last year jumped 600,000 over 1953—highest annual increase since 1950. However, the net loss of 20 newspapers during year—divided 10-10 between morning & evening—was greatest decline for any year since 1943, when 33 dailies went out of existence. There were 1448 evening, 317 morning newspapers as of Sept. 30, 1954, yearbook said. Evening newspaper circulation as of Sept. 30 was 33,367,044, a gain of 307,232 (.93%) over 1953; morning newspaper circulation was 21,705,436, a gain of 292,962 (1.36%). Total circulation of the 544 Sunday papers—same number as 1953—was 46,176,450, an increase of 227,896 (.49%).

Donald W. Reynolds is buying KOLO, Reno (1-kw, 920 kc, CBS) and KORK, Las Vegas (250-watts, 1340 kc, NBC) as companions for his KZTV, Reno (Ch. 8) and KLRJ-TV, Henderson-Las Vegas (Ch. 2), according to FCC applications filed this week. Sellers David McKay, H. G. Wells Jr. & H. Q. Joucken get \$150,000 for KOLO, \$50,000 for KORK. Also included is agreement to reimburse sellers \$40,000 for not re-entering Reno market, \$10,000 for Las Vegas—to be paid in quarterly installments over 5-year period in each case. Reynolds, head of Southwestern Publishing Co., Ft. Smith, Ark., also operates KFSA-TV & KFSA there, as well as several radio stations.

Tower costs go up sharply after the 1000-ft. level, according to Orrin W. Towner, engineering director of Louisville's WHAS-TV, planning to build 2003-ft. tower Vol. 11:8). He estimates these total costs for towers of various heights, including cost of transmitter house, antenna, installation, etc.: With 600-ft. tower, \$250,000-\$300,000; 1000-ft. tower, \$340,000; 1500-ft., \$900,000; 1800-ft., \$1,000,000; 2000-ft., \$1,250,000. On basis of bids received by WHAS-TV, he estimates 2000-ft. tower alone, with fittings but without antenna, would cost \$800,000-\$1,100,000 installed.

Urging immediate grant of new tower site despite opposition by Pentagon (see p. 4), KGEO-TV, Enid, Okla. (Ch. 5) this week told FCC it has operated at total deficit of \$43,715, with revenues totaling \$100,749, from Oct. 1954 through Jan. 1955 because of poor antenna location. Secy. George Streets, mayor of Enid, told Commission stockholders are willing to invest another \$250,000 if site change is approved, listed these monthly operating deficits: Oct. \$8777, Nov. \$10,562, Dec. \$9912, Jan. \$14,464. During that period it cut staff from 44 to 30.

TV cuts into newspaper reading time, too, reported *Birmingham News* Sunday editor James H. Couey Jr. at recent seminar of American Press Institute at Columbia U. Based on study of 5000 families in each of 2 southern cities—one within range of 4 TV stations, other with no TV coverage—he reported families in TV areas averaged 55 min. reading daily paper, those in non-TV areas 1 hour & 58 min. Seminar concluded newspapers should capitalize on reduced time by concentrating on more interesting writing which could be quickly understood.

Educational TV gets sympathetic treatment in March 12 *Saturday Evening Post* article by Joe Alex Morris, titled *TV Without Terror*, stressing its programming potential and progress thus far but warning: "To survive, each station must demonstrate that it can provide entertainment as well as enlightenment, that it can be a forum for unbiased discussion shedding light on the people's problems and that it can serve the best interests of the community that supports it."

Color Trends & Briefs: As aid to color set servicing, RETMA has asked FCC to approve minor addition to color standards to permit telecast of color stripe at right edge of picture during black-&-white transmissions. Similar to technique introduced by RCA (Vol. 10:12), transmission wouldn't affect monochrome signal but would give servicemen almost all he needs to adjust color sets. Currently, servicemen must wait for the infrequent color programs — unless stations telecast special color test signals. RETMA stated that each station need spend only about \$500 for equipment, which has 11 tubes and fits in standard rack about 9-in. high. RETMA said that proposal has been studied by many in industry and there are no substantial objections.

Urging FCC concurrence, RETMA said: "A color TV receiver can thus be installed at any time with positive assurance that the antenna and feedline installation is satisfactory for color operation without the necessity of waiting for an actual color TV broadcast." Besides aiding installation, color stripe can be used for checking (1) setting of master chroma phase control, (2) action of color killer, (3) action of color demodulating and matrixing circuitry. It's expected FCC will approve.

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Only major TV-radio manufacturer not signing new patent license agreement with RCA, Philco in 1954 annual report released this week (see p. 15) again takes indirect slap at RCA color system by plumping for its own, which it states is based on new principles, and offers "many advantages over the type of equipment previously demonstrated by other companies . . . employs only one-gun tube as contrasted with the current 3-gun tubes, and provides a 21-in. rectangular color picture of remarkable brightness and quality." Report adds:

"Philco has demonstrated its color system and tube to many leading scientists of the industry. They are enthusiastic about its possibilities and the prospect it offers of a simplified, less expensive color service. However, further development work still remains to be done on the new Philco system. It is our opinion that color TV will not become important commercially until a lower cost system than any now available has been developed and perfected." GE, Westinghouse, Sylvania & Avco have taken licenses covering tube & system, report states, and company has also entered into broad cross-licensing agreement with Western Electric, which includes Bell Labs & AT&T patents.

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Two color set sales successes, reported in March 12 *Tide Magazine*: (1) Motorola distributor Cooper Distributing, Newark, convinced the "king pin" of local tavern owners that color set would increase business. After he bought, other tavern owners climbed aboard and 72 sets were sold within a month. (2) Chicago's Sol Polk wrote to 1700 community leaders, appealing to their civic pride and asking them to help maintain Chicago as "electronic center of the world." He offered \$1095 CBS-Columbia sets at \$700, reportedly sold 100.

Those newly-installed color film cameras are getting more and more use. NBC's WNBQ, Chicago, uses its camera for first time March 13 on *How Does Your Garden Grow?* with live portions in black-&-white. Baltimore's WMAR-TV, which pioneered with color slides, on March 12 colorcast Associated Jewish Charities' prize-winning color film *Behind the Pledge*, produced locally.

March 14 week network color schedules: NBC-TV—March 15, *Home*, fashion show, 11:30-11:43 a.m.; March 16, *Norby*, 7-7:30 p.m. CBS-TV—March 17, *Shower of Stars*, "Burlesque," with Dan Dailey, Marilyn Maxwell, Joan Blondell, Jack Oakie & Skid Johnston, 8:30-9:30 p.m.

PETER PAN, as a TV program and aside from its implications for color (see p. 2), was probably the most successful single show in the history of TV. Some 65,000,000 people, according to NBC-TV's estimates, saw the March 7 show and agreed with pres. Sylvester L. Weaver's pre-show comment: "It's like handing each TV viewer a \$5.80 ticket for an orchestra seat in the theatre."

If Weaver's thesis on color is correct—that it needs "explosions" which become "conversation pieces" — *Peter Pan* was exactly what he has in mind. However, it must be noted that the unrestrained praise evoked by the show was largely without benefit of color—that only small fraction of audience saw it in color, perhaps 100,000-200,000, and that newspaper critics frequently made only incidental mention of color.

Even NBC's newspaper ads after the show, stating that Mary Martin "flew into 65,000,000 hearts," made no mention at all of color. Nevertheless, it's believed the color byproduct will prove to be extremely significant.

Show came after great promotional buildup, and atmosphere was just right. There were "color parties" in dealer showrooms, hospitals, old ladies homes, etc., as well as in private homes. Movies, restaurants and night clubs suffered drastic cuts in patronage. Children were deprived from homework—and lost sleep. Traffic slowed down noticeably. Critics across the nation went wild over it, employing the most extravagant adjectives they've ever used for TV.

Estimates of costs ran up to \$450,000—but sponsors Ford and RCA, with clever and tasteful commercials, got their money's worth. There were immediate demands for a re-run, and NBC is considering doing show again during Christmas season.

All and all, *Peter Pan* drew even greater attention to a medium that has already woven itself deeply into the fabric of American life. From color standpoint, it's up to industry to exploit to fullest the color aspects of the *Peter Pan* success.

Next big color shows, after NBC's *A Connecticut Yankee* March 12, are CBS's *Burlesque* March 17, NBC's *Entertainment 1955* dedicating its new \$4,000,000 color studios in Burbank, Cal., March 27, NBC's *Reunion in Vienna* April 4. In addition, CBS will provide daily *Robert Q. Lewis Show* March 21-25, 2-2:30 p.m., giving dealers opportunity to demonstrate sets. NBC is planning several big color remotes, including coverage of A-bomb tests during April 3-10 week. And looking toward next year's political conventions, network representatives met in San Francisco this week, discussed possibility of carrying them in color.

"When color TV set coverage reaches 50% of the present black-&-white coverage, then small and medium-sized advertisers will begin to consider color TV in more than theory. This is the opinion expressed by media directors polled . . . Estimates run from 18 months to 3 years as to the time when such coverage will be available. In addition to covering 50% of the present black-&-white audience, the cost of color TV must not exceed the present cost of reaching 100% of black-&-white set owners. In stating the 50% figure, the media directors accounted for the 50 major market cities in the U. S."—*Advertising Agency Magazine*, March 4.

Edd Johnson, reporter for *San Francisco Chronicle* and onetime CBS & NBC correspondent, was reported killed in an airplane crash in Mexico March 8. He was a brother of Earl J. Johnson, UP v.p.

Max Liebman, producer of NBC's "spectaculars," has signed new 5-year contract, will continue producing the big shows and performing "other related functions."

LABOR RESTIVE AS WAGE TALKS APPROACH: A guaranteed annual wage in the electronics industry, to compensate for possible layoffs resulting from automation, will be a "major demand" in IUE's contract negotiations this year -- but whether it will be pressed to a showdown depends to a great extent on how the United Auto Workers union fares in its contract talks with General Motors and Ford on such a guaranteed wage. Auto industry talks, which begin next week, will therefore be watched very closely by electronics industry leaders for guidance on what threatens to be a revolutionary development in union-management relations.

Both IUE and UAW are CIO affiliates and share a common policy on automation and guaranteed wage. That policy, outlined last year by auto union and reaffirmed this week by IUE's TV-radio-components conference board at Ft. Wayne meeting, is to seek a guaranteed wage covering 2080 hours of work a year, plus an agreement to provide not less than 48 weeks of actual work at 40 hours each. The latter provision is designed to forestall extensive layoffs and uneven work periods.

Effect of guaranteed annual wage on TV prices is vehemently disputed by union and management. One set maker told us the price of a TV set would "skyrocket". A union spokesman said the net cost would average only an additional 10¢ an hour per worker, same increase granted by many in industry last year with no hike in prices.

RCA will be first electronics company to face issue, its negotiations with IUE starting in mid-April. IUE represents about 400,000 electrical workers, of whom 125,000 are in TV-radio. It has contracts with 87 TV-radio companies. Among them are Bendix Radio, Clarostat, Collins Radio, DuMont, Emerson, Erie Resistor, Federal, GE, General Instrument, International Resistance, Magnavox, Mallory, Philco, RCA, Remington Rand, Sperry, Standard Coil, Sylvania, Thomas Electronics, Warwick, Westinghouse. DuMont presumably won't have to face the guaranteed wage issue until next year, having signed a one-year contract with IUE this week. The settlement on 5¢ hourly pay increase followed one-day strike.

IUE secy.-treas. Al Hartnett said RCA and Philco negotiations may set pattern for entire industry. He commented: "Wage settlements in late 1954 and so far in 1955 have been primarily 'catching up' negotiations. The amounts of settlements are in the range of patterns set earlier in 1954 by the major unions and companies in the industry. Any real indication of the 1955 pattern will not become noticeable until RCA & Philco have begun or concluded negotiations along toward the end of May."

Union is known to be training its most powerful guns on big, diversified GE. Verbal exchanges have already begun, in advance of contract negotiations which start July 15. IUE pres. James B. Carey has stated flatly that union will strike if contract is not signed by Sept. 15. IUE is still smarting from negotiations last year, when it presented 11 major demands, including a guaranteed annual wage, came away with 2.68% hourly wage increase and a few changes in vacation pay. Carey contends that increased mechanization was partly responsible for idling 22,000 GE workers in 1954 and wants to insert safeguards in this year's contract.

GE v.p. & labor relations director Lemuel R. Boulware quickly retorted that "the union couldn't be barking up an emptier tree." He remarked: "There never was a greater lot of bunk than the argument that technological progress throws people out of work." He added that technological improvements, including automation, have made it possible for GE to limit price increases of consumer products to average of 18% since Korean war despite 31% rise in wages and cost of materials.

* * * *

You hear a lot of talk about vertical chassis sets these days, as trade looks ahead to introduction of new models in mid-year. Trade reports, unverifiable but regarded as authoritative, have RCA and Philco bringing out vertical chassis sets

later in year. Other manufacturers may expand their current offerings in this style. Vertical chassis sets can usually be produced a little cheaper than conventional receivers, though the savings have not always been passed on to consumer in form of lower retail prices -- nor are they likely to in near future, in view of low profits.

Determination to expand into vertical chassis is said to have been stimulated by public's preference for more compact cabinets. Admiral and Crosley, both heavily in vertical chassis sets, report especially strong demand from housewives for sets which would be less conspicuous in living room or den.

Philo T. Farnsworth, the TV pioneer now a v.p. of Farnsworth Electronics Co., this week predicted trend to more compact cabinets over next decade, foreseeing the TV receiver of 1965 using a picture-frame CR tube only 3 or 4-in. deep. He made comment in connection with observance of National Engineers' Week.

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TV production totaled 166,461 week ended March 4, compared to 176,887 units in preceding week and 176,030 week ended Feb. 18. It was year's 9th week and brought output for year to date to 1,515,000 vs. 960,000 in same period of 1954.

Radio production totaled 297,457 (158,181 auto), up from 275,648 week ended Feb. 25 and 271,942 week before. Nine-week radio production was 3,300,000, compared to 1,820,000 in corresponding period year ago.

RETMA's revised Jan. production figures show 654,582 TVs, 1,068,146 radios turned out in first month of year, compared to 420,571 TVs and 871,981 radios in Jan. 1954; 573,837 were auto sets, 280,121 home, 166,585 clock, 47,303 portables.

Trade Personals: Vice Adm. John B. Moss, USN (Ret.), consultant for Bell Aircraft Corp. since his retirement in 1953, elected pres. of Hoffman Laboratories Inc., wholly owned subsidiary of Hoffman Electronics Corp. . . . Vice Adm. J. H. Foskett, USN (Ret.), appointed v.p., RCA Victor Argentina . . . M. M. Elliott, ex-Motorola Canada Ltd., March 1 joined Canadian Westinghouse Supply Co. as national TV sales mgr. . . . Edmond I. Eger, adv. v.p. of Admiral Corp., elected to board of directors; John Huarisa, exec. v.p., adds duties of treas., succeeding Lynn C. Park, retiring due to ill health; George E. Driscoll, secy., also becomes asst. treas. . . . John F. Gilbarte, mgr. of Admiral's govt. sales div., elected v.p., govt. labs div., with headquarters in Washington . . . James T. McAllister, national service mgr., promoted to quality control mgr., radio div., Hoffman Electronics Corp. . . . David Bain, RCA Washington sales mgr. for 3 years, returns to Camden as mgr. of broadcast transmitter equipment, reporting to Henry Duszak; he's succeeded by asst. C. D. (Jim) Pitts . . . Charles W. Wallis promoted to mgr. of employe relations & personnel administration at Sylvania's TV-radio plant in Batavia, N. Y., succeeding David C. Gabriel, who moves to Buffalo headquarters as asst. to personnel director . . . Joseph B. Smith, ex-Bendix, with Avco since 1953, named director of Avco's public relations for Crosley & Bendix home appliance divisions . . . Dr. Richard C. Webb, ex-RCA Labs, recently with U of Denver, advisor of Rockville Co., 788 Adams St., Denver (R. L. Pierzina & E. W. Carlson, partners) reported planning color TV set manufacture . . . P. M. (Mack) Davis promoted to sales mgr. of microwave towers, Emsco Mfg. Co., Houston . . . Gordon A. Mueller named Hoffman Electronics New England regional sales mgr. for TV-radio, Hartford . . . Frank Hogan resigns as CBS-Columbia midwestern regional mgr. to become metropolitan N. Y. sales mgr., Whirlpool Corp. . . . Paul M. Keuffer appointed gen. mgr. of new Cornell-Dubilier plant in Los Angeles due to open about April 15; W. Bert Knight Co. continues as area distributor . . . Wendell Tietsworth, ex-eastern commercial engineering chief, GE tube dept., joins Sonotone Corp. as asst. sales administrator, tube div. . . . Julian H. Allen, since 1953 special asst. in color TV bulb production, named controller of Corning Glass electrical products div. under v.p.-mgr. John L. Hanigan.

DISTRIBUTOR NOTES: Hoffman Electronics expands distribution to 30 states with these appointments: Triangle Electric Supply Co., Bowling Green, Ky.; Robertson Supply Co., Orlando, Fla.; Emmons-Hawkins Hardware Co., Huntington, W. Va.; Radio Electronic Sales, Worcester, Mass. . . . Raytheon: Lincoln Tire Co., Philadelphia (Harry Kravitz, partner) . . . Arvin: Thomson-Diggs Co., San Francisco (C. L. Mason, pres.), replacing Pacific Wholesale Supply Co., San Francisco & Pacific Radio Supply Co., Berkeley; Savage & Sons Inc., Denver (Thomas F. Savage, pres.), replacing Walter Slagle & Co.; Neslo Electronic Distributors, Green Bay, Wis. (Fred & Leonard Olsen, co-owners); Frankland's, Jackson, Tenn. (Leonard Frankland, pres.) . . . Admiral Distributors, Washington, names Wm. R. Douglas appliance sales supervisor . . . Republic Supply Corp., Detroit (Capehart-Farnsworth) elects Kent A. Zimmerman pres., succeeding late A. H. Zimmerman; Wm. Goetterman named v.p.-gen. mgr., assisting Zimmerman in sales, merchandising & purchasing operations . . . Graybar, Dallas (Crosley-Bendix) appoints R. N. Ness mgr. of San Antonio branch . . . Motorola-Detroit promotes Vincent May to adv. & sales promotion mgr., succeeding Dan Leidholdt, who joins sales force . . . Northern Ohio Appliance Co., Cleveland (Motorola) names Theodore Bacon credit mgr.

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Zenith counsel charged RCA with seeking "to prevent [Zenith] from obtaining discovery of facts showing a vicious world-wide restraint of trade in the electronics industry which RCA counsel by one stratagem or another have managed to keep buried for years" in U. S. Supreme Court brief filed this week as latest move in their long-standing anti-trust and patent infringement actions. RCA counsel Adlai Stevenson and John Cahill last month had petitioned Supreme Court to halt trial of Zenith-Rauland counterclaim suit before Judge Igoe in Chicago Federal court pending ruling on similar issues in Wilmington court, claiming "disorder, duplication and contradictory handling of the same subject matter in 2 district courts are highly prejudicial to the petitioner." Strongly worded Zenith brief charges RCA brief makes "extraordinary and utterly false assertions" and calls it delaying action.

Topics & Trends of TV Trade: Discount houses and fair trade laws—increasingly important facets of TV-radio-appliance merchandising—are due to get a thorough going-over in Washington during next month or so, with prospect of a hot political fight. Dispute is likely to center around recommendation by special 60-man committee of Justice Dept. that the Miller-Tydings and Maguire fair trade laws be repealed. This recommendation is understood to be contained in report to be released at end of month by Attorney General Brownell. It generally reflects policy of Administration that fair trade laws are unenforceable on Federal level—a policy partially reflected in recent ruling by Federal Trade Commission that it's powerless to help states enforce fair trade laws (Vol. 11:9).

Some influential Democrats in Senate, on the other hand, are eager to strengthen fair trade. Notable among them is Sen. Humphrey (D-Minn.), named this week as chairman of Small Business subcommittee to investigate effect of discount houses and fair trade on small business. Committee spokesman said hearings would begin shortly after Justice Dept. committee report is submitted. He also said purpose of subcommittee, whose scope generally parallels that of companion House subcommittee headed by Rep. Roosevelt (Vol. 11:9), is to "create a climate in which the independent businessman can thrive." He said impact of discount house operations on this "climate" would be thoroughly investigated.

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Sparton plans to stay in TV-radio business, despite United Auto Workers' rejection last week of its proposal to accept 18¢ hourly wage cut to keep plant in Jackson, Mich. (Vol. 11:10), said gen. sales mgr. Don S. Miersch. He said reports that Sparton was considering getting out of TV-radio business if union rejected proposal were erroneous.

Kimble Glass Co., expanding TV bulb-producing plant in Columbus, O., by early 1956 will have more furnace facilities, 216,000-ft. addition to warehouse, more office space—Owens-Illinois v.p. R. H. Mulford, Kimble gen. mgr., stating that reasons for expansion are "continued heavy demand for black-&-white TV tubes and the imminence of volume requirements for color TV."

Picture tube sales in Jan. totaled 866,956 units valued at \$17,662,000, compared to 1,009,398 worth \$20,521,562 in Dec. (5-week month) and 557,681 at \$12,174,000 in Jan. 1954, reports RETMA. Receiving tube sales in Jan. totaled 37,144,000 worth \$26,263,000, compared to 37,908,894 at \$27,391,916 in Dec. and 22,133,000 at \$16,412,000 in Jan. 1954.

Guild Radio & Television Co., producers of Guild brand TVs and Spice Chest & Country Belle wall telephone radios, leases new 10,000-sq. ft. plant at 460 N. Eucalyptus Ave., Inglewood, Cal. TV production is currently concentrated on 24 & 27-in., said partner Lou Dolgin.

Zenith Radio signs lease for national showroom & sales quarters in Chicago's Merchandise Mart, will close down its Furniture Mart showroom. Col. W. W. Yashenko will be mgr.

Recommended reading: Martin P. Rosenblum's 4-article series this week in *Retailing Daily* on growth of transshipping in TV-radio-appliances, with emphasis on how it has weakened franchises of N. Y. distributors and dealers.

Motorola adds 21-in. open-face ebony console at \$200, plus new line of portable radios ranging from \$30 to \$60. Three of radios are of steel construction.

New Montgomery Ward catalog lists 17-in. table model at \$114.88, lowest price it has ever had on a TV set.

DuMont announces settlement of its patent infringement suits against Tel-O-Tube Corp. of America.

Much-maligned TV serviceman, often publicized as a gyp, got kudos this week from the people who care the most—his customers. "Great majority" of TV set owners are satisfied with all aspects of TV servicing, reports RCA Service Co. on basis of 7th annual nation-wide survey conducted for it by Elmo Roper. Released in connection with observance of National TV Servicemen's Week March 7-12, survey is not confined merely to RCA servicemen. It showed 90% of sample 5000 families interviewed approved quality of technicians' TV service; only 4% expressed dissatisfaction; 6% didn't know. Some 80% said they planned to use same service company in future, 8% said they would change, 12% were undecided. Service within 3 days of calls was reported by 79%. Though average price of service call increased by 11% over 1954, reflecting-increased age of sets, 87% reported satisfaction with prices charged. In connection with National TV Servicemen's Week, W. W. Watts, RCA exec. v.p.-electronic products, presented statuette to Mission, Kan. serviceman on NBC-TV *Peter Pan* colorcast March 7. Selected from geographical center of U. S., he typified servicemen everywhere, said Watts.

Price's Inc., big Norfolk TV-radio-appliance firm headed by NARDA pres. Harry B. Price Jr., this week was named nation's top appliance retail store by Brand Names Foundation. Award will be presented at dinner in New York's Waldorf-Astoria, April 13. Certificates of merit in appliance category went to Lederer Inc., Bridgeport, Conn.; Wilson's Electric Appliance Co., Gary; Stucky Bros. Inc., Ft. Wayne; Good Housekeeping Shop Inc., Dallas. Mammoth birthday party celebrating 50th anniversary of Price's was climaxed this week by mart-style display in Norfolk City Auditorium of all products handled by store, attended by thousands of visitors, industry officials & TV personalities.

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S. J. Preston, EMI patent chief, elected chairman of British Radio Communication & Electronic Engineering Assn., succeeding C. G. White, Kevin & Hughes. C. H. T. Johnson, commercial director of Decca Radar Ltd., was elected vice chairman.

Sir Charles Colston, ex-chairman of Hoover Ltd. (vacuum cleaners & appliances) has resigned as vice chairman of Britain's new Independent Television Authority, in charge of commercial TV system due to start next Sept. (Vol. 10:45).

Dr. Neil H. Jacoby, ex-professor of finances & v.p., U of Chicago, recently on President Eisenhower's 3-man Council of Economic Advisers, elected to board of Packard-Bell Co.

Stanley Bracken, chairman and ex-pres. (1947-53) of Western Electric Co., retires March 31 after 43 years with the company.

Dr. Wilbur W. Hanson, ex-Armour Research Foundation, joins Stanford Research Institute as senior research engineer on design of servo-mechanisms and controls.

Harold S. Miner, v.p. of Manufacturing Trust Co., New York, elected a director of Gray Mfg. Co., Hartford, Conn.

Reginald M. Brophy, director & past pres. of Canadian RTMA, named to represent electronics industry on Canadian Defense Research Board.

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William Henry Barsby, 67, retired administrative v.p. of RCA Communications, died March 5 at his home in Redington Beach, Fla.

Raymond B. Meyer, 58, head of communications branch, radio div., Naval Research Lab, died of a heart attack March 8 while at work.

Financial & Trade Notes: Philco again accents its own color system (see p. 11) in annual report released this week, which shows sales of \$349,276,998 in 1954 compared with \$430,419,858 in 1953—the drop resulting from 45-day strike which closed its electronic plants in May & June, together with generally reduced level of appliance & consumer durable goods industries in early part of last year. Net income before income taxes was \$10,543,965, earnings after taxes \$6,768,965 (\$1.69 per share), compared with 1953's \$35,316,077 before taxes, \$18,350,577 (\$4.86)—the 1953 net, however, including \$5,283,000 (\$1.43 per share) income from sale of Philco's TV station WPTZ.

Report states company's accounting policy was changed last year to record on its books estimated expenses for short-term product warranties and salaried employee vacation payments, with result that earnings shown before taxes were actually down \$1,665,000. Comeback from effects of strike were particularly noteworthy in fourth quarter. At year's end, working capital was \$53,175,261 compared with \$54,665,414 at end of 1953, result principally of investment of \$1,960,000 in Philco Finance Corp., an unconsolidated subsidiary which was activated in 1954 to provide inventory financing for its distributors. Total net worth, including \$38,147,537 on plant & equipment, was \$94,886,993, up in year from \$92,465,264.

To help finance govt. work, amounting to \$35,676,000 at end of last year, Philco was using \$28,000,000 V-loan revolving credit. New V-loan credit of \$30,000,000 has been made, to replace old one expiring Jan. 31, 1955, on which interest rate is 3.16%, as against 3.25% under previous credit, and standby fee cut from $\frac{3}{8}$ to $\frac{1}{4}$ of 1%.

During 1954, Philco opened new refrigerator & home freezer plant at Connersville, Ind., acquired plant facilities & assets of Dexter Co., Fairfield, Ia., manufacturer of washing machines & dryers, opened new TV-radio plant at Toronto, increased capacity of its subsidiary Lansdale Tube Co. "in anticipation of color TV." Work for military on guided missiles includes air-to-air "Sidewinder" for Navy. Progress was reported on automatic machinery for Philco's "Surface Barrier" transistors to make them available in volume at relatively low prices for both military & civilian electronic equipment.

Annual meeting of Philco Corp. will be held April 1 in Rm. 320, Land Title Bldg., Philadelphia.

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Sylvania earned \$9,480,941 (\$2.92 per share on 2,827,390 common shares) after taxes of \$8,900,000 on sales of \$281,641,987 in 1954, compared to \$9,536,181 (\$3.10 on 2,668,812 shares) after \$14,950,000 on \$293,267,408 in 1953 and \$6,960,625 (\$3.04 on 1,870,081 shares) after \$10,700,000 on \$235,023,437 in 1952. In annual report, chairman-pres. Don G. Mitchell said firm set records last year in unit sales of TV receivers and picture tubes. He also reported that second-half sales of \$154,571,349 and fourth-quarter sales of \$80,814,467 each established all-time records for their respective periods. Backlog of defense orders totaled more than \$80,000,000 at year's end, compared to \$90,000,000 at end of 1953.

Commenting on future prospects, he said: "TV is moving into a more stable phase, commercial electronics is developing rapidly, and military electronics will be a strong business indefinitely. The electronics industry currently has a \$9 billion annual volume, and by 1960 may well exceed \$15 billion. However, electronics is but one phase of the broad electrical-electronics industry—an industry which will probably double its output in the next decade, as the demand for its goods and services increases rapidly."

Canadian Marconi reports net income of \$1,083,590 in 1954 vs. \$1,349,243 in 1953.

Among officers' and directors' stock transactions reported by SEC for Jan.: Owen D. Young sold 474 American Broadcasting-Paramount Theatres, holds 1500; J. L. Van Volkenburg bought 100 CBS "A," holds 100, bought 100 CBS "B," holds 200; Charles D. Dickey bought 250 GE, holds 7000; Henry V. Erben bought 3225 GE, holds 9805; Chester H. Lang bought 1443 GE, holds 1476; Donald H. Millham bought 200 GE, holds 809; Frank Freimann bought 500 Magnavox, holds 46,458 personally and 28,080 thru trust; Richard A. O'Connor sold 1500 Magnavox, holds 53,600; Thomas A. Kennally sold 1000 Philco, holds 10,032; Walter Bedell Smith bought 100 RCA, holds 100; Carl J. Gilbert sold 320 Raytheon, holds 1000; Percy L. Spencer bought 2200 Raytheon, holds 2203; John H. Ashbaugh bought 500 Westinghouse, sold 300, holds 3324; John A. Hutcheson sold 661 Westinghouse, holds 453; Emery W. Loomis bought 1650 Westinghouse, holds 2917; A. C. Monteith sold 100 Westinghouse, holds 2044.

Clevite Corp., reporting year was good one for its electronics business though automotive situation was unsettled and military orders down, announced 1954 sales of \$60,148,661, second highest on record, net profit \$2,668,648 (\$1.33 per share) compared with 1953 sales of \$71,304,940, profit \$3,478,611 (\$1.77). Electronics items include direct-writing oscillographs & amplifiers, industrial & laboratory devices, magnetic recording & reproducing heads, piezoelectric crystals, transistors & diodes.

Muter Co. passed its quarterly dividend, pres. Leslie F. Muter explaining it was to conserve cash for oil well drilling program at Ebert, Okla., where last year company acquired 75% interest in 160-acre lease on which 14 wells have been drilled, 2 more planned. Muter investment runs about \$500,000. In 1953, company paid 45¢ and 3% stock dividends, in 1954 it paid 2% stock dividends in March, 15¢ quarterly in Dec.

Emerson Radio's consolidated net earnings were \$499,392 (26¢ a share) in 13 weeks ended Jan. 29, 1955 which compares with \$449,231 (23¢) in corresponding quarter last year. Firm's fiscal year ends Oct. 31. During last fiscal year, net earnings were \$1,884,976 (97¢) on record sales of \$80,559,994, compared to profit of \$2,988,432 (\$1.54) on \$75,926,546 in preceding fiscal year (Vol. 11:3).

International Resistance Co., with TV-radio accounting for 37% of volume, earned \$603,000 (45¢ a share) on sales of \$13,200,000 in 1954, compared to \$508,000 (38¢) on \$12,750,000 in 1953. Edward A. Stevens, v.p.-treas., speaking before Financial Analysts Society of Philadelphia, also stated company this year expects 11-15% increase in sales, 15-20% increase in profits.

Electronic Associates Inc., Long Branch, N. J., reporting that 75% of its work is now on industrial & commercial products, whereas nearly that percentage was govt. work in 1953, had sales of \$4,059,926 in 1954, net income of \$244,557 (\$2 per share) against \$4,273,725 & \$130,685 (\$1.18) in 1953.

General Precision Equipment Co. has acquired Society for Visual Education Inc., Chicago (audio-visual aids & photographic equipment), exchanging 3543 shares of new \$5 cumulative preferred stock and 7077 shares of common stock for all of the Society stock.

James D. Shouse, who rose from the broadcasting ranks to become v.p., director & gen. mgr. of Avco's Crosley & Bendix home appliance divisions as well as chairman of board of Crosley Broadcasting Corp., is disclosed in notice of annual Avco meeting April 14 in Bridgeport, Conn. to be holder of option to buy 12,500 shares of Avco common at \$6.125 per share and 5000 at \$8.12. He already holds 5500 common, 150 preferred. His 1954 salary was \$75,000.

Network TV-Radio Billings

January 1955 and January 1954

(For 1954 monthly reports, see *Television Digest*, Vol. 11:6)
(For preceding years, see *TV Factbook No. 20*, p. 39.)

BOTH CBS & NBC climbed to new record TV billings in Jan., according to Publishers Information Bureau's first monthly report of 1955 released this week—CBS going to \$15,848,607 as against previous high of \$15,060,653 last Dec., NBC to \$13,237,512 as against previous high of \$13,047,419 in Dec. also. ABC was down from its highs of each of last 3 months of 1954, DuMont slumped to \$723,960 from record \$1,457,436 in Dec., even fell to about half its Jan. 1954 billings whereas the other 3 networks were all way up from that month.

Network radio slipped badly, the Jan. total of \$10,785,181 for all 4 falling from \$11,187,227 in Dec., \$13,285,626 in Jan. 1954. Only ABC showed a slight increase over Dec. All were down from Jan. 1954, however—leader CBS dropping by nearly \$1,000,000 from Jan. 1954, NBC by about \$650,000. The Jan. PIB tables:

NETWORK TELEVISION		NETWORK RADIO			
	Jan. 1955	Jan. 1954			
CBS	\$15,848,607	\$10,713,329	CBS	\$ 4,181,305	\$ 5,166,174
NBC	13,237,512	10,116,937	NBC	2,744,204	3,391,873
ABC	3,718,195	2,780,574	ABC	2,487,140*	2,830,654
DuMont	723,960	1,445,608	ABC	1,372,532	1,896,925
Total	\$33,528,274	\$25,056,448	Total	\$10,785,181	\$13,285,626

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

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

TV-radio towers and an appliance plant were among victims of vicious tornadoes and dust storms which struck 12 states March 11. In Pittsburgh, the freak storm was responsible for another freak—a uhf station shifting to vhf (but only for a short time). After storm toppled 500-ft. tower of uhf WENS (Ch. 16) station quickly requested and received FCC approval to broadcast over educational vhf WQED (Ch. 13) on time especially relinquished for it. FCC wired back that this was permissible provided WENS used its proper identification. The authority expires April 1. WENS told FCC it could be back on uhf in 2-3 weeks with temporary 150-ft. antenna, and in full operation from its regular height in 6-7 weeks. Same storm also knocked down tower of radio WLOA, Braddock, Pa., and blew roof off Philco's refrigerator & air conditioner plant at Connersville, Ind. A western dust storm, described in some sections as worst in 18 years, also knocked down tower of KOA-TV, Denver, putting it off air 5 hours.

Efficient adjacent-channel trap, retailing for \$12.95, maintained reception of WJIM-TV, Lansing (Ch. 6) in Saginaw-Bay City area 60-mi. away after start of WNEM-TV (Ch. 5) in latter area, according to WJIM-TV pres. Harold F. Gross. Trap was made by Adelco Co., Detroit, which obtained initial orders for 12,500.

Exemption of TV-radio stations from libel action as result of statements made by political candidates was proposed this week by Rep. Miller (R-Md.) in HR-4814 — identical to S-1208 (Vol. 11:9) introduced 2 weeks ago by Sen. Butler (R-Md.).

Bell Telephone Co. of Canada has let contracts for 38 microwave relay towers & buildings between Toronto & Winnipeg, capable of handling TV network programs as well as TV circuits.

Power boost: CBS's WXIX, Milwaukee (Ch. 19), to 263-kw March 13.

DEMANDING opportunity to put Edward Lamb on the stand, FCC Broadcast Bureau this week filed strong opposition to motion to call off the controversial license renewal hearing and grant immediate renewal of Lamb's license for WICU, Erie (Vol. 11:10). Meanwhile, in Federal court, Mrs. Marie Natvig pleaded not guilty to grand jury charges that she lied 9 times in her turnabout testimony last month.

Examiner Sharfman scheduled oral argument for next Wed., March 16, on the motion by Lamb's attorneys to call off the case. In its reply, Broadcast Bureau said: (1) It's not within a hearing examiner's power to dismiss the proceedings. (2) Dismissal would be premature, since "it is necessary that Lamb be called," and possibly other witnesses.

"It may well be that the testimony by Mr. Lamb will serve to dispel presently outstanding questions," Broadcast Bureau said, "but whether this will be the case can be determined only in the light of such testimony itself." Bureau also opposed motion to drop inquiry into Lamb's countercharge that FCC investigators tried to induce false testimony and caused at least one bribe to be offered. "That representation is false in its entirety," it stated.

None of the 9 points in the indictment of Mrs. Natvig deals with the issues in the Lamb case—all charge Mrs. Natvig with lying when she accused FCC attorneys of "coercion" and when she testified regarding her conversation with an FBI agent in Miami. All indictments are based on her statements made during her second stint on the witness stand. Each count carries maximum penalty of 5 years in prison and \$2000 fine. After pleading innocent, she was released on \$2500 bail pending trial set for April 18. Her court-appointed attorney said she would ask for postponement and file several other motions.

Nomination of Chairman George C. McConaughy to FCC was approved March 9 by Senate Commerce Committee without a record vote. Chairman Magnuson (D-Wash.) said all committee members reserved right to make statements for or against nominee when appointment comes before full Senate for vote, probably early next week. He said committee felt nomination had been "hanging fire for a long time and it was only fair to the FCC to get it moving." Though Magnuson said he didn't know how he would vote, confirmation is regarded certain.

Seeking better rates for cable-microwave service, NARTB's special TV transmission tariffs committee held meeting March 11 in Washington to map comprehensive study of common carrier tariffs. Committee, headed by CBS's Richard Salant, includes Frank Marx, ABC; John Bachem, DuMont; Joseph V. Heffernan, NBC; Chris J. Witting, Westinghouse; Lee B. Wailes, Storer; A. James Ebel, KOLN-TV, Lincoln, Neb.; Harold Essex, WSJS-TV, Winston-Salem, N. C.; W. D. Rogers Jr., KDUB-TV, Lubbock, Tex.

NARTB convention committee meeting in Washington March 16 is expected to get report on whether President Eisenhower will address convention week of May 22 at Washington's Sheraton-Park and Shoreham Hotels. Matter is understood to be before White House committee on President's public appearances. TV business session will be held morning of May 23, with TV panels scheduled May 26, last day. Reception and banquet will be held final night.

Application for new uhf station in Milwaukee—where CBS is now operating one uhf and a second has gone off air—was filed this week by radio WFOX (dairyman Joseph A. Clark), seeking Ch. 31. There are now 170 applications pending, including 17 uhf. [For further details, see *TV Addenda 20-1* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

\$20 Billion-a-Year in Decade

The Electronics Industry: Present Rate and 10-Year Potential

Address by W. Benton Harrison, Vice President-Finance, Sylvania Electric Products Inc.

Before Financial Analysts of Philadelphia, March 10, 1955

MY TOPIC is the electronics industry, and the fact that you wish to devote a session to the electronics industry indicates that you believe electronics is an industry to watch, and that you believe it has growth potential beyond the scope of most other industries. It is my confirmed opinion that electronics is the fastest growing of all the world's major industries. In fact, the potential of electronics has been described as "the world's most promising technological revolution."

When I speak of the growth of electronics, I mean that its potential for growth appears without limit from the standpoint of new products and dollar sales, the expansion of companies already in the industry and the entrance of new companies, the vast number of new applications that will be found for electronic equipment and components, the increased strength that electronics will bring to our national defense, and the greater benefits it will bring to industry, commerce, the home, and the individual.

I am going to dissect the electronics industry into its integral parts, and try to predict the potential for each separate phase of the industry. First, however, I realize that security analysts demand a knowledge of an industry's definitions, and a complete showdown as to what methods were employed in analyzing an industry. Therefore, I think right off the bat we must have complete agreement on what we are talking about when we mention electronics, and, next, I think you should know something about the authenticity of the methods employed in this dissection of the electronics industry.

Definition and Scope of Electronics

The electronics engineers themselves generally despair of furnishing a simple definition of electronics that will provide the layman with a good understanding of what this field of electricity concerns. As a financial officer, I must confess I hardly know a volt from an ampere, and possibly many of you have just about as much technical knowledge as I have. At any rate, let's try a definition from the American Standards Association which says that electronics is "the branch of science and technology which relates to the conduction of electricity through gases or in vacuo." This means that the word electronics is applied to a device or tube designed to make use of electron emission, or to the equipment that employs these components, or to the science that employs this equipment.

What I am discussing today is the science that employs radio receiving tubes, special electron tubes, television picture tubes, and the so-called solid state crystal devices, such as the transistor. In other words, we are talking about such things as television, radio, and radar, but not about home lighting, or electric refrigerators or cake mixers.

Let me say at the outset that electronics is such an enormous subject that it would require a good many men a good many days to speak on all aspects of it. I might try, in a non-technical way, to speak on the technical aspects of electronics; or I might give you a blue sky talk about the multitude of things that electronics will accom-

plish in the years ahead; or I might even give you a talk about how Sylvania fits into the electronics picture. But there has been so little dollars-&-cents information available in the past, and since your interest lies chiefly in that dollars-&-cents area, I have elected to talk on the financial aspects of electronics.

The electronics industry is a relatively new industry, and it is growing very rapidly. Since electronics encompasses a vast multitude of products and systems; since new products and systems are being developed and introduced almost daily; since new companies are entering the electronics field all the time, I can assure you that it has been a monumental task just producing figures relating to sales volume. Until a year ago, no such figures were available; without sale figures, of course, it was impossible to hazard any conjecture about the future of the electronics industry, and where electronics was going was just anybody's guess.

How the Figures Were Compiled

About 13 months ago, however, Sylvania Electric's sales research department prepared for the eastern Regional Conference of the Society of Security Analysts one of the first appraisals of the present and future of the entire electronics industry. That appraisal, since it was an initial one, gave us a sort of platform from which to view the industry. And now, a year later, we have re-assessed the industry and come up with a new set of figures. With a bow to Sylvania's Sales Research Department, I think I can say that the figures and facts you will hear today are completely realistic, and should stand up over the next 10 years with only minor variation.

Since, however, you, as analysts, will want also to assess the credibility of these figures, I should take a moment to tell you how they were compiled. A sales research department couples known facts and figures from the past, with an analysis of current conditions and some crystal ball gazing to determine where the company's markets are weak, where they are strong, what sales methods should be employed, the ideal going rate of production for the months ahead, and many other points of information.

Much of the work is accomplished if we have reliable sources from which to draw historical and current facts. In the electronics industry, we are extremely fortunate in having the Radio-Electronics-Television Manufacturers Association, known as RETMA, which compiles the most exact and reliable industry reports that I know of. Let me say now, I believe our predictions can come to within at least 85% to 90% of accuracy, and possibly better, by an extension of past trends, and by the application of logic to known historical and current facts. We in Sylvania are not soothsayers, but we do draw certain conclusions from available information.

In discussing the various phases of the electronics industry, I shall touch first on the entertainment aspect, which includes radio and television. In this field, there is extremely reliable data available, and plenty of informa-

tion concerning correlative facts, such as the number of wired homes, the rate of family and new home growth, saturation points, and so forth.

In the field of electronics manufacture for national defense, there is good data available to the analysts, but it is neither as fluid, nor is it made available as frequently as that pertaining to the amusement field.

There is considerably less data available on the industry's past and present performance in the field of electronics manufacture for industry and commerce. However, because the industrial-commercial field has developed so much less rapidly than the amusement and defense fields, the sales and production totals do not constitute so important a percentage of the grand total, and, therefore, the absence of data does not seriously detract from predictions of the future of the industry as a whole.

In considering the amusement, national defense, and industrial-commercial aspects of electronics, we are thinking in terms of end products, which means that there are two corollary fields to be considered. One is the manufacture of the electronic components from which these end products are made. We can talk with confidence about two of the major groups of electronic components—radio receiving tubes and TV picture tubes—and have a somewhat less clear view of the other groups of components, such as crystals and special tubes. The other corollary consists of the developments that have made electronic end products possible, and our information here varies from excellent to not so good.

For instance, we have an excellent idea of the number of TV and radio stations, the extent to which police communication has been electronified, the number of short-wave taxi radios, and a great variety of specific data that are known because Federal Communications Commission licensing records are available. We have a reasonable amount of information concerning government purchasing for national defense in the past and its plan for the future.

At the low end of our communications line is information about developments that would help to furnish a trend in the industrial-commercial field. There is little data available on such things as the electronic computer business, developments in the application of electronics to industry, and the like.

Ahead: As Many TV as Radio Homes

One of the two major fields within the electronics industry today is entertainment electronics. Within the field of entertainment electronics, TV is, of course, monumentally the largest factor. A few of the gloomier economists have described the TV industry, as far as future sales are concerned, as past its peak. Actually, the TV industry is not past its peak. It is a brisk, zestful, very young industry that, believe me, over the next decade will have more growth in it than there has been growth from the inception of television to the present time. It is healthy and sound. Furthermore, 1955 will be no exception.

To illustrate this point, let us consider what trade gossip once had to say about the prospect for the TV industry in 1954. Dealers sold 6,400,000 TV sets to the public in 1953. This was an all-time record. When a period of rather severe inventory adjustment set in in the latter part of 1953, "the trade" mistakenly attributed this setback to a decline in buying by the public. So, when 1954 approached, this same "trade" glumly forecast that TV set sales to the public in 1954 would be somewhere around 5,000,000. What happened? Actually, the public bought approximately 7,300,000 sets last year, once again establishing an industry all-time high. The industry adjustment that began in 1953 carried over into the first part of 1954, but it wasn't long before that situation was entirely corrected. The inventory level, including factory, distributor, and dealer, as of last Dec. 31 was approximately 1,840,000 TV sets, and in my opinion this is just about the number of sets required to maintain the normal movement of sets through the various channels of distribution to the public.

We expect that some day there will be just as great a percentage of TV homes as there are radio homes today,

and today there are 46,600,000 radio set homes in the United States. Of those radio set homes, nearly 70% also have a TV set. This high percentage figure, coupled with the fact that by the end of 1955 virtually the entire country will be within range of a good TV signal, means that TV is rapidly approaching the saturation point, which is the point at which virtually every home that is going to have a set already has one.

But don't let that word "saturation" mislead you. Let me point out that industries seldom exist on the basis of initial installation sales only. For example, how much does the automobile industry today rely on selling auto to persons who never owned a car before? Not very much. Initial sales rapidly are losing their importance in the television industry. Assuming marked significance are such factors as wear-out, obsolescence of sets, the number of new homes, and the coming era of second-set TV homes, just as today there homes with anywhere from two to a half-dozen radio sets.

Those are some of the factors that we think will contribute to an excellent TV year in 1955.

6,000,000 to 7,500,000 TV Sets Per Year

In fact, we believe that the public will purchase 6,300,000 black-&-white TV sets in 1955, in addition to approximately 100,000 color sets. Let's analyze that figure of 6,300,000 black-&-white sets. If only 4% of the sets now in use are replaced for reasons of wear-out or obsolescence, that means a sale of 1,300,000 sets. If population growth and establishment of new homes this year proceeds as expected, this might mean the sale of another 600,000 more sets than if the population and number of homes had remained static. The growth of the second-set idea might mean the sale of another 300,000 sets.

These figures—and I should like to say that in each category the estimate is *very* conservative—add up to a sales potential of 2,200,000 sets in 1955. Subtracting this from the predicted figure of 6,300,000 black-&-white sets, that leaves 4,100,000 sets to be marketed to established homes that never have had a TV set before.

As of right now, there are approximately 15,600,000 homes in the United States without a TV set. This means the industry will have to sell one in every four existing homes currently without TV in order to achieve our estimate of 6,300,000 black-&-white sets sold in 1955. That's not too tough an order, and I believe it will be done. Please note that I just said we were using conservative estimates of unit sales.

The average cost of a black-&-white TV set is \$140 factory price. Therefore, if we sell a quarter-million more sets than we have estimated, that will mean an additional \$35,000,000 to the industry; if we sell a half-million more sets than those predictions, that will mean an additional \$70,000,000; and an extra million sets would add a whopping \$140,000,000 to the industry's over-all volume.

As I mentioned previously, the prediction of our future market for TV sets rests entirely on assumptions which I believe are very realistic regarding the increment of saturation, the impact of the second-set home, and the normal wear-out or obsolescence of sets in use. Even though the number of non-TV homes declines appreciably each year, these factors indicate to me that the long-term potential for TV certainly will range between 6,000,000 to 7,500,000 sets per year through the next decade.

Add to this market, the normal healthy demand for home radio sets and auto radio sets, and it is apparent that we have a very healthy industry in those fields that are commonly referred to as amusement devices. The total factory door value of these devices has, in the past year, aggregated less than 1% of the public's personal consumption expenditures. This seems to be one more indication of the conservative nature of our predictions. Total TV set sales, for example, at the factory level, in 1954 were \$1,050,000,000. 1954 was the biggest year yet recorded in the industry, and approximately 7,300,000 sets were sold to the public. This year, as already noted, unit sales will probably fall off a bit, but dollar sales will, at

the very minimum, be right around the \$1 billion mark.

Looking farther ahead to the three-year period, 1958-60, we think annual sales may be around 6,900,000 sets, and that dollar volume will average around \$1,200,000,000 a year. At the end of the decade, in 1964, it is likely that somewhere in the neighborhood of 7,300,000 sets will be sold, and that annual dollar volume will be around \$1,500,000,000.

About 61% of Sets in Color by 1964

In other words, dollar volume of TV sets a decade hence will be 40% to 50% greater than it is today. The increase will, of course, be attributable to a steadily expanding number of color sets. While it is probable, we think, that no more than 150,000 color sets will be produced this year (and only 100,000 of them sold to the public), it is expected that something like 34% of the sets will be color sets in the 1958-60 period, and that by 1964, color will account for about 61% of all sets produced. As you can see, color is on the way, but it will be some time before color sets will be marketed in large quantities, and it will be at least six years before color set production catches up with black-&-white.

Has TV crowded home radio off the map? Hardly so. The manufacturers sold 6,400,000 home radios last year for a total volume of about \$136,500,000, and it is expected another 7,000,000 sets, at a total in the vicinity of \$147,000,000, will be sold in 1955. Market surveys show that more people than ever before are listening to radio and that during the daylight hours when the housewife can't stay in one room, the radio is turned on more frequently than the TV set. It seems indicated that over the 1958-60 period, nearly 7,800,000 radio sets, grossing over \$148,000,000, will be sold each year, and that by 1964, 8,500,000 home radio units will be sold, at a total of nearly \$162,000,000.

The sale of entertainment radios for automobiles will be linked very closely, of course, to the rate of automobile production. It does seem a certainty that virtually three out of every four pleasure cars will be equipped with an entertainment radio. Our researchers show that 4,100,000 auto sets, totaling nearly \$103,000,000 were sold in 1954, and that another 4,300,000, aggregating \$107,500,000, will be sold this year. Auto set sales in the 1958-60 period should average 4,800,000 annually at an average volume of \$120,000,000. In 1964, it is expected 5,600,000 auto units will be sold at a dollar volume of about \$140,000,000.

The Tube, Record & Phonograph Markets

As pointed out previously, we have excellent industry data on at least two of the very important components going into these electronic devices. I am referring, of course, to the receiving tube market and the picture tube market. Naturally those tubes which come with a new TV or radio set are included in the cost of the set and, hence, are not included in this report. However, we do consider the healthy market built around the installation of new tubes as replacements for tubes that have burned out. Before the war, the receiving tube business carried along at a rate ranging from \$10,000,000 to \$12,000,000 a year. But that market has expanded into a business, including both receiving and picture tubes, that exceeded \$170,000,000 last year; is expected to be above \$400,000,000 in the next five or six years; and will go to \$575,000,000 or higher by the end of the decade ahead.

The last factor in entertainment electronics devices is records and phonographs, which should maintain a fairly level volume of sales of between \$120,000,000 and \$140,000,000 a year, at a minimum, over the next decade. In fact, I have heard the high fidelity market alone described as potentially a \$200,000,000 business.

These totals are impressive. The electronics industry sold \$1,400,000,000 in end products for entertainment purposes last year, and this year is expected to attain a volume equally large. But look ahead for just a few years! The average annual sale of entertainment devices, we believe, will increase to over \$1,600,000,000 a year during

the 1958-60 period, and by 1964 should come very close to \$2,000,000,000. In a decade we shall have increased our entertainment sales by over 40 per cent!

We homebodies are apt to think of electronics in terms of these entertainment devices. Entertainment is but one phase—and a rather minor phase, at that—of the electronics industry.

Industry's Biggest Customer: Uncle Sam

By far the largest customer of the industry is the United States Government, and an overwhelmingly large percentage of government purchases is for the armed forces. Electronics has become one of the greatest weapons of war. Today, government purchases of electronics equipment comprise 6.3% of all government war expenditures. Within the decade, this proportion may increase to 10% or higher.

Much of the electronics work being done for national defense may not be discussed because of security reasons. Yet every day we read in the papers about new examples of the part electronics is playing in defense. The guided missile is an electronic weapon. The proximity fuse that explodes when it is close enough to a plane to cause damage, is an electronic weapon. So is radar, which is "the eyes" of fighting men at night and in times of bad weather, and which, also, tracks the target and fires the anti-aircraft and bombardment guns that formerly were trained by calculation or by eye and were fired manually. A bombing plane, for instance, contains thousands of electron tubes that perform a host of functions.

Defense purchases of electronic equipment last year are estimated at \$2,300,000,000, and the total may go up another notch to around \$2,500,000,000 in 1955. But, as the Army, Navy and Air Force become increasingly electronified, we foresee government purchases in the vicinity of \$3,200,000,000 a year in the 1958-60 period, and at over \$4,000,000,000 a year by 1964. These future figures are only estimates, and it is quite possible that government purchases could double over the decade. And, don't forget, this is based on the assumption of no shooting war.

The Non-Military & Industrial Markets

It is true that entertainment and military electronics offer a great future potential—but, then, production and sales in these areas already are immense. But there is one area of electronics in which the surface barely has been scratched, where most of the development work lies ahead, and which some day will compare favorably with the others in dollar volume. That is the field of electronics equipment for industry, commerce, and other non-entertainment, non-military uses.

The figures are not too impressive now: For instance, about \$570,000,000 of sales in 1954, and an estimated \$640,000,000 in 1955. But, by 1958-60, we anticipate annual sales in the industrial-commercial field will be running at the approximate rate of \$900,000,000, and by 1964 the sales figures should be around \$1,300,000,000 to \$1,400,000,000. That is a gain of 130% or more within 10 years.

We all have read about the wizardry of the electronic computers that have been introduced, but those computers are not yet really common currency in offices, laboratories, and factories, as they will be some day. TV will be used for quality control and safety in the factory, and in the home will watch the kitchen stove and the nursery. Electronified kitchen ranges will make the cooking process virtually an automatic one. Many electronic devices are expected to take the hazard and discomfort out of highway travel. Electronic equipment will make airport operations virtually foolproof. These are only a very few of the reasons why we can say there is no ceiling on the potential of industrial-commercial electronic usage.

When all the foregoing is lumped together, it shows that the sale of all electronic end products in 1954 totaled about \$4,300,000,000 and that this year the aggregate will be slightly higher. In another three years or so, over the 1958-60 period, we expect the end product total to exceed \$5,700,000,000, an increase of 33%, and that by 1964,

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electronic end products, totaling about \$7,400,000,000 will be sold. That means that within the decade, the electronics industry will have increased its end product sales by greater than 70%.

But we're not through yet.

Then Add Components, Mark-Ups, Servicing, Etc.

After considering all the end products manufactured in the electronics industry, there still remains a sizeable business in the production and sale of components for repair, which amounted to a volume of \$670,000,000 last year, and will continue to grow as more and more end products are placed in use. These components include such things as tubes of various types, capacitors, transformers, resistors, speakers, dials, knobs, etc. It is estimated that repair parts sales this year will fall not far short of \$800,000,000 while in 1958-60, the total should reach \$1,250,000,000. By 1964, we expect this total to be in the neighborhood of \$2,300,000,000, an increase of nearly 250%.

Another aspect of the over-all performance of the electronics industry is the revenue created by the sale of end products and parts through channels of distribution. You will note that where I have used dollar figures in discussing annual sales for various products, I have used totals calculated at "factory door" price levels. Beyond this, there is, of course, the "mark-up" which the distributor and the dealer places on the product. These revenues exceeded \$2,000,000,000 in 1954, and will be on approximately the same level in 1955. By 1958-60, "mark-up" is expected to pass \$2,800,000,000, and should rise to around \$4,200,000,000 in 1964. At the same time, repairmen's service charges are expected to show a gradual

increase from \$925,000,000 this year to \$1,400,000,000 ten years from now.

To round out the picture of the electronics industry, we must consider the broadcasting end of the business from the point of view of revenues. TV and radio broadcasting revenues in 1954 amounted to about \$1,140,000,000, and should show a slight increase this year. It is predicted, however, that these revenues should average around \$3,000,000,000 by 1958-60, and at the end of the 10-year period are expected to top \$5,000,000,000.

A \$20 Billion Industry in 10 Years

Thus we see that from the standpoint of sales and revenues, the electronics industry is today virtually a \$9,000,000,000 industry. In the three-year period, 1958-60, total sales will come close to \$14,000,000,000 a year. And, ten years from now, in 1964, we are positive we will be justified in calling electronics an industry with sales and revenues totaling over \$20,000,000,000 a year.

That, gentlemen, is the electronics industry. It was virtually unheard of prior to World War II, except for radio. It came into its own during the war years and played a very great role in helping to win the war. After the war it sagged for a time, but gained powerful momentum suddenly with the advent of television and the upsurge in national defense.

I repeat, today electronics is a \$9,000,000,000 industry; by 1960 it will be a \$15,000,000,000 industry; and by 1964 it will be a \$20,000,000,000 industry. That means that within a decade it will have more than doubled its present size. It is extremely difficult to envision any other major industry that will grow that fast between now and 1965.

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FOR MANAGEMENT
OF THE
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with **ELECTRONICS** REPORTS

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SUMMARY-INDEX OF THE WEEK'S NEWS—March 19, 1955

UNUSUAL STATION-AID PROJECT set up by GE to help troubled stations with financial assistance, management counsel, sales help, film library (pp. 1 & 6).

FCC SHUNS STRONG MEDICINE in response to Plotkin & Jones reports, cites record of TV expansion, urges promotion of all-channel sets (p. 2 & Special Report).

END OF VHF-ONLY SET OUTPUT to be asked by Sen. Magnuson at special manufacturers' meeting, but set makers take dim view—unless there's incentive (p. 4).

NEW TV-MOVIE PARTNERSHIP, geared to ABC's Disneyland formula, bears further fruit as Warner Bros. signs for hour show; other majors sure to follow (p. 4).

TAMPA VHF STARTS, UHF GOES OFF in Charlotte, N. C. pending transmitter site change; 428 TV stations now on air, including 112 uhf (p. 5).

ROANOKE Ch. 7 CP TO WDBJ recommended; AFL seeks to block Miami grant to Cox-Knight-Trammell; Providence's WNET wants Hartford's Ch. 3 (p. 7).

TAX REPEAL BILL COULD COST TV TRADE MILLIONS by wiping out section of law permitting deductions for estimated expenses on warranties (p. 11).

FIRST SOFTNESS IN TV MARKET NOTED in March, though first-quarter retail sales of 1,800,000 TVs are predicted, slightly higher than year ago (p. 11).

TINKERTOY-DESIGN TV SETS seen in production within year, using radically new method of construction said to cut costs, improve reliability, ease repair (p. 15).

NEW TRANSISTORIZED COMPUTER circuit developed by Philco said to make possible high-speed computers, low-cost, compact, suited to mass production (p. 15).

"COLOR SPREADS"—90-sec. participations at \$71,000 each—will inject "magazine concept" into new NBC spectacular series this fall (p. 9).

LAMB CASE GOES BEFORE FCC as attorneys appeal examiner's refusal to call off hearings and grant immediate renewal of Erie TV license (p. 9).

Full Text of FCC Reply to Senate on VHF-UHF Problems Published as Special Report With This Issue

GE BANKING UNUSUAL STATION-AID PROJECT: Giant General Electric Co., convinced there is nothing wrong with uhf that adequate market, proper management and enough funds can't solve, is throwing the weight of its pocketbook and prestige behind a unique plan to help stations that are in trouble -- including some vhf.

With an available fund of undisclosed amount, approved by the GE board of directors, electronics div. v.p. Dr. W.R.G. Baker and staff have helped set up a new company called National Affiliated Television Stations Inc., through which member stations can be provided with direct financial assistance where required, management counsel, national sales organization and a basic film library.

Prime mover in unusual project, reminiscent of GE's sponsorship of new power projects in the early days of Electric Bond & Share, is Ely A. Landau, whose National Telefilm Associates Inc. has some 700 hours of film available to start a program library service. He's exec. v.p. of the new NATS. Chairman of the board is Joseph Justman, co-owner with Desilu (I Love Lucy) of Motion Picture Studio Center, Hollywood. Oliver Unger, v.p. of National Telefilm, is v.p.; Berman Swartz, Hollywood attorney and movie producer, is secy.-treas. Staff of experts is now being mustered, including an as yet unrevealed "prominent broadcasting figure," who will be pres.

GE will own no stock in NATS, a Calif. corporation capitalized at 1,000,000 shares of \$1 par, not to be publicly offered. But GE's pres. Ralph Cordiner will designate 2 members of the board within next few weeks. Spadework on the project was done for GE by Wm. J. Morlock, gen. mgr. of commercial equipment department, and Glenn R. Lord, mgr. of broadcast equipment manufacturing, who for the last several months has been surveying stations reported to be in difficulty.

There is no secret of fact that GE's interest stems from concern about equipment credits, about slowdown in new station construction, about fact that 45 have quit the air -- and, of course, about its equipment inventories. Nor is it any se-

cret that the programmers, engaged in a cutthroat scramble for business on the relatively few TV stations (428) are finding it harder to collect rentals from certain stations. There's no available estimate of the number of outlets in trouble.

Unlike Westinghouse, GE's policy is to stay out of the broadcasting business -- except for its home-based TV & radio stations in Schenectady. So GE is unlikely, Dr. Baker states, to go into uhf operation on its own, as have NBC, CBS and Storer. But it is banking heavily on uhf, he said, out of conviction that "uhf as a TV service is sound and is the basic key to the further growth of TV coverage." Also, he added, "because there is a definite place in a national TV service for the independent TV station just as there is a definite place for the independent radio station."

Whereas Dr. Baker spoke of GE's "obligation as a corporate citizen," Justman disclosed that his interest was aroused by watching several uhf operations, including the resuscitation of long-beset KVVG, Tulare, Cal. (Ch. 27), the former Sheldon Anderson outlet which is now owned by Justman and adman Milton B. Scott (see p. 16). In his survey, Lord said that he found many anomalies -- highly successful uhf operations on the one hand, yet extremely depressed and shaky ones in equivalent market situations. Some of the latter justified direct banking aid over and above eased equipment credits, in his opinion. That is, assuming that management, programming and sales aids can also be provided.

That more uhf revivals are in the wind was indicated last week when the 2nd Norfolk uhf to quit changed hands (Vol. 11:11), and there's a deal in the making whereby Mrs. Louise Pursley's WKAB-TV, Mobile, Ala. (Ch. 48), off the air since last Aug. 1, will be taken over and reopened by George Mayoral, operating the reputedly successful WJMR-TV, New Orleans (Ch. 61).

[For further details about the GE-NATS project, see p. 6.]

NO 'CURE-ALL' FOR TV ILLS, FCC TELLS SENATE: Drastic remedies for uhf and network problems will not come from FCC. In fact, Commission feels rather proud of its record in bringing TV service to the American public during the 3 years since end of freeze. If strong medicine is called for, Congress will have to prescribe it.

That's the essence of FCC's much-awaited comment on the Plotkin and Jones reports, transmitted to Senate Commerce Committee March 18 (full text herewith as Special Report). Committee chairman Sen. Magnuson's quick reaction was to state:

"Failure to advocate immediate remedial action...could soak the householder millions of dollars. We can solve this thing without this expenditure, which I'm sure everyone, FCC included, does not want to happen."

Magnuson was referring to de-intermixture, apparently, when he spoke of the "millions of dollars" public might spend, because he said he hopes that "FCC will move before it is too late to de-intermix anything. Sometimes, delay can prove to be worse than immediate adverse action."

Commission comment was very much as expected (Vol. 11:11), as it respectfully invited Congress to take responsibility for anything like shifting all stations to uhf, starting extensive de-intermixture of vhf-uhf, trying to get more vhf from military services, telling networks whom to affiliate, etc.

Commission debated everything it could think of before sending response to Senate Committee. It even mulled a possible freeze on grants to maintain status quo, after directing staff to draft a freeze proposal for discussion purposes -- but no one ever expected freeze to be declared.

With confirmation of chairman George C. McConnaughey by Senate March 14, without objection from any Senator, it's expected Commission will show more cohesion than it has at times recently. It's also expected to retain strong conservative aspect, reflecting McConnaughey's basic characteristic.

* * * *

Commission indicated it believes it is already doing all it can -- except for, possibly, another look at "selective de-intermixture" -- but that Congress can help with several specific actions now. FCC said Congress could:

(1) Encourage production of all-channel sets by removal of excise tax and/or

getting manufacturers to agree to produce such sets voluntarily. Chances of voluntary agreement without the tax incentive are virtually nil (see p. 4).

(2) Grant FCC extra funds to conduct full-scale study of "networks, advertisers, agencies, talent, independent film producers and distributors," etc.

Moving all stations to uhf or adding new vhf channels, the FCC said, "would involve such tremendous dislocation of existing operations and have such a severe impact on millions of viewers that such action should be considered as a possible alternative only if Congress itself were to determine that the long-run benefits to the public required adoption of such drastic remedies."

Complete network-programming study might well be valuable, Commission said, and it urged appropriation of funds via Congressional resolution, as was done for 1935 telephone investigation. "We are prepared," it said, "to present to the Committee in detail the subject matter to be covered by the proposed study [and] the funds and staff required."

* * * *

Commission recapitulated its moves to help hard-pressed stations and said: "No one of these moves, in and of itself, provides or is intended to provide any cure-all. But their cumulative effect, we believe, will be beneficial." It cited:

(1) Change in its multiple ownership rules permitting well-heeled groups to acquire 2 uhf stations -- as accomplished in Milwaukee, Miami and Portland, Ore. and pending approval in Buffalo and Hartford areas.

(2) Permitting satellites to rebroadcast other stations' signals, thus avoiding costs of producing local programs.

(3) Starting rule-making proceedings to establish low-cost low-power stations and to set up "5-mile rule" aimed at preventing "market straddling" by big stations.

(4) Moves to reduce cable-microwave costs by rule-making aimed at encouraging stations to build private links and by "continuing to review" AT&T's charges with the objective of keeping them same or reducing them.

Commission seemed a bit hurt that Congress doesn't seem to give it credit for speeding growth of stations since freeze. It prefaced its comments with reminder that "positive advances" should be noted -- that number of stations has grown 4-fold since end of freeze; that sets in use have increased from 20,000,000 to 35,000,000; that about 70% of homes have TV; that some 90% of people live within range of TV signals; that 255 cities have at least one station and 100 have 2 or more.

Commission indicated it's concerned about future expansion, however, saying: "It is essential that TV's capacity for future growth not be impaired by any artificial curtailment of channel space. To achieve its full potentialities, we believe TV will eventually utilize a number of channels in the order of those presently allocated to it, just as AM broadcasting developed its present national pattern within the 107 channels allocated to that service." FCC thus agreed that 12 vhf channels aren't enough -- that the 70 uhf channels must be used.

* * * *

Next move is up to Sen. Magnuson and his committee. He's expected shortly to name as chief of 9-man investigatory staff Sidney Davis, currently serving as gen. counsel of Senate Judiciary monopoly subcommittee. No Milquetoast, 37-year-old Davis has reputation of "trustbuster", gave Dixon-Yates principals rough time in recent hearings. He's on leave from N.Y. firm of Phillips, Nizer, Benjamin & Krim, which has large motion picture practice. In 1945, he served in anti-trust div. of Justice Dept., before that was law secy. to Supreme Court Justice Black. Committee's regular communications counsel, Nick Zapple, will coordinate activities.

Hearings are expected to begin next month. Commission is a bit confused, meanwhile, by Sen. Magnuson's statement after he read Commission comments, that he "expects the Commission to take specific steps to remedy the problem by the time it appears before the Senate Committee."

A good verbal preliminary bout on subject is coming up March 30, when Federal Bar Assn. stages debate between Harry Plotkin and CBS v.p. Richard Salant -- a couple of the nimblest legal minds in the business -- in Washington's Willard Hotel.

MAGNUSON TO ASK 'ALL-CHANNEL PLEDGE': An extraordinary meeting of virtually all TV set manufacturers has been called for 10:30 a.m. April 25 in big Senate Caucus Room by Chairman Magnuson (D-Wash.) of Senate Interstate & Foreign Commerce Committee.

He'll ask all manufacturers to "take the pledge" -- the pledge to stop making vhf-only sets, put all-channel tuner in every receiver. Senator's laudable aim is to help uhf, but barring a near-miracle, it's evident from preliminary industry comment that he will not come out of meeting with any kind of industry-wide commitment.

Meeting's secondary purpose -- to drum up support for legislation to exempt all-channel sets from 10% Federal excise tax-- is due to get unanimous backing. The attitude of every TV manufacturer we've contacted is: "Sure, we'll switch over to all-channel if the excise tax is taken off, but we can't do it until then." Some set makers raise question of anti-trust laws, whether such an agreement would be a violation. To them, Sen. Magnuson has this reply:

"If they agreed among themselves, they would be technically in violation of the anti-trust laws, and in order to solve that problem we would have to change or make an exception in the laws, [but] if they agreed with me or with the Committee to do it, they would not be in violation."

The large set makers we contacted this week took dim view of the whole idea. While most said they wouldn't make up their minds until they heard what the Senator had to say, they made their position pretty clear. Their principal points:

(1) They are being asked to raise prices artificially in a market where price is all-important. (2) Manufacturers who are not a party to the agreement, or who violate the agreement, would have an unnatural price advantage over the others. (3) Plan would penalize people in vhf-only areas by forcing them to pay for built-in uhf tuners which they can't use. (4) Programming, not sets, is uhf's big problem.

[For text of Sen. Magnuson's telegram to set manufacturers, see p. 13.]

* * * *

Uhf excise tax exemption bill, HR-4070, authored by Rep. Ikard (D-Tex.), is still awaiting report from Treasury Dept. and action by House Ways & Means Committee. It has strong support of NARTB, RETMA and presumably Sen. Magnuson's Committee -- as well as express backing of FCC majority (see p. 2). Senate majority leader Lyndon Johnson (D-Tex.) is also reported to favor it -- all of which add up to conclusion that its passage is definitely a possibility this session.

'WARNERLAND'—NEW TV-MOVIE WEDDING: It has always been a foregone conclusion that movies and TV are complementary media -- that they can work well for each other and with each other. TV needs Hollywood's know-how and its product. The movies need TV because it's the ideal medium for promotion and advertising of theatrical films.

It took a merger of movie showmen and a TV-radio network (United Paramount Theatres-ABC) to bring about the real wedding, which resulted in the biggest complete and unqualified programming hit of the year -- Disneyland.

One of TV programming's big question-marks has always been: When will movie producers open their vaults to TV? Several times in the past they have appeared very close -- but fear of exhibitor reprisals has always held them in check.

AB-PT and Walt Disney finally showed the way, by establishing a new formula. Whatever doubts the exhibitors may have had about the big Disneyland TV project have been completely dispelled at the boxoffice by cascading grosses of Disney productions plugged on TV. Likewise, each Disney movie-theatre success has delighted Disneyland sponsors and ABC brass -- a sort of "perpetual promotion."

When will the producers open their vaults? We think they're open now -- not on the basis of helter-skelter highest-bidder release of old films for the "late late show" -- not for maximum immediate gain, but on a proprietary, sponsored network show basis (though there seems to be no good reason why the Disneyland formula could not be applied with equal success to syndicated film).

First of the so-called "majors" to go for the Disneyland formula is Warner Bros. -- and it's another big plum for up-&-coming ABC. Warners' show, tentatively slotted for Tue. 8-9 p.m. beginning next Oct., follows Disneyland pattern so closely

that it might well be called "Warnerland". First year's series will consist of 39 hour-long shows, each keyed to theme of romance, adventure, or "adult western," followed by 13 repeats of best ones in series.

Many of the programs will be new, filmed especially for TV (though best ones may wind up in theatres later, like Disney's "Davy Crockett"). While both Warners and ABC are silent on plans for possible use of old theatrical films, there is no doubt that this is contemplated. Like Disneyland, program will be offered to outside sponsors, with moviemaker getting in plenty of plugs for his current films -- through such devices as clips, behind-the-scenes shots, star appearances, etc.

Other moviemakers are eyeing Disneyland formula -- as are other networks -- and you can put it down as certain that Warners won't be the last major producer to come up with its own something-old-something-new TV-movie program package.

TAMPA VHF STARTS, CHARLOTTE UHF OFF: Number of TV stations on air remained at 428 this week as Tampa-St. Petersburg area got its 3rd outlet and Charlotte's recently sold uhf signed off while it seeks new transmitter site.

WTVT, Tampa (Ch. 13) began test patterns March 14, will debut April 1 as CBS basic. It's second vhf to start this year in area where St. Petersburg's municipally owned WSUN-TV (Ch. 38) began as first outlet in May 1953. WTVT has 50-kw RCA transmitter, 838-ft. Ideco tower and 12-bay antenna. W. Walter Tison, operator of local radio WALT, is largest stockholder, with 20% ownership. Other principals include ex-Gov. Doyle E. Carlton, former state Sen. David E. Ward and H.H. Baskin, ex-mayor of Clearwater. Tison is v.p.-gen. mgr.; Dan H. Smith, asst. mgr.; Monte Gurwit, program mgr. Base hour rate is \$400. Rep is Avery-Knodel.

WQMC, Charlotte, N.C. (Ch. 36) suspended operation March 15 while it works out details of shift to "more centrally located site." Station told FCC it will file for new STA April 28. It went on air in Dec. 1953 as WAYS-TV, was sold end of last year to local advertising man Hugh Deadwyler for token \$4 (Vol. 10:51 & 11:1).

Personal Notes: Thomas E. Knode, NBC director of station relations, resigns April 1 to join reps Edward Petry Co. as v.p. & gen. mgr. for TV, replacing Henry E. Ringgold, retired; Donald J. Mercer is promoted to succeed Knode . . . Thomas C. McCray placed in charge of all radio network activities of NBC western div., continuing as gen. mgr. of KRCA, Los Angeles & KNBC, San Francisco and reporting to exec. v.p. Robert W. Sarnoff; Frank A. Berend, onetime NBC western div. sales mgr. most recently asst. to western v.p. John K. West, resigns to join Warwick & Legler, Los Angeles, in undisclosed executive capacity May 1 . . . Robert W. Sarnoff, NBC exec. v.p., elected to board & exec. committee of Radio Advertising Bureau . . . Randall R. McMillan, purchasing mgr. of RCA Communications Inc., named NBC purchasing agent, succeeding Wm. D. Bloxham, retired; McMillan reports to Wm. S. Hedges, v.p. in charge of Integrated Services . . . Paul W. (Fritz) Morency, v.p. & gen. mgr. of radio WTIC, Hartford, elected pres. of licensee Travelers Bestg. Service Corp., applicant for Ch. 3 there . . . David M. Sacks promoted to gen. sales mgr. of KGO-TV & KGO, San Francisco, succeeding Vincent A. Francis, now ABC-TV western sales mgr. . . Ernest de la Ossa resigns as mgr. of sales development, WRCA-TV & WRCA, his former position of station mgr. having been absorbed recently under v.p. Hamilton Shea . . . Barney Ochs named sales mgr. for Crosley stations, Atlanta, replacing George Moore, now sales mgr. of Beeland-King Film Production Co., Atlanta . . . L. A. (Duke) Larson promoted to sales mgr. of Hearst's newly acquired WTVW, under gen. mgr. I. E. Showerman; Mel Quinn, ex-WBAL-TV, Baltimore, named program mgr. . . Amos Baron, ex-KABC-TV & KABC, named sales mgr. of KCOP, Los Angeles . . . Lewis P. Johnson, ex-Katz Agency, named asst. to Robert C. Wood, Storer midwest sales director, Chicago . . . Jack Burnett, gen. mgr. of KULA-TV & KULA, elected pres. of

Hawaiian Assn. of TV-Radio Broadcasters . . . Earl (Cy) Donegan Jr., ex-MPTV, named sales v.p., Minot TV Inc. . . . David Savage promoted to asst. to Reub Kaufman, Guild Films pres., will continue as liaison with Vitapix Corp.; John J. Cole, ex-MPTV, named western div. sales mgr. . . Marvin Barrett, ex-*Time Magazine* and son-in-law of songwriter Irving Berlin, named TV-radio editor of *Newsweek*, replacing Joan Walker, resigned . . . Jon Fernandez, ex-Cecil & Presbrey, joins TV-radio dept., Needham, Louis & Brorby, N. Y. . . Curt Hoffman, ex-KLZ-TV, Denver, named program director, KFBB-TV, Great Falls, Mont. . . Mrs. Alice Brewer White named director of women's activities, WVEC-TV, Norfolk . . . Norman S. Livingston, once with WOR-TV & WOR and recently head of own film production firm, named exec. v.p. of Telenews Film Corp.

Meeting with President Eisenhower March 15, RCA chairman David Sarnoff expounded his long-held thesis that U. S. should devote far more energy and effort to prosecution of the "cold war" of psychology behind the Iron Curtan. President was so interested that he kept Gen. Sarnoff half-hour into lunch period, had him return for hour's session with top advisors. White House press secy. James Hagerty, while not disclosing Gen. Sarnoff's ideas, said he made "some very excellent suggestions." Meetings started speculation President may give Gen. Sarnoff major assignment in "cold war" field.

Wm. J. Convery Egan, ex-State Dept., who was senior public affairs officer in office of High Commissioner for Germany, appointed director of Radio Free Europe, replacing Robert E. Lang, resigned. Appointment was announced by Arthur W. Page, chairman of executive committee, Free Europe Committee Inc., 110 West 57th St., N. Y.

GENERAL ELECTRIC may "bank" TV stations deemed worthy, whether or not they have GE equipment, it was indicated by executives attending news conference in New York's 21 Club March 18 to announce plan to back new National Affiliated Television Stations Inc. (p. 1). Assistance will take the form of cash loans by GE and/or deferments of film rentals by National Telefilm Associates, 625 Madison Ave., N. Y., whose pres. Ely A. Landau heads up NATS. GE's Dr. W. R. G. Baker called project "the first sound, concrete plan [to] alleviate the growth pains of a true national TV service."

Dr. Baker endorsed uhf unqualifiedly, noting GE's position as an equipment manufacturer, receiver manufacturer and advertiser. Without spelling out specific banking details, he implied that funds will be advanced to about 30 stations—after GE's own experts have considered NATS recommendations and specific situations. He said:

"We have not limited ourselves to acting the part of interested observers. With the help of others who also have a considerable stake in the success or failure of a national TV service, we sent teams into the field to study the reason why one station would be successful and why another, under similar market conditions, would fail. What we discovered is no secret. Successful stations, whether uhf or vhf, have all possessed certain factors—market, programming, efficient management, sound financial backing, and access to national advertisers. The lack of just one of these factors would be enough, we found, to tip the scales and prevent successful station operation. Lack of just 2 could and usually would be fatal . . . In the factors I listed, 4 of the 5 were variable. Certainly the market itself could not be changed, but the others offered an elastic degree of variation."

That GE will be welcomed as "angel" to stations needing help, goes without saying—and NATS v.p. Oliver Unger said: "Preliminary surveys indicate that the welcome mat is at the door of many stations and not only those with a mortgage under the mat." National Telefilm, he said, now serves 190 stations, is about to announce some

new TV film packages that will bring its library up to 700 hours. In its catalog are such TV series as *Orient Express*, *China Smith*, *Play of the Week*, *Police Call*, *International Playhouse*, *Roller Derby*, *M.D.*—plus 156 oldies and 33 westerns.

NTA obviously cannot be the exclusive supplier of the NATS affiliates, said Unger, for no single supplier has the capacity. "We invite others in the TV distribution field, in their own self-interest, to join us in this effort to keep alive the lifeline which sustains us all."

Though personnel was notably unmentioned, chairman Joseph Justman promised: "A national sales force geared up to work both independently and together with the national reps of the selected stations. The library of NTA on favorable terms and conditions. Help on spot and local sales. Financial assistance. Management advice & counsel."

Observers noted that the film folk were more inclined to offer "all things to all men" than were the equipment people—and the first extensions of credit will be watched with intense interest. They presumably will be divulged, in some instances, in FCC files—especially if some go to revive any of the 39 uhf stations that have quit the air. Twelve of the 39, incidentally, were GE-equipped.

GE had its top broadcast equipment executives, counsel and publicity men on hand—as if to emphasize its all-out support of the NATS project. Besides Dr. Baker and Mr. Morelock, its contingent included Paul L. Chamberlin, mgr. broadcast equipment, and Frank P. Barnes, marketing mgr. Latter had just returned from Oklahoma City, where at March 14 public auction of Byrne Ross group's bankrupt KMPT (Ch. 19), which quit air last Feb. 4, he bought up all the "personal property" as a package for \$36,000. This included 12-kw GE transmitter, 2 GE studio camera chains, 900-odd ft. of coaxial transmission line, monitors, amplifiers, office equipment, etc. The 40 acres of real estate, transmitter building and 900-ft. tower, as a separate package, fetched \$44,000 from a realtor. Among KMPT liabilities when it went bankrupt was about \$200,000 owed to GE on equipment.

President will probably address NARTB convention in Washington week of May 22, his appearance having been cleared by a White House calendar committee this week. Final decision will be made shortly. Convention plans really got rolling this week, with announcement of further details of agenda. May 24 will be Government Day, featured by 90-min. panel discussion by all 7 members of FCC, followed by questions from floor. Rep. Priest (D-Tenn.), chairman of House Commerce Committee, will speak during day; Sen. Magnuson (D-Wash.), chairman of Senate Commerce Committee, will speak at another time during convention. FCC chairman McConaughy will be luncheon speaker that day. Engineering sessions will be held May 25 & 26. TV portion will include discussion on boosters & satellites by Dr. George Brown, RCA, Ben Adler of Adler Communication Labs & Gene Overmair, Sylvania; talk on proof of performance measurements by Richard Blackburn, WHEC-TV, Rochester, N. Y.; network transmission problems in monochrome & color by AT&T representative; operational economies in programming and microwave systems by undisclosed speakers. In addition, a special projects exhibit will be set up at convention, depicting role of TV-radio in enlisting public support for certain non-commercial & non-partisan national campaigns. Exhibit will be joint venture of NARTB and Advertising Council.

"Page One Award" for outstanding accomplishments in TV-radio will be presented April 29 to Edward R. Murrow and Fred Friendly for *See It Now* (CBS) by N. Y. Newspaper Guild. Special award goes to *New York Daily News'* veteran TV-radio critic Ben Gross.

Largest community antenna system in U. S., serving 6000 subscribers in Williamsport, Pa., was sold to Texas investment group this week for undisclosed sum. System had been built by Jerrold Electronics Corp., with financing by investment firms J. H. Whitney & Co., Fox, Wells & Co. and Goldman Sachs & Co. Purchasers are some 25 businessmen, headed by pres. Clive Runnels Jr., Houston; other directors, all of Houston, are John C. Flanagan, Jack Binion, Wm. H. Francis, W. T. Campbell & A. J. Farfel. TV-radio broker Howard E. Stark handled sale. Only other system sale to date was purchase of TV Cable Corp. of Schuylkill Haven, Pa. by Pottsville (Pa.) Trans-Video Corp. (Vol. 10:9). Whitney firm owns KOTV, Tulsa, operates community systems in Wenatchee, Walla Walla and Richland, Wash. Fox, Wells owns KFSD-TV, San Diego, has community systems in Fairmont, Bluefield & Clarksburg, W. Va. and Muscle Shoals, Ala.

National Community TV Assn. reports following seeking approval of Wyoming Public Service Commission to start new community systems: KEM-TEV Corp., for Frontier, Diamondville & Kemmerer; Dahlquist & Fenus, for Mountain View; Jackson Community TV System, for Jackson. NCTA also reports new operations in Imbler, Ore. and Sun Valley, Ida., and a cooperative non-profit system being organized at Ione, Ore.

FM functional music decision by FCC is expected next week or soon thereafter, permitting FM stations to multiplex functional music service on top of programs aimed at home audiences. Rules will be somewhat different from originally proposed, in that stations will be required to multiplex all functional music within 1 year instead of 5.

Telecasting Notes: Every major movie producer—with possible exception of MGM—is now either in some facet of TV or is seriously considering entering it soon. Latest to join parade is Universal, which entered TV 4 years ago through subsidiary United World Films but gave up after producing one 13-week series. Pres. Milton R. Rackmil told Universal stockholders the company “proposes to go into TV film production if we can make money at it.” He revealed company is now filming TV commercials. As for sale of old features to TV, he said such a move awaits “a more favorable climate and a more propitious time” . . . Associated Artists reported negotiating for TV rights to 37 Pine-Thomas “Class B” pictures released through Paramount from 1944-49 (Vol. 11:11); reputed asking price is \$1,400,000, or nearly \$38,000 per picture . . . “Madison Ave. doesn’t know it yet, but there’s a big new network televiewer lure a-building,” reports March 14 *Advertising Age*. It’s referring to TV bowling which is now drawing 11-17.9 ratings in Chicago as a late-night show. Chicago-dated story says: “Everybody here is sure it will be on the networks next fall, and is now trying to get into the act. Jules Herbueaux, head of WNBQ, NBC o-&o outlet where the whole thing started, is earnestly trying to win acceptance and sponsors for an NBC version. And auto dealer Pete DeMet, his main competitor, recently journeyed to New York to try to interest ABC-TV and CBS-TV.” DeMet’s *Championship Bowling* filmed series is now running in 62 markets; he’s signing up champ bowlers for network show . . . Another “TV original” heads for the movies: the highly praised drama, “Patterns,” presented twice on NBC’s *Kraft Theatre* (Vol. 11:7), will be produced as motion picture by Jed Harris & Michael Myerberg. Rod Sterling, who wrote original TV play, will write screen adaptation, and Fielder Cooke will direct film as he did the TV program . . . NBC’s fabulous *Peter Pan* telecast last week (Vol. 11:11) completely dominated Trendex March 1-7 ratings, copping No. 1 spot with rating of 48 and pushing *I Love Lucy* (on CBS during final half-hour of 2-hour period occupied by *Peter Pan*) out of top 10 . . . Best half-hour TV plays by college undergraduates will be rewarded with 3 prizes totaling \$1750—first prize \$1000—in competition sponsored by Talent Associates Ltd., producing & packaging firm at 41 E. 50th St., N. Y. First annual contest closes June 15, 1955 . . . WBTB & radio WBT, Charlotte, this week began broadcasting from new 1,250,000 Jefferson Pl. studios, described as “first in the nation to be specifically designed for color” . . . Ford Foundation’s TV-radio Workshop renews option to produce *Omnibus* for 4th straight year next season on CBS-TV Sun. 5-6:30 p.m.; its current cycle ends April 10.

Rate increases: KCMO-TV, Kansas City, April 1 adds new Class AA hour (6:30-11 p.m. Mon.-Sat. & 6-10 p.m. Sun.) at \$1000, min. at \$200, Class A hour going from \$750 to \$510; WATE, Knoxville, April 1 raises base hour from \$300 to \$400, min. \$60 to \$80; WITV, Fort Lauderdale-Miami, raises base hour from \$300 to \$400, 20 sec. \$60 to \$80; KFDX-TV, Wichita Falls, Tex. from \$250 to \$300 & \$50 to \$60.

All-time high in TV viewing came in Jan., when average American TV home viewed for 5 hours & 49 minutes a day, or 40 hours & 40 minutes a week, according to A. C. Nielsen Co. Previous record was in Jan. 1954, when TV-equipped homes had TV turned on for average of 5 hours & 46 minutes a day.

Extra \$85,000 appropriation was voted for FCC by House this week, and Senate concurrence is expected. Commission had asked for \$115,000 and President recommended Congress give it \$85,000. Money was requested for personnel to move backlog, mainly TV, including such major rule-making proposals as subscription TV.

GRANT OF ROANOKE’s Ch. 7 to WDBJ was recommended by examiner J. D. Bond this week, following dismissal of competitor WROV, to which WDBJ is paying \$245,021 for assets of defunct uhf WROV-TV (Vol. 11:6).

In contested cases: (1) FCC rejected protest filed by McClatchy newspapers against transmitter-studio changes granted to KBET-TV, Sacramento (Ch. 10). McClatchy has court appeal pending challenging FCC grant to KBET-TV, charging it is being discriminated against because of its newspaper interests (Vol. 11:11). (2) AFL filed opposition, as it said it would, to proposed grant of Miami’s Ch. 7 to Cox-Knight-Trammell interests, saying combination would promote monopoly of newspaper-broadcast media. It registered objections with FCC, Senate Commerce and Judiciary Committees.

Allocations actions included: (1) Denial of shift of educational Ch. 11 from Durham to Gorham, N. H., requested by New Hampshire Commission on Educational TV, because Canada wouldn’t agree to change. (2) Filing of 4 alternative plans for shifting Ch. 3 from Hartford, Conn. to Westerly, R. I., by Providence’s WNET (Ch. 16) which also asks that it be shifted to Ch. 3; plans involve changes in 4 to 7 cities, none affecting operating stations. (4) Orlando, Fla. Ch. 9 applicant WORZ endorsed FCC’s proposed “5-mile rule” (Vol. 11:10), stating that Daytona Beach grantee WMFJ-TV (Ch. 2) shouldn’t be permitted to build 23 mi. from Daytona Beach, about same distance from Orlando, where it might obviate possibility that Orlando station could obtain major network affiliation.

An individual’s right of privacy is not violated by a TV “fictionalization” of his life, even though it describes criminal events in his past for which he is no longer accountable. That ruling, watched closely by industry for precedents involving TV programs based on court records, was handed down this week by U. S. District Court Judge Keech in Washington in case of Charles S. Bernstein, Federal employe and ex-convict who sued NBC for \$750,000, asserting he suffered financially and mentally as result of resurrection of his past on *Big Story* in 1952. Under name of Charles Harris, Bernstein was convicted of first-degree murder in Washington in 1933 and was sentenced to electric chair. Through intervention of *Washington News* reporter Martha Strayer, his sentence was commuted in 1935 and he received Presidential pardon in 1945. Since then, his suit said, he has rehabilitated himself but as result of telecast has been unable to advance in his position and has been shunned in his community. Judge Keech ruled, however, that persons “formerly public” cannot be protected against disclosure and re-disclosure of known facts “in a reasonable manner and for a legitimate purpose.” Bernstein was represented by TV-radio attorney Harry Warner, who said ruling would be appealed.

Profile of John Crosby, *New York Herald Tribune* Syndicate columnist, by Sam Boal in April *Esquire Magazine*, reveals he earns \$40,000 a year from column, carefully shuns industry contacts and cocktail parties, and irreverently summarizes his task thus: “A radio columnist has a tough row to hoe. He is forced to be literate about the illiterate, witty about the witless and coherent about the incoherent.” Article credits Crosby with pioneering real TV-radio criticism, now widespread, and says this should have beneficial effect on TV—a situation differing from that attending birth and growth of radio.

New reps: KMMT, Austin, Minn. to Headley-Reed (from Pearson); KFBB-TV, Great Falls, Mont. to Hoag-Blair (from Headley-Reed); WTAP, Parkersburg, W. Va. to Pearson (from Forjoe); April 1 KERO-TV, Bakersfield, Cal. to Hollingbery (from Avery-Knodel).

Network Accounts: A "no summer hiatus" drive is being intensified by networks this year in concentrated effort to make TV a year-round medium. In addition to the summer discount plans announced by ABC, CBS & NBC, George Gobel this week disclosed plans to film his own show this summer through his subsidiary Gomalco Productions for current sponsors Pet Milk & Armour. He thus follows pattern of Sid Caesar and Jackie Gleason, who are producing own summer shows for same year-round sponsors. Also this week, ABC-TV research dept. disclosed presentation to advertisers pointing out that decline in sets-in-use is far less than realized, that summer costs are lower, that continuation of same program in summer is good "insurance" for fall audience . . . Maxwell House Coffee is staying on TV this summer, though it's substituting *Ethel & Albert for December Bride* on CBS-TV Mon. 9:30-10 p.m., thru Benton & Bowles . . . Procter & Gamble buys full sponsorship of *My Favorite Husband* on CBS-TV starting May 7, Sat. 9:30-10 p.m., thru Young & Rubicam . . . CBS-Columbia, which signed last week as co-sponsor of *Arthur Godfrey and His Friends* on CBS-TV starting March 30, Wed. 8-9 p.m., also will sponsor *Willy* on CBS-TV starting April 7, Thu. 10:30-11 p.m., thru Ted Bates & Co. . . . Ralston Purina to sponsor *Name's the Same* on ABC-TV starting April 11, Mon. 7:30-8 p.m., featuring radio favorites Bob & Ray as emcees, thru Guild, Bascom & Bonfigli, San Francisco . . . Scott Paper to sponsor *Father Knows Best* on NBC-TV starting March 27, Wed. 8:30-9 p.m., replacing *My Little Margie*, thru J. Walter Thompson . . . Revlon's sponsorship of *\$64,000 Question* on CBS-TV Tue. 10-10:30 p.m. will start June 7, thru Wm. H.

Weintraub; Nash-Kelvinator, alt. sponsor of *Danger* (which new show replaces) declined offer to join Revlon in *\$64,000 Question* . . . Union Underwear buys 4 partic. on NBC-TV's 7-9 a.m. *Today* in June, thru Grey Adv.; Quaker Oats, 3 partic. on *Today*, 2 on 11:30 p.m.-1 a.m. *Tonight* in April, thru Wherry, Baker & Tilden, Chicago; Buick, 1 partic. on *Today* April 21 (originating from Detroit), thru Kudner . . . Chrysler considering purchase of Wed. 10-11 p.m. time on CBS-TV vacated by Pabst's shift of its fights to ABC-TV starting June 1 (Vol. 11:11); new show would be drama series . . . Lehn & Fink (cosmetics), sponsoring re-runs of *I Love Lucy* on CBS-TV Sun. 6-6:30 p.m. starting April 17, cancels *Ray Bolger Show* on ABC-TV in June . . . CBS-TV's *Morning Show* (Mon.-thru-Fri. 7-9 a.m.) marks—but hardly celebrates—its first anniversary next week, showing loss of more than \$1,000,000; show has averaged about 5 partic. a week, at minimum cost of \$3600 each . . . Future status of Eastman Kodak's color-film *Norby* was shrouded in doubt this week, following star David Wayne's request to be released from contract with show, seen on NBC-TV Wed. 7-7:30 p.m.; filming halted in Feb., with plans to convert to live temporarily halted pending assignment of new time segment, reportedly Wed. 8-8:30 p.m. . . . DuMont drops 2 more programs April 1—*Captain Video* Mon.-thru-Fri. 7-7:15 p.m., & *Morgan Beatty and the News*, which follows it from 7:15-7:30; Miles Laboratories dropped Beatty and network then decided to cancel, to save cable costs, *Captain Video*, which is co-op every day except Thu., when Johnson Candy sponsors . . . American Character Doll Co. builds \$250,000 merchandising campaign around its partic. sponsorship of *Pinky Lee Show* on NBC-TV, thru Sterling Adv.

LOOSENING grip on College football telecasts, NCAA finally came up with liberalized 1955 "TV control" plan, which won approval of the dissident Big Ten, but may add complication to the lives of networks, stations and sponsors. New plan calls for 8 national "game-of-the-week" telecasts and 5 dates on which college football teams may telecast their games only within the NCAA districts in which they are located. This regional telecasting arrangement is based on proposal by Big Ten and Pacific Coast Conference.

Plan is subject to approval by two-thirds of NCAA member colleges, considered certain. Under new rules, each team may appear on TV twice, but on a national hook-up only once. Last year, schools were limited to one TV appearance. National program will be administered by NCAA TV committee, which will pick sponsors, networks, etc.; regional games will be sold directly by the participating schools.

New liberalized rules permit a team to appear on TV even more than twice, under these conditions: (1) Sell-out games may be telecast in the home TV areas of home and visiting teams, and the game's area if played off-campus. (2) Team playing more than 400 mi. from home may televise game in its "home TV market area," barring conflict with other games in area. (3) A telecast not carried in the home district of one of the televised teams won't count as an appearance against the team, but this exception will be granted only once.

NCAA TV committee is due to meet late in March or early in April to receive proposals from potential sponsors and networks. Big Ten officials said TV receipts of all Big Ten members for the 5 regional dates and any national appearances will be pooled and distributed equally to all 10 members. Big Ten TV committee plans to sell package regional deal to single sponsor. "It would be possible," said asst. commissioner Bill Reed, "to sell more than one game on any of the 5 regional dates available—but this is not likely."

Battle against fraudulent "bait" advertising on TV-radio was joined this week by Assn. of National Advertisers at Hot Springs, Va. convention, adopting resolution urging "prompt and vigorous" enforcement of anti-fraud statutes. ANA called bait advertising a "revolting perversion of advertising" and urged media to investigate such ads to make sure they are not a party to fraud. Meanwhile, a N. Y. state-wide conference in Albany this week heard Hugh R. Jackson, pres. of N. Y. Better Business Bureau, urge study of present legislation for amendments which would strengthen fight against bait ads. E. R. (Curly) Vadeboncoeur, pres. of WSyr-TV & WSyr, Syracuse, praised TV-radio's role in helping to stamp out practice, as did Michael R. Hanna, WHCU-TV (CP), Ithaca, pres. of N. Y. State Bestrs. Assn. (For conference's discussion on control of TV servicing frauds, see Topics & Trends, p. 13.)

Canadian House of Commons approved govt. motion to set up special committee on broadcasting to investigate CBC control of TV-radio and look into its financial operations. Approval came after Revenue Minister McCann defended CBC against onslaughts of opposition party (Progressive Conservatives). He denied CBC was "under the thumb of the Govt.," said it was responsible only to Parliament. Opposition critics aimed fire at CBC's dual licensing and broadcasting functions.

First nationwide auto radio listening survey by A. C. Nielsen Co., covering 2 weeks ended Feb. 12, showed heaviest car radio listening came at 2-2:15 p.m. Sat., when 2,109,000 car radios were in use—indicating 28% as much listening was done in cars as at home. Second heaviest quarter-hour was 3-3:15 p.m. Sun., with 2,018,000 auto radios in use, representing 33% of in-home usage for period.

Kay-Lab, San Diego, Cal., announces new broadcast camera chain, consisting of small vidicon camera, camera control and remote control unit, suitable for either live or film.

Color Trends & Briefs: Cost of live color camera chain was reduced by RCA from \$67,000 to \$49,500 this week, a reduction made possible by new "all-in-one" processing amplifier which takes space only 10½-in. high in rack. Chains are now on test, and shipments are due in 2-3 weeks.

New amplifier, according to engineering products v.p. Ted Smith, eliminates such components as channel amplifier, gamma corrector, shading generator, monitor auxiliary, distribution amplifier and 6 power supplies—all required by previous equipment. Same amplifier will be used with 3-V color film chain.

RCA reports it built 40 of previous live color chains, sold all but a couple. It has shipped 39 3-V cameras.

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March 21 week network color schedules: NBC-TV—March 23, *Norby*, 7-7:30 p.m.; March 27, *Entertainment 1955*, opening of West Coast color studios, 7:30-9 p.m. Projected NBC colorcast of Nevada A-bomb tests in April has been called off, due to costs; event will be carried in monochrome. CBS has postponed 5-day series of *Robert Q. Lewis Show* to March 28-April 1, 2-2:30 p.m. NBC's color schedule for April-May comprises 8 shows, all "spectaculars" (*Max Liebman Presents* and *Producers' Showcase*) except April 2 *Your Hit Parade*, 10:30-11 p.m. Dates for the others: April 4, 8-9:30 p.m.; April 9, 9-10:30 p.m.; April 24, 7:30-9 p.m.; May 2, 8-9:30 p.m.; May 7, 9-10:30 p.m.; May 22, 7:30-9 p.m.; May 30, 8-9:30 p.m.

Beautiful 4-page ads in trade press herald completion of 12,000 sq. ft. color studios of WDSU-TV, New Orleans. It's one of first to order live color cameras. Also promoting color facilities in ads is KTRK-TV, Houston, reporting at least one half-hour color show daily.

INTRODUCTION of NBC-TV's magazine concept into color spectaculars next fall will come in form of "color spreads"—six 90-sec. participations in new series of 90-min. shows scheduled for 13 Sundays during year, 7:30-9 p.m. These shows will be in addition to regular Sat. & Mon. spectaculars and new Sun. series of presentations by Maurice Evans. Thus, lineup will average one big show per week in addition to other color programs not yet disclosed.

"Color spread" plan was laid before Assn. of National Advertisers convention at Hot Springs, Va. this week by NBC network sales v.p. George H. Frey. Each 90-sec. spot will run advertisers about \$71,000 in winter—almost \$800 a second—and about \$50,000 in summer, with sponsors buying any number they want. Shows will be carried on about 100 color-equipped stations and reach estimated average of 10,000,000 homes, Frey said. "This is just about the price of a double-truck ad in the mass circulation magazines," he added, "with the superior circulation values of the most exciting shows on earth, the selling value of TV itself and the reality of color."

New series will feature permanent company of comedians, singers & dancers—"people accustomed to working together for the maximum theatrical rightness," Frey said. Guest stars will include Frank Sinatra, Jimmy Durante, Martha Raye "and all the others."

Meanwhile, NBC opens huge new West Coast color studios in Burbank, Cal. March 27, with *Entertainment 1955*, featuring Dinah Shore, Bob Hope, Helen Hayes, Judy Holliday, Fred Allen, Ralph Edwards & Leontyne Price, with dedicatory comments by NBC pres. Sylvester L. Weaver, exec. v.p. Robert W. Sarnoff and B. A. Graham, pres. of sponsor Sunbeam. New \$3,600,000 facilities include 140x90-ft. studio, \$350,000 air-conditioning plant, 2400-control lighting board, 15x20-ft. color screen.

ATTORNEYS for Edward O. Lamb will appeal directly to the FCC to call off its 6-month communist-charge case and grant renewal of his license for WICU, Erie—in the commissioners' first formal contact with controversial case since hearing was ordered. Attorney Russell M. Brown announced the appeal March 17 after examiner Herbert Sharfman ruled that he had no authority under FCC rules to call off the hearings, and granted Broadcast Bureau's request to call Lamb as witness.

Ruling came after boisterous 2-day argument in which FCC Broadcast Bureau attorney Joseph M. Kittner reiterated his contention that he has not finished his direct case and wants to call Lamb as witness. He said Broadcast Bureau has never contended Lamb was a "lawbreaker," but is interested solely in the truthfulness and candor of statements Lamb has made. He said he does not "assert there have been misleading representations," but if evidence shows there have been, it is a legitimate question for Commission to consider in deciding whether to renew Lamb's license. If Lamb's testimony dispels these questions, he added, "I'll be the first to recognize it."

Brown attacked veracity and stability of all Broadcast Bureau witnesses, and said that if hearings are resumed, he will seek to hold hearings in Erie, Toledo, Cleveland, Detroit and New York City. "We will not only bring witnesses to support Lamb's affirmations of innocence but we will call past and present members of FCC counsel and members of the Commission itself to testify," he said. "We might go on with this hearing for 6 more months in order to refute something that never existed. It's an expensive form of shadow-boxing."

NARTB regional conference committee this week set dates for series of 8 regional meetings this year, to replace traditional system of 17 district meetings, which was abolished recently by board to save time & expense. Schedule of meetings (sites to be announced within 2 weeks): Region 1 (Districts 1 & 2), Sept. 20-22; Region 2 (Districts 3 & 4), Sept. 27-29; Region 3 (Districts 5 & 6), Nov. 15-17; Region 4 (Districts 7, 8 & 9), Oct. 11-13; Region 5 (Districts 10 & 11), Oct. 18-20; Region 6 (Districts 12 & 13), Nov. 8-10; Region 7 (District 14), Oct. 26-27; Region 8 (Districts 15, 16 & 17), Nov. 1-3.

Closed-circuit color "spectacular" will be RCA-NBC's contribution towards entertainment during meeting of American Bar Assn. anti-trust section in Washington April 1. Some 200 top govt. figures, including members of Congress, FCC, ICC, etc., will see program on 6 color sets at Sheraton-Carlton Hotel, with originations from Los Angeles, New York and Chicago. Talent will include Dinah Shore, Jimmy Durante, *Hit Parade* & Dave Garroway. RCA research v.p. Dr. Elmer Engstrom is scheduled for short talk.

Sale of McClatchy's KWG, Stockton, Cal. for \$75,000 to co-partners James E. Longe, KWG program director, and Dr. Lewis B. Saslaw (Vol. 10:50; 11:6) has been approved by the Commission. McClatchy sold station in order to buy KBOX, Modesto, also for \$75,000, as companion to its KBEE (FM), but this deal is held up, having been designated for hearing by FCC.

NBC-TV's success with *Peter Pan* (Vol. 11:11) has inspired it to negotiate for opera *The Saint of Blecker Street* when it closes on Broadway. Composer is Gian-Carlo Menotti, who also wrote *Amahl and the Night Visitors*, which is now virtually a tradition on NBC during Christmas season. Presumption is that opera would be presented in color.

Kansas City color set sales totaled 110 as of Feb. 28, compared with 87 as of Jan. 1, Electric Assn. reports.

ALL SIX CANADIAN TV stations authorized but not yet on air (25 now in operation) plan to start by next fall. CBC this spring will add French-language CBOFT, Ottawa (Ch. 9), making total of 8 o-&o stations. Heading list of privately-owned stations being built is CHEX-TV, Peterborough, Ont. (Ch. 12), owned by Sen. W. Rupert Davies (51%) and Roy Thomas (49%)—both newspaper publishers—which plans test patterns shortly. Target dates for others: CJON-TV, St. John's Nfld. (Ch. 6), next summer; CKVR-TV, Barrie, Ont. (Ch. 3), Aug. 31; CHLT-TV, Sherbrooke, Que. (Ch. 7), Oct. 1; CKRS-TV, Jonquiere, Que. (Ch. 12), Oct. 1.

DuMont reports order for 5-kw transmitter, studio equipment & monochrome multiscanner with tentative April 1 shipping date to KLFY-TV, Lafayette, La. RCA shipped 500-watt transmitter March 10 to upcoming KOTA-TV, Rapid City, S. D. (Ch. 3), due in June; 25-kw amplifier March 16 to KOAM-TV, Pittsburg, Kan. (Ch. 7); 25-kw amplifier March 17 to KTBC-TV, Austin, Tex. (Ch. 7); 12-bay antenna March 18 to upcoming WBRZ, Baton Rouge (Ch. 2).

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In our continuing survey of upcoming new stations, these are latest reports received:

First satellite of KGMB-TV, Honolulu—KHBC-TV, Hilo (Ch. 9)—is about ready to go on air, plans March 25 test patterns, April 10 programming, according to v.p.-gen. mgr. C. Richard Evans. Its 500-watt RCA transmitter and antenna have been installed, and Harold Marques is slated to be in charge of the Hilo satellite. Maui satellite, KMAU (Ch. 3), has moved test patterns to first week in April, as result of 8-day equipment delay. Its transmitter house is ready, but 100-ft. guyed steel mast won't be erected until RCA antenna and 2-kw transmitter arrive about March 20. Hiroshi Hironaka will move from KGMB-TV to Maui to take charge of 3-man engineering operation. KGMB-TV says it won't raise rates when satellites get on air, and "any rate increase in the future will be on the basis of proved circulation"—not before 1956. Rep for KGMB-TV and satellites is Free & Peters.

KWTX-TV, Waco, Tex. (Ch. 10), has 12-bay RCA antenna ready atop 461-ft. Andrews tower, now is installing RCA transmitter, reports program director Gene Lewis. It plans April 1 programming, although network hasn't been signed yet. It will be 3rd area outlet—KANG-TV, Waco (Ch. 34) and KCEN-TV, Temple (Ch. 6) having begun in fall of 1953. Base rate will be \$235. Rep will be Pearson.

WITN, Washington, N. C. (Ch. 7), has ordered GE equipment, plans start next Sept. 1, reports pres. W. R. Roberson Jr. Station will be located less than 20 mi. E of WNCT, Greenville (Ch. 9). Ownership interlocks with WTVD, Durham (Ch. 11) and several radio stations in Carolinas. Tower order hasn't been placed yet. Rep not chosen.

Four uhf CP-holders say their status now is "indefinite" following receipt of extensions of their CPs to next Sept.: WBCK-TV, Battle Creek (Ch. 58); WHCU-TV, Ithaca, N. Y. (Ch. 20); WQCY, Allentown, Pa. (Ch. 39); WKDN-TV, Camden, N. J. (Ch. 17).

WABT, Birmingham (Ch. 13) has installed new 500-watt Standard Electronics standby driver, which makes it possible to approach uninterrupted full-time service at full 316-kw ERP, according to Standard. Should trouble occur in either 500-watt visual or aural driver, standby can be quickly patched in to replace faulty unit, without reducing power output. In case of amplifier failure, service can be maintained by patching around the faulty stage.

Denial of license renewal for radio WWBZ, Vineland, N. J., proposed by FCC examiner James D. Cunningham last week, is one of few in Commission history. Examiner's initial decision isn't final, of course, and may be reversed by Commission, but Cunningham urged denial of renewal because station's carrying of horse racing results "is susceptible of use by, and unquestionably is helpful and beneficial to, persons engaged in unlawful gambling activities." Commission once denied renewal to WTUX, Wilmington, Del., because of horse race broadcasts but it renewed license after station said it discontinued carrying them. Last license renewal denied was that of radio WIBK, Knoxville, because of misrepresentations by principals.

Option for 50% of KDRO-TV, Sedalia, Mo. (Ch. 6) & KDRO will be held by J. Albert Dear of *Sedalia Capital* and *Democrat* under new corporate setup being worked out by owner Milton J. Hinlein, who hasn't filed yet with FCC. Dear would pay \$40,000 for 50%. Station has been unable to get network and Hinlein expects newspaper link will bolster TV economics & programming. Dear also has interest in Tufty News Bureau, Washington, D. C.; *Wheaton* (Ill.) *Dispatch*; *Gallipolis* (O.) *Tribune* and *Gallia Times*; *New Kensington* (Pa.) *Dispatch*; *Elizabeth City* (N. C.) *Advance*.

Turning in CP this week for WLEU-TV, Erie, Pa. (Ch. 66), pres. Owen K. Murphy also filed to transfer his 50.95% interest in radio WLEU (250-watts, 1450 kc, MBS) & WLEU-FM to gen. mgr. Philip B. Hirsch for \$14,000. Ex-owners of WTOV-TV, Norfolk (Ch. 27), which last week got FCC approval to sell TV to Tim Brite Inc. (Vol. 11:11), this week filed to sell 50% of WLOW, Portsmouth, Va. (250-watts, 1400 kc, MBS) to Harold Kaye, who owns 50% of WORC, Worcester, Mass., and Boston adman Emyl J. Arnold.

Transfer of control of KXEL, Waterloo, Ia. (50-kw, 1540 kc, ABC) to owners of WOPA, Oak Park, Ill. was approved by FCC recently. Estate of late TV-radio attorney Horace Lohnes gets \$56,000 for 25,500 shares (18%); group headed by Joe DuMond gets \$187,000 for 85,000 shares (58%). WOPA group holds CP for WOPT, Chicago (Ch. 44). Also approved recently was John Laux's \$85,000 sale of WJLL, Niagara Falls (1-kw, 1440 kc) to motel-hotel owner James T. Sandonato (75%) and WJLL sales mgr. Thomas W. Talbot (25%).

Gene Autry's sale of KOLD, Yuma, Ariz. (250-watts, 1240 kc, CBS) for \$50,000 was approved recently by FCC. New owners are headed by local TV-radio comic Jim Hawthorne, v.p. Norman H. Rogers and treas. George W. Brock. Rogers and Brock also own 30% each of radio KRNO, San Bernardino, Cal.

KTXL-TV, San Angelo, Tex. (Ch. 8) is again owned 50% each by Armistead D. Rust and B. P. Bludworth, with FCC recently approving deal whereby Lowell Smith and Marshall Formby each sells back the 10% he acquired last year (Vol. 10:32, 34, 36).

Control of radio WETZ, New Martinsville, W. Va. (1-kw, 1330 kc) is being sold for \$20,400 (90% of stock) to Sesac representative Harry B. Bright by J. Patrick Beacom, who owns 25% of WJPB-TV, Fairmont, W. Va. (Ch. 35), now off air (Vol. 11:9).

KJAY, Topeka, Kan. (5-kw, 1440 kc) has been sold for \$105,000 by S. H. Patterson, owner of KSAN-TV, San Francisco (Ch. 32) and KSAN, to Robert Rohrs, salesman for KOA, Denver, who will move to Topeka and take over as owner-gen. mgr.

Malco Theatres Inc. has FCC approval to acquire minority stockholdings as well as to absorb the 60% that Citizens Theatres Co., which it controls, holds in WEHT, Henderson-Evansville, Ind. (Ch. 50).

TAX BILL COULD COST TV TRADE MILLIONS: A proposed revision of the tax law, which could cost TV-radio manufacturers millions of dollars, sent RETMA rushing to Capitol Hill this week to protest -- but at week's end it appeared quite likely that revision would be passed nonetheless. Requested by Administration, bill (H.R. 4725) would repeal retroactively Sections 452 & 462 of Internal Revenue Code, which permit manufacturer to deduct from his 1954 taxable income not only his 1954 expenses but also reserve funds set aside to take care of estimated expenses in 1955 and later years.

Warranties on TV sets & tubes are included in items covered by such deductions -- and therein lies RETMA's concern. Under present law, a manufacturer who sold a set or tube in 1954, with warranty provisions extending into 1955, is permitted to deduct his 1954 expenses under the warranty and also a reserve fund which nearly all manufacturers set up to cover estimated expenses of servicing the warranty in 1955.

Treasury Secy. Humphrey has asked Congress to wipe out this right because it has been "abused" and wants the repeal made retroactive to Jan. 1, 1954 -- which TV trade sources say would cost manufacturers millions of dollars in added taxes.

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Sylvania's Charles H. Orem Jr. represented RETMA in testifying before House Ways & Means Committee March 18 in protest, along with representatives of National Assn. of Manufacturers, Machinery & Allied Products Institute & 5 other trade groups. Orem said warranty was expense of "major importance" to RETMA's 44 set makers and 34 tube manufacturers. He explained impact of tax proposal on TV industry as follows:

"When a TV set is sold the customer obtains a warranty against any defective material or workmanship for a period of 3 months on the set itself, and one year on picture tube (there are individual variations, but this is the general practice). The set maker is thus under a contractual obligation to incur expenses to carry out his warranty. The tube maker is under a similar obligation.

"Being on an accrual accounting basis, such companies, in the year in which TV sets and tubes are sold, accrue this obligation on their books. Prior to the enactment of Section 462 they had not been able to obtain recognition of this accrual for tax purposes, and had to take the tax deduction later when cash outlays were made. Section 462 merely brings tax accounting into conformity with business accounting."

Political considerations seem to favor bill's passage. For one thing, it was requested by Administration -- though Treasury experts now admit they can foresee eventual loss to Govt. in tax revenue. Administration Republicans are expected to support it -- and Democrats seem more than willing to rub in what appears to be an embarrassing predicament for Republicans.

SEASONAL SOFTNESS IN CURRENT TV MARKET: A seasonal decline in TV sales at retail is evident on national basis thus far in March -- somewhat later than it normally takes place -- but trade statisticians confidently predict first-quarter retail sales of about 1,800,000 TVs, slightly higher than first 3 months of 1954.

Softening of the TV market at retail will mean a slight rise in inventories, inasmuch as production for first quarter probably will be about 2,000,000. Thus, inventories at end of March are likely to total around 2,100,000, compared to about 1,600,000 on April 1, 1954.

Whether inventory total is considered dangerously high is subject to dispute within industry. Some say it definitely is, point to fact that inventories normally decline in first quarter of year. Others, like Motorola's Robert W. Galvin, say no.

"We feel that somewhat over 2,000,000 in the industry's pipelines would be quite all right," said Galvin at informal press conference this week. He said the industry is not now faced with problem of liquidations on any large scale. His own

company's inventories, said Galvin, are slightly higher than year ago, when "we played the first quarter light and swept the store too clean."

TV production totaled 160,995 week ended March 11, compared to 166,461 units preceding week and 176,887 week ended Feb. 25. It was year's 10th week and brought production for year to date to about 1,675,000 vs. 1,075,000 same 1954 period.

Radio production totaled 297,595 (156,846 auto), compared to 297,457 in week ended March 4 and 275,648 week before. Ten-week radio production was 3,600,000 vs. 2,000,000 in corresponding period year ago.

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Talk of layoffs due to spread of automation in factories, which is inspiring IUE to seek guaranteed annual wage in electronics industry this year (Vol. 11:11), reached President Eisenhower this week in form of question at his weekly press conference as to whether he might set up a Presidential commission to study its impact.

He hoped his economic advisers were keeping posted on automation, President said, and special commission might be answer. Personally, said President, he felt danger of automation had been exaggerated and advised reporters that similar fears about technological advancements in last 150 years have proved unfounded.

Sylvania chairman Don G. Mitchell said much the same thing this week, telling Boston U Founders' Day Institute that there is no danger for labor in automation, which he described as a "glamorized synonym for mechanism," said it had been going on since days of industrial revolution. Victor Reuther, asst. to his brother, CIO pres. Walter Reuther, said such measures as guaranteed annual wage would "ease the jolt" and keep purchasing power expanding so there will be market for higher productivity.

United Auto Workers opened preliminary talks, meanwhile, with General Motors and Ford on new contract, including provision for guaranteed annual wage. Watched closely by electronics industry for guidance on guaranteed wage, talks didn't reach specific points and were recessed until after UAW convention week of March 27.

Trade Personals: Clarence G. Felix, Crosley v.p. & gen. mgr. of government products, elected v.p. of parent Avco Corp.; Albert Newton promoted to Avco controller . . . Don G. Mitchell, Sylvania chairman-president, appointed co-chairman of U. S. industrial committee of National Fund for Medical Education . . . Leonard G. Taggart promoted to chief purchasing agent, Sylvania TV-radio div., Batavia, N. Y. . . . Alfred Y. Bentley promoted to asst. mgr., DuMont CR tube div. . . . Frederick C. Zorn named to new post of administrative asst. to Wm. C. Scales, mgr. of DuMont TV receiver sales div. . . . Robert L. Jablonski, Hoffman Electronics western district sales mgr., named national service mgr., succeeding James T. McAllister, now quality control mgr. . . . E. R. Rutledge, ex-Stewart-Warner, named Hallicrafters eastern regional mgr., N. Y. . . . Wesley A. Sager Jr. promoted to new post of credit & collections mgr., GE TV-radio dept., Syracuse . . . C. Spence Purnell named Westinghouse southern Pacific district mgr., Los Angeles . . . Robert Ascue promoted to national sales mgr., Remington Records . . . Harold R. Larsen, Servomechanisms v.p., also named gen. mgr. of eastern & western divs. . . . E. Leo Koester named mgr. of Crosley-Bendix community relations & employe services . . . Kenneth A. Hovington promoted to gen. sales mgr. of Cossor (Canada) Ltd., Halifax (TV-radio test equipment) . . . John C. Legler, ex-Cecil & Presbrey v.p., named director of adv. & public relations, Electronics Corp. of America, Cambridge, Mass. . . . Edwin Cornfield, ex-national sales mgr. of Pilot Radio, named national distributor sales mgr. of Avnet Electronic Supply Co., Los Angeles, distributor for Bendix Aviation . . . Grady L. Roark, marketing mgr. of GE tube dept., appointed mgr. of company's new central sales service section for tubes & TV-radio components . . . Edward R. Wagenhals, ex-Booz, Allen & Hamilton, N. Y. management consultants, and veteran of 16 years with RCA, joins Clevite-Brush Development Co. as v.p. & director of components development.

RCA International Div., in reorganization for expanded operations, has made the following assignments announced this week by Meade Brunet, v.p. & managing director: Albert F. Watters, v.p. & operations mgr., acting director, operations control; J. P. Cougnenc, ex-personnel chief at Indianapolis plant, director, associated company operations dept.; H. C. Edgar, director, consumer products marketing dept.; C. A. Greathouse, ex-Montgomery Ward, director, export sales dept.; C. W. Slaybaugh, director, engineering products marketing dept.; M. E. Karns, director, license dept.; B. E. Shackelford, coordinator, licensing; W. W. Barton, mgr., materials & marketing services; J. J. Benavie, counsel; A. F. Dollar, mgr., finance; J. E. Lothian, mgr. of planning & market research; E. A. Mesics, mgr., personnel; W. J. Reilly, mgr., adv. & sales promotion—all reporting to Mr. Watters.

DISTRIBUTOR NOTES: Motorola appoints Arizona Distributors Co., 1891 W. Roosevelt Road, Phoenix (Wm. Sipprell, pres.), replacing Arizona Wholesale Supply Co. . . . Arvin: Peaslee-Gaulbert Corp., San Antonio, and Chavers-Fowhand Distributing Co., Panama City, Fla. . . . Bendix Radio: Max Fischman Co., 1141 Penn Ave., Pittsburgh & Kilsby Refrigeration Co., 633 Sheridan St., Honolulu (Herbert Stielau, gen. mgr.) . . . Emerson Radio of Florida names Sidney Goldberg mgr. of all branches except Tampa . . . Northern Ohio Appliance Co., Cleveland (Motorola) announces resignation of sales mgr. Vern A. Ketchem to form own distributing firm, Ketchem & Assoc. . . . Dunkelman Distributing Co., Shreveport (Motorola) names Ronald L. Bates sales mgr.

Muntz TV, operating under Chapter X reorganization plan since March 2, 1954 (Vol. 10:10), had assets of \$2,876,291, liabilities of \$7,806,599 as of March 15, according to trustees' annual report filed this week in Chicago Federal Court. Company has 235 employes, produces 6500 TV sets a month, said report.

Topics & Trends of TV Trade: Some regulation of TV servicemen, to drive gyps out of the industry, seems inevitable in N. Y. State—but actual form of control appears to be impaled on political differences between Democratic Gov. Harriman & Republican Attorney General Javits.

At big state-wide conference called by Harriman in Albany March 15 to deal with all forms of fraud in TV sales, service & "bait" advertising, Governor favored creation of State Fair Trade Commission and possible licensing of servicemen, whereas Javits wants to retain control in his office, supplemented by legislation giving him injunctive powers. Conference was attended by 174 representatives of TV-radio-appliance manufacturers, RETMA, consumer groups, servicing organizations, local Better Business Bureaus, district attorneys & representatives of newspapers & TV-radio stations.

N. Y. servicemen themselves generally favored licensing, though nationally the question has split service groups. Speaking for Empire State Federation of Electronic Technicians Assns., Joseph B. Forman supported licensing proposal and advocated requirement that technicians pass examination after training.

RETMA pres. Glen McDaniel doubted that licensing was needed, said "most servicemen are honest, competent and demand a fair price." He added that number of complaints about servicemen had been steadily declining. Wm. L. Parkinson, mgr. of GE product service & chairman of RETMA committee on technical education, doubted that legislation would solve problem. He said TV manufacturers are "very sensitive" to consumer complaints about servicing and are doing everything in their power to improve service.

Meanwhile, 56 service firms in Los Angeles area this week signed a voluntary code of ethics to drive out the handful of gyms in their midst, spurred by campaign of local Better Business Bureau and newspapers. Some 20 additional firms are expected to join movement next month.

Note: Though publicity always seems to center on the minority of frauds in TV servicing, an Elmo Roper survey conducted for RCA Service Co. revealed last week that "great majority" of TV set owners are satisfied with all aspects of TV servicing (Vol. 11:11).

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Zenith is trying to "shop around" different courts in effort to get favorable decision in long-standing anti-trust and patent infringement suit, RCA contended this week in reply brief filed in U. S. Supreme Court by counsel Adlai Stevenson and John Cahill. In its Supreme Court brief last week, Zenith charged RCA with seeking to prevent "discovery of facts showing a vicious world-wide restraint of trade in the electronic industry which RCA counsel by one strategem or another have managed to keep buried for years" (Vol. 11:11). RCA reply brief reiterated its earlier appeal to high court to delay Chicago trial of Zenith-Rauland counterclaim suit pending ruling on similar issues in Wilmington court, and commented: "The Federal judicial system cannot function if a litigant can scurry from one district court to another to argue incessantly the same points over and over again."

Hoffman Electronics will expand Kansas City plant to produce up to 1000 TV sets a day, with additional facilities due to be completed about July 1. Present 85,000-sq. ft. plant area will be used entirely for production, with new facilities to be devoted to parts, services & warehousing.

Motorola schedules management conferences for sales mgrs. of its distributors at Broadmoor Hotel, Colorado Springs, Colo., April 7-8; Edgewater Gulf Hotel, Edgewater Park, Miss., April 14-15; Greenbrier, White Sulphur Springs, W. Va., April 21-22.

Text of telegram from Chairman Magnuson of Senate Commerce Committee to presidents of TV manufacturing companies (see p. 4): "The Committee on Interstate & Foreign Commerce has been conducting a study and inquiry into, among other things, the status and development of uhf TV stations. When the FCC adopted its TV plan in April 1952 it set aside 82 channels for commercial TV purposes; 70 are in the uhf portion of the band. Of the 1975 commercial assignments, 1319 are in the uhf portion of the band and another 169 assignments are reserved for non-commercial educational stations. As of Jan. 15, 1955, a total of 143 TV permits were suspended or surrendered. Of this total 117 were uhf permittees. Out of the approximately 35,000,000 TV receivers in use, it has been estimated about 90% [sic] are unable to receive a uhf signal. Various reasons have been submitted for this disparity. I am scheduling a conference of TV manufacturers to be held April 25, 1955 at 10:30 a.m. in Room 318 (Caucus Room), Senate Office Bldg., to discuss the feasibility and advisability of manufacturing all-channel receivers. You are invited to participate. Because of the limited facilities, we suggest attendance by yourself and counsel or other representative. The cooperation of everyone is essential. Your presence is important to the success of this conference, which may lead to some solution of the many problems besieging the industry and Govt. in the TV field."

Women v.p.'s for RCA? Chairman David Sarnoff, addressing Labor Dept.'s conference on effective use of woman power March 11, referred to fact that RCA has no female v.p.'s, said he knew of no good reason, except, possibly "tradition." However, he added, there's the feeling that "when you appoint an officer to an important executive position, you don't want to feel that she may be leaving tomorrow"—but he was quick to say that this was just rationalization and that women should be in these high business posts. "When 2 or 3 women get there and stay there," he predicted, "others will follow." Discussing employment opportunities for women in electronics, he said half the industry's 1,000,000 research & production employees are women.

TV set sales by Canadian factories totaled 55,760 at average price of \$321 in Jan., when production was 69,152, reports Canadian RTMA. It compared with sales of 34,890, production of 43,835 in Jan. 1954. Inventory at end of Jan. was 61,276, compared to 47,884 at start of month. Projected production estimate is for 186,170 more sets in Feb.-April period. Montreal led in sales with 9954; Toronto second, 9069; British Columbia, 5868; other Ontario, 5152; Manitoba, 4615; Quebec City, 3507; Nova Scotia, 3246; Alberta, 3015; Ottawa & eastern Ontario, 2966; Hamilton-Niagara, 2789; New Brunswick & Prince Edward Island, 1787; Saskatchewan, 1777; Windsor, 1562; other Quebec provincial areas, 440; Newfoundland, 13.

Corning Glass Co. enters mass components market, with line of TV-radio items to be distributed by Erie Resistor Corp., announcing "sweeping price reductions" in certain lines. Since World War II, company has been producing high quality glass components for military uses, now promises resistors, capacitors and other electronic components "at a competitive price." Corning has an eye on color TV market "where high-grade components will be required in large quantities."

Excise tax collections from TV-radio-phono manufacturers totaled \$54,756,000 in last 6 months of 1954, compared to \$57,224,000 in corresponding period of preceding year, reports Internal Revenue Service.

Westinghouse consolidates all consumer products advertising with McCann-Erickson, N. Y., shifting newspaper, magazine & outdoor billings from Fuller & Smith & Ross.

Financial & Trade Notes: Admiral reports decline in profits and sales in 1954 from 1953 levels, pres. Ross D. Siragusa attributing drop to lower profit margins on TVs and reduction of govt. business. Earnings were \$6,547,974 (\$2.78 per share) on sales of \$219,565,089, compared to \$8,213,165 (\$3.48) on \$250,931,605 in 1953 and \$8,711,133 (\$3.69) on \$191,224,356 in 1952. Siragusa noted, however, that "substantially higher sales in the second half, coupled with increased efficiency and lower operating costs, resulted in more satisfactory profit margins," and predicted company's 1955 earnings & sales would increase over 1954.

Siragusa also disclosed that Admiral is launching intensive 5-year expansion program aimed at a "substantial increase in sales and earnings by 1960." He said expansion will be in: "(1) foreign manufacturing; (2) domestic manufacturing, including expansion into different facets of the electronics business; (3) color TV." As part of foreign expansion, he disclosed formation of TV-radio manufacturing subsidiaries Admiral de Mexico, S.A. de C.V., Mexico City; Admiral Italiana, S.p.a., Milan (due to begin by midyear); Admiral of Australia (Pty.) Ltd., Sidney. Latter is jointly owned by Admiral and General Industries Ltd., Sidney.

Siragusa did not specify areas of electronics expansion but reported that company currently has research, development & production contracts covering military TV, IFF radar, radar test equipment, automatic gun-sighting, atomic radiation detection and several classified fields.

He predicted industry-wide TV sales of 6,500,000 units in 1955, including a "trickle" of color sets in second half. He commented: "Color TV, which should enter the first mass production phase in the fourth quarter of 1955, will increase substantially the company's average unit sale price. By 1956 and 1957, color TV sales should reach major proportions."

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Indiana Steel Products Co. had record earnings of \$587,854 (\$4.14 a share) in 1954, compared to \$335,925 (\$2.36) in 1953. Pres. Robert F. Smith told stockholders in annual report that sales were "somewhat below" record 1953, though dollar volume for neither year was given.

Weston Electrical Instrument Corp. earned \$1,056,714 (\$2.47 a share) in 1954, compared to \$1,025,930 (\$2.40) in 1953. Sales figures weren't given.

New electronic giant may be in the making, with this week's disclosure of merger talks between Sperry Corp. and Remington Rand. Both companies are heavily in electronics as well as non-electronic businesses. Merged firm would be industrial colossus with nearly \$900,000,000-a-year volume. Sperry, whose biggest customer is Govt., had \$440,906,187 sales in 1954. It's a big builder of electronic equipment, guided missile components and electrical instruments for aviation and marine fields, as well as automation equipment, farm machinery and electrical apparatus. Remington Rand's 1954 sales totaled \$225,494,354. It has been called nation's largest maker of business machines and office equipment, is one of biggest in electronic computer field (Univac), also makes automation gear, electric shavers and other consumer items.

"Systems engineering group" has been set up by Dumont to assist industry in the application of electronic techniques and automatic production and quality control methods. Announcement by industrial div. mgr. Dr. P. S. Christaldi said that new group is equipped and available to investigate specific problems in manufacturing processes and to make recommendations for their solution either by designing new automatic electronically controlled equipment or by integrating electronic control systems into existing installations.

Motorola reports earnings of \$7,572,024 (\$3.91 per share) in 1954, up from \$7,076,335 (\$3.66) in 1953 and \$7,012,700 (\$3.62) in 1952. Sales of \$205,226,077 were second only to all-time record of \$217,964,074 in 1953 and were considerably ahead of \$168,734,653 in 1952. For 1955, pres. Paul V. Galvin said company has established sales target of \$225,000,000. Taxes last year were \$8,951,865, compared to \$8,436,154 in 1953 and \$8,563,465 in 1952. Working capital at year's end was \$38,308,612 vs. \$38,222,001 at end of 1953.

Galvin said company increased its share of industry's TV sales in 1954, didn't specify percentage. Military business amounted to 25% of total sales. Sales of home, portable & clock radios declined, characteristic of industry last year. Galvin acknowledged that color sales were slow in 1954, but forecast a gradual acceleration of sales in 1954 with increase in color programming.

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Hallicrafters earned \$275,241 (33¢ a share) on sales of \$12,835,985 in 6 months ended Feb. 28, compared with loss of \$949,337 on sales of \$15,712,221 in corresponding period of preceding year. For 3 months ended Feb. 28, earnings were \$170,947 (20¢) on sales of \$6,415,448 vs. loss of \$465,957 on sales of \$7,647,333 in same period year ago. Pres. Raymond W. Durst attributed improvement to "more profitable commercial and government sales made possible by a strong TV market, continuing good govt. sales and reduction in operational cost." He said company had 37% increase in TV unit sales over 6 months ended Feb. 28, 1954, with 38% of unit sales being private label sets.

Dividends: American Broadcasting-Paramount Theatres, 25¢ payable April 20 to stockholders of record March 25; Motorola, 37½¢ April 13 to holders March 31; Packard-Bell, 5¢ April 25 to holders April 11; Canadian Westinghouse, 50¢ April 1 to holders March 15; Howard W. Sams Co., 10¢ April 25 to holders April 15.

Raytheon earned \$3,592,000 (\$1.44 a share) on sales of \$139,552,000 in 9 months ended Feb. 28, compared to \$2,703,000 (\$1.07) on \$126,242,000 in corresponding period of preceding year. For 3 months ended Feb. 28, earnings were \$1,197,000 (48¢) on sales of \$46,545,000, compared to \$1,063,000 (42¢) on \$45,065,000 same period year ago.

Electron-image tube that stimulates typesetting has been developed by RCA Laboratories and is said to be capable of producing clearly defined letters and figures at speeds up to 100,000 words per minute for high-speed photographic recording. The phosphor-screened tube can be used to translate coded signals from tape, keyboard or radio into letters, will probably have first application in electronic message transmission and computing systems, with further development possibly fitting it for wider application in printing as an electronic means of typesetting.

Those saucy semi-conductors! From *Comic Books & Juvenile Delinquency*, report of Senate juvenile delinquency subcommittee: "The covers of many of these publications carried pictures of scantily clad females in suggestive poses. The titles of some of the articles as featured on the covers were: 'The Lady Is a Man,' 'All-Year Vacation Home,' 'Sex Before Marriage,' 'I Was Forced Into Russia's Fifth Column,' 'I Sold Myself in the Marriage Racket,' 'Athletes Are Lousy Sports,' 'What's New in Transistors' . . ."

First commercial application of transistors in power line carrier communications was announced this week by Motorola. "Because of the potential 40,000-hour transistor life, unequalled reliability and low maintenance cost will characterize the new unit," said v.p. Daniel E. Noble.

Electronics Reports: Transistorized computers — compact, relatively low in cost, suited to mass-production—were demonstrated by Philco's top engineering and production executives to science editors March 16 at New York's Waldorf-Astoria. New development—making possible extremely high-speed computers with military, scientific and industrial applications—is outgrowth of Philco's surface barrier transistor technique (Vol. 9:49).

Called "TRANSAC" (transistor automatic computer), new device has already been spoken for as a military aviation and guided missile aid; its chief immediate commercial application, under patent license, is expected to be in computing machines, which Philco believes will be revolutionized. Envisioned in its future commercial application are simpler, lighter, speedier adding machines, among other devices Philco has up its sleeves. TRANSAC will be subject to technical papers and demonstrations at IRE convention next week in New York.

Full name of miniature electronic brain circuit is "Philco Direct Coupled Transistor Circuit." Company says circuit could make possible a digital computer performing 600,000 additions or subtractions a second—10 times as fast as any previously announced transistorized computer, and its weight and cost would be about one-third. Principal advantage of new circuit, according to research & engineering v.p. Leslie J. Woods, "is that it reduces many fold the number of components," entirely eliminating diodes and tubes in ordinary 'flip-flop' circuit—and its power requirements are decreased a thousand-fold.

"We are particularly enthusiastic about the potentiality that these circuits and transistor techniques create

SERIOUS INTEREST of big TV set makers in radically different method of receiver construction—"modular design"—may well presage very important changes in production and servicing of TV in next year or two.

Originally developed for military use by National Bureau of Standards and Navy, as "Project Tinkertoy" (Vol. 9:38), new component modules have captured attention of virtually every major receiver maker, and several are definitely negotiating for the new stacked components for printed circuits, which go into mass production this summer.

Picking up the ball on Tinkertoy was new ACF Electronics, division of big ACF Industries. Headed by J. G. Reid, former NBS electronics chief, ACF Electronics' staff includes many formerly associated with NBS and Tinkertoy, including Robert L. Henry, credited with being Tinkertoy's principal developer, who now heads module manufacturing dept. ACF stuck to basic Tinkertoy design, but made many improvements of its own, now is in pilot production of modular components.

Modular design is based on "building blocks" of small wafers stacked into modules or sub-assemblies, which are then mounted on printed circuit chassis. Each module (ACF calls them "Compacs," for component packages) contains resistors, capacitors, coils, etc., mounted on the ceramic wafers and properly interconnected. It is these modules which ACF is preparing to sell to TV receiver and other electronics manufacturers. The manufacturers mount and dip-solder these modules to their printed circuit boards. This can be done automatically, semi-automatically or by hand assembly methods.

Shunning limelight, ACF Electronics has quietly built up \$1,500,000 facilities in Alexandria, Va. to produce for electronics industry. Pilot production is now under way, with output of 800,000 modules a month planned by fall, and equipment being installed to turn out more than 12,000,000 a year. Because of high reliability and uniformity of the Compacs, ACF is aiming primarily at orders from military producers. But interest shown by

in making it possible for the great bulk of a computer to be mass-produced, assembled and tested with relatively unskilled operators," said Woods.

Attending unveiling, in addition to Woods, were these top Philco personnel: Research v.p. David B. Smith; govt. & industrial v.p. James D. McLean; v.p.-gen. mgr., govt. & industrial div. Joseph H. Gillies; radio-TV appliances research director Donald G. Fink; executive engineer Herman A. Affel Jr.; govt. & industrial div. electronics engineering director S. C. Spielman; govt. & industrial div. research director Dr. James F. Koehler; computers & transistors product mgr. Chester C. Pond; govt. & industrial div. adv. & sales promotion mgr. Marvin Gaskill.

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Discussion of microwave rules & standards with industry groups was begun by FCC this week (Vol. 11:10), and heavily attended sessions broke up into study groups, will meet again April 5. RCA this week introduced new TV microwave equipment capable of up to 10-kw ERP in 5850-7125-mc band, said it is "designed for the more exacting requirements of color telecasting and features approximately 20 times the power margin of previous RCA equipment." On March 16-17, Raytheon demonstrated 2 types of microwave gear in Washington's Raleigh Hotel—one for communications, other for TV—to officials of FCC, REA, military and other govt. agencies.

International Resistance Co. this week purchased Hycor Co. of California & Puerto Rico, manufacturers of magnetic & audio devices and precision resistors. Hycor management, headed by pres. Wm. I. Elliott, will continue independent operations.

set manufacturers has been so great that TV may well take up major portion of output.

We toured company's research & development facilities in Alexandria this week (all production machinery is under wraps). Most fascinating to us was 21-in. TV set, with standard circuitry, produced with Compacs. Of the 195 components in set—exclusive of tuner—153 were incorporated into 17 neat, stacked modules. The remaining pieces consisted of potentiometers, filter capacitors, etc. ACF officials said set was assembled in 17 operations, replacing the 200 required using conventional assembly methods.

In large quantities, Compac modules will cost manufacturers no more than it costs to buy the conventional, unwired components they replace, according to ACF. On top of this, they say modular TV sets can be assembled 30% quicker than conventional ones. Company estimates that a year's TV production would require 90,000,000 modules—if all sets were made of modular construction.

"We're component makers," ACF officials stress, pointing out that while they will give industry engineers advice about setting up assembly facilities for modular construction, they have no intention of going into the business of producing automation machinery or the like.

Because of high reliability and uniformity (each Compac is automatically tested as it is produced), and because of space-saving possibilities, modular construction seems particularly applicable to color TV receivers, and presumably set makers are exploring this possibility. As for repairs and servicing, ACF expects servicemen merely to replace the module in which the trouble is located—which can be done in set owner's home in matter of minutes.

Several other firms are working with modular construction—and you can expect more to do so, particularly existing component makers. The govt.-developed principle is available to anyone who wants it. But ACF Electronics believes it has big headstart in production and development know-how, new machinery and proprietary improvements.

Subscription TV pulling-&-hauling: (1) International Telemeter asked FCC to require all parties planning to file comments by May 9 to notify Commission by April 9. Then, Telemeter said, FCC could publish list and require each party to supply all others with 2 copies of his comments—saving everyone much time in preparing reply comments due June 9. Commission rejected proposal, said it would weigh requests for more time whenever they're filed. (2) Joint Committee on Toll TV, organized by movie exhibitors, changed its name to Committee Against Pay-As-You-See TV (CAPT), and retained economist Dallas Smythe as consultant (Vol. 11:11). (3) Good debate is being planned by Washington's National Press Club for April 12 or 14, featuring CAPT co-chairman Alfred Starr and Zenith's Millard Faught. (4) Assuring exhibitors of support, 20th Century-Fox sales mgr. Wm. C. Gehring told group in Dallas this week that if FCC approves fee TV "we're beat."

Spot commercials on British TV will cost up to \$2800 a minute for choice weekend spots when commercial TV gets under way this fall. That rate was revealed by Associated Broadcasting Co. (ABC), one of 6 companies scheduled to open commercial TV. It holds London franchise for week ends and Birmingham for weekdays. The \$2800 rate will apply to peak viewing hours of 8-9:30 p.m. Sat. & Sun. For rest of evening on weekends, time will cost \$1680 per min. Its Birmingham rates will cost up to \$1400 per min. Commercials will be limited to 5 min. per hour, so maximum revenue for ABC will be about \$14,000 per hour. If Postmaster General permits morning commercials, during test patterns, rates will be \$560 per min.

Examiner system of FCC and other govt. agencies would be changed radically if recommendations of forthcoming Hoover Commission report are followed. Recommendations are said to include: (1) Establishment of an "administrative court" to handle cases now cleared by agencies such as FCC. (2) Shift of examiners from Civil Service to positions of "commissioners," with status similar to that of Federal judges. Another Hoover recommendation: Creation of Justice Dept. board of legal examiners to hire attorneys for most agencies.

Two more uhf applications were filed with FCC this week, bringing total to 170 on file pending Commission action, including 18 for uhf. Week's applications were for Philadelphia, Ch. 29, by group including toll bridge operator Theodore R. Hanff and community antenna operator Murray Borkon; and for Ft. Pierce, Fla., Ch. 19, by ex-broadcaster and tomato farmer Gene T. Dyer. [For details, see *TV Addenda 20-J* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

American Research Bureau and C. E. Hooper Inc. announce "working agreement," under which each acts as "consultants and associates to each other in research, production and sales problems." Both companies maintain their separate identities, ARB continuing to specialize in TV and Hooper in radio. Hooper pres. James L. Knipe gets seat on ARB board as shareholder and ARB pres. James Seiler becomes Hooper shareholder and board member.

"Regrets" from Walter Winchell this week formally ended 2 libel suits totaling \$1,525,000 filed by *New York Post* and its editor James A. Wechsler. Winchell stated he "regrets and withdraws" anything he wrote or said that might have been construed as charge that *Post* or Wechsler was sympathetic to Communism. Winchell, ABC, former sponsor Gruen Watch Co. & Hearst Corp. were ordered to pay plaintiffs \$30,000 to cover counsel costs and other fees.

Churches continue to expand in TV, latest being Southern Baptist Convention (Rev. Paul M. Stevens, TV-radio director), which this week announced plans to build \$200,000 TV-radio production center in Ft. Worth, is currently producing series of 26 half-hour color film programs titled *This Is the Answer*. Series is being filmed by Family Films Inc., Hollywood, will premiere on WBAP-TV, Ft. Worth, Easter Sunday, April 10, will not permit commercial sponsorship. Rev. Stephens said his church plans to spend \$2,000,000 on TV-radio in next 3 years to teach "fundamentals" of religion. Only last week, Broadcasting & Film Commission, National Council of Churches of Christ in the U.S.A., approved 1955 TV-radio budget of \$1,405,000 (Vol. 11:11). Earlier this year, Pope Pius approved formation of pontifical commission to study TV-radio-film problems (Vol. 11:5), while a new \$400,000 Protestant TV-radio center was opened in Atlanta (Vol. 11:4).

A \$227,500 suit was filed this week in San Diego against former and present owners of KFSD-TV & KFSD, by Leon N. Papernow, who charged they breached contract to employ him in executive capacity for 5 years at \$15,000 annually. Papernow was a stockholder in TBC Television, an applicant which merged with applications of Thomas Sharp and Charles Salik to obtain Ch. 10 CP. Stations were later sold to Fox, Wells & Co. for \$3,200,000 (Vol. 10:31-32). Papernow seeks \$61,250 from Sharp and \$61,250 from Sharp's Airfan Radio Corp. for breach of contract, plus \$100,000 from Sharp "for malicious interference with the plaintiff's contractual relations," plus \$5000 which he says Sharp holds in trust. Fox, Wells principals are named as co-defendants.

Sale of KVVG, Tulare, Cal. (Ch. 27), for \$1 and assumption of about \$350,000 in liabilities, was approved by FCC, only week after filing of application. Owner Sheldon Anderson retains radio KCOK while turning KVVG over to UHF Telecasting Corp., which is equally owned by adman Milton B. Scott and movie producer Joseph Justman (Motion Picture Center Studios), who states that "by drastically cutting expenses and slightly increasing current income . . . assignee expects to earn a cash net profit of at least \$5000 per month." Scott's advertising agency, Milton B. Scott Inc., also got approval this week for \$46,000 purchase of KOPP, Ogden, Utah (1-kw, 730 kc).

CBS is still aiming for only 7 stations—5 vhf, 2 uhf—despite court decision eliminating numerical ceiling (Vol. 11:9), according to v.p. Richard Salant. He said CBS is continuing consideration of various markets, wouldn't confirm reports that it is contemplating purchase of Crosley's WLWA, Atlanta (Ch. 11) or WTVI, Belleville, Ill. (Ch. 54). Latter becomes KTVI when it shifts about April 12 to St. Louis, changing to Ch. 36, taking over facilities of off-air KSTM-TV; it also plans to hike power, using new 23-kw GE transmitter. CBS has Ch. 11 application for St. Louis, competing with 3 others.

Military opposition to towers over 1000 ft. (Vol. 11:11) is headed for showdown before FCC next month. Commission this week considered petitions to grant moves of 2 stations to high towers not approved by military members of Washington Airspace Subcommittee. It refused immediate grants, but designated both applicants for April 11 hearing, when military services will have to appear to justify their opposition to the tall tower proposals. The stations involved are KSWs-TV, Roswell, N. M., seeking 1610-ft tower, and KGEO-TV, Enid, Okla., 1386-ft.

Sets-in-use totaled 34,634,000 as of Feb. 1, reports NBC research director Hugh M. Beville Jr., increase of 548,000 during Jan. and nearly 6,000,000 in year. Some 20% of sets are in post-freeze TV areas as compared with 11% a year ago, Beville estimates.

Cites Efforts, Urges Study

FCC Report to Congress on VHF-UHF and Network Problems

Full Text of Comments by Commission Majority Submitted to Senate Interstate & Foreign Commerce Committee March 18, 1955

Outlining Approaches to Problems Raised in Memoranda Prepared by Senate Committee Staff Members Harry M. Plotkin and Robert F. Jones

1. IN EVALUATING the current status of television broadcasting and in determining how it may best develop in the future, we think it essential to keep in mind the positive advances which have been made in the less than three years since the "freeze" was lifted. In July 1952, when the first post-freeze station was granted, there were only 108 television stations in operation; at the present time more than 425 are in operation. In 1952, 63 markets had one or more local stations—in most cases one; now there are over four times as many communities with their own television facilities, 100 of which have two or more facilities. The public's acceptance of the expanded television service has been overwhelming. The number of television receivers in the hands of the public has grown from 20 million to 35 million; and today almost 70 percent of American homes have a television receiver. The American people have already invested over \$10,000,000,000 in television receiving equipment and the annual volume of television advertising, set sales, servicing and operating combined runs close to \$4,000,000,000 per year.

2. We mention these figures at the outset to stress the fact that the problems raised by the Plotkin and Jones Reports are not whether we can develop an adequate television service—for we already have such a service. The problem with which these Reports and your Committee's study is concerned is rather how we can best insure the fullest development of the industry's potentialities in line with the needs and desires of the American public and the abilities and ingenuity of the American broadcasters. So much has been accomplished in so short a time that we cannot but feel optimistic that the remaining problems can be resolved through constructive planning and cooperation among all interested groups.

Allocation Plan Objectives

3. The Commission in formulating its national television assignment plan and the associated rules and standards in the Sixth Report, was seeking to promote several different objectives designed to provide television service and facilities to the nation. It gave first precedence to making available at least one service to all areas of the country; second priority to making a local facility available to as many communities as possible; third and fourth priorities to making second services and second local facilities available wherever possible; and allocated the remainder of the channels so as to achieve a fair, efficient, and equitable distribution of television service and facilities throughout the nation.

4. Many of the Commission's objectives have been largely fulfilled. While it is difficult to provide any precise figures, it is estimated that over 90 percent of the people of the country are now within service range of at least one station. A large portion of the public, perhaps as much as 75 percent, is within service range of two or more stations. Furthermore, 255 communities have at least one, and 100 of these have two or more, local television facilities in operation.

5. However, it is evident that there are substantial obstacles (for example, limited economic support) presently in the way of bringing a first local outlet to hundreds of small communities as well as in expanding the number of multiple, competing services in the larger economic and population centers of the country. A major obstacle is the high cost of television programming during this early stage in the development of the art, which makes the securing of a substantial amount of network and similar programming a prerequisite to successful station operation. Of even greater importance is the failure, thus far, of UHF stations to become fully integrated with established VHF stations into an economically sound nationwide television service. To a large extent these two problems—the securing of adequate programming and the UHF problem—intermesh.

VHF-UHF Integration Troubles

6. Thus, while there is some indication that many larger communities can support three stations when all of the stations are in the VHF band, these same communities may be unable to support at the present time three stations when only two of the stations are VHF and the third is UHF. The failure of UHF to become integrated with VHF is manifested by the fact that of 318 UHF stations authorized by the Commission, only one-third are presently in operation. Many authorized were never actually constructed. And the financial outlook for a number of the operating UHF stations is by no means bright. The plight of UHF has been discussed in detail in the presentation of Commissioner Hyde and other witnesses at the Potter hearings, as well as in the Plotkin and Jones documents.

7. It has been argued that the difficulties encountered by most UHF stations, and by some VHF stations, are the result of the inability of the economy to absorb the suddenly increased number of stations. We cannot, of course, predict the exact nature of the future development of the television industry, nor is it the government's function to create television service where there is no demand or economic basis for such service. It is essential, however, that television's capacity for future growth not be impaired by any artificial curtailment of channel space. To achieve its full potentialities, we believe television will eventually utilize a number of channels in the order of those presently allocated to it, just as AM broadcasting developed its present national pattern within the 107 channels allocated to that service.

8. The majority of the Commission agree with the conclusions reached in both the Plotkin and Jones Reports that the only practicable course of Commission action lies in doing what is possible to promote the present allocation plan utilizing both VHF and UHF channels. The addition of substantial new VHF space or the movement of all television stations to the UHF would involve such tremendous dislocation of existing operations and have such a severe impact on millions of viewers that such

action should be considered as a possible alternative only if Congress itself were to determine that the long-run benefits to the public required adoption of such drastic remedies. Therefore, the Commission has taken, and is contemplating, a number of specific actions calculated to enhance the potentialities for television's growth within the existing allocation system. No one of these moves, in and of itself, provides or is intended to provide any cure-all. But their cumulative effect, we believe, will be beneficial.

9. Thus, it is expected that the acquisition of UHF stations by certain multiple owners as a result of last year's modification of our multiple ownership rules will help to strengthen UHF in such markets as Milwaukee, Portland, Oregon, and Miami where such parties have recently acquired UHF outlets. Similarly, we believe the Commission's policy in permitting UHF satellite stations to rebroadcast programs of established stations in areas which might otherwise not be able to support a station will prove helpful. We also have two rule-making proposals under consideration which offer promise of facilitating the growth of additional television outlets and of maintaining existing stations. One of these would authorize low-power operation in communities of less than 50,000 population; the other would preclude the establishment of transmitter sites more than five miles from the city in which the station is authorized unless special reasons for such locations can be established.

10. As part and parcel of the same problem, the Commission is considering ways by which the cost of intercity transmission of programs can be minimized. It is attacking this problem in two directions: First, we have instituted rule-making looking toward the freer establishment of private intercity relay systems by the broadcasters themselves. In this connection, the telephone company has initiated suggestions looking toward the establishment by it of an off-the-air pickup service which the Company believes could be provided at charges substantially less than those required for direct network connections. At the same time, we are continuing to review the existing charges of the telephone company for direct intercity program transmissions and expect to be able to conclude the outstanding proceedings as to this matter in the near future.

'Selective Deintermixture' Approach

11. "Selective deintermixture" has been suggested as another possible line of approach. The Commission has been requested to reconsider certain actions it has already taken in this area to determine whether it might not be possible, with a minimum of dislocation of existing services, to insure that a number of markets become or remain UHF-only communities or are restricted to a single VHF station. The theory of such deintermixture is that it would provide for more balanced competition in the various communities, while at the same time strengthening UHF generally by increasing the number of "islands" of permanent UHF stability. The Commission is presently studying this problem to determine the feasibility of any such limited deintermixture—a study which necessarily involves such questions as the other VHF service available to the communities from outside and the effect that the elimination of VHF operations in some of the areas would have on rural coverage. We are unable at this preliminary stage in our consideration to offer any definitive answer to these questions. However, we are presently considering the circumstances, if any, under which such limited deintermixture may be appropriate in the public interest.

12. A related and highly important problem referred to in both Reports is the inability of most outstanding sets to receive UHF programs. Of the 35,000,000 receivers in the hands of the public, only 5,000,000 are UHF equipped. We also note with some concern that less than 20 percent of the sets now being produced are all-channel receivers. It may well be that this lack of UHF receiving equipment, as well as the delay in developing high-power transmitting equipment, have been the most important

single factors in the relative backwardness of UHF development.

13. The Commission has no direct regulatory authority over the manufacturers of radio and television receiving equipment which would enable it to require manufacturers to adopt any particular course of conduct. It is the Commission's view, however, that removal of the excise tax on the manufacture of all-channel receivers would conduce to the wider distribution and sale of all-channel sets and the Commission therefore favors legislation toward this end. In this connection, the Commission also believes that voluntary action by manufacturers looking toward the expanded production of all-channel sets to the greatest extent practicable would be extremely helpful in assisting the development of the UHF.

14. Over and beyond these specific measures the Commission believes that a general study by the Commission into the entire economic structure and operations of the television industry is essential. This study would include, but not be limited to, consideration of the respective roles of the networks, advertisers, agencies, talent, independent film producers and distributors, and other program sources as well as other means of distributing programs to the public. The essential objective of such a study would be to obtain for the first time a factual basis for evaluating the necessity and advisability of any action by the Commission, Congress or the Dept. of Justice in this area.

Network Problems in Study

15. In our opinion, the network problems referred to in both the Plotkin and Jones Reports cannot be considered by themselves but are inextricably interwoven within the structure of television programming. Only through a study such as we are proposing will we have a proper basis for evaluating the various types of regulatory proposals which have been suggested. While network programming is admittedly of crucial importance to profitable station operation at the present stage of development, the Commission believes that establishing an economic base for the growth of new stations lies not in any artificial restriction or redistribution of network programming but in an over-all expansion of all sources of programming.

16. The Commission has long believed that an over-all study of the broadcast industry—including a review of the network rules—should be made. The last such comprehensive study was conducted in 1938-1941 with respect to AM broadcasting and led to the promulgation of the Chain Broadcasting and Multiple Ownership Rules. We have informed both the legislative and appropriations committees of the Congress on numerous occasions since the end of World War II of the need for a new study. But we have also indicated—and here reiterate—that any such study by the Commission, if it is to be meaningful and productive, requires a high-caliber staff. This staff would have to devote full attention to the study. As a result, we would need to recruit immediately additional personnel in order to avoid disruption in the essential work of the Commission. Neither the Bureau of the Budget nor the Congress has seen fit to make available the funds necessary for conducting such a study; such supplemental sums as have been appropriated have been earmarked for application processing. No funds have been allowed by the Bureau of the Budget in our present budget proposal for fiscal 1956 to establish such a staff—though we had originally asked for funds sufficient to establish at least a skeleton staff to make a start on the problem.

17. It is the Commission's view that the type of study contemplated in this field cannot be completed within one fiscal year. We think it would be appropriate, therefore, for such a Commission study to be authorized and the funds therefor appropriated pursuant to a Congressional Resolution. This was done in the 1935 Telephone Investigation, at which time Congress specifically authorized the Commission's continuing study by a Resolution (Public Res. No. 8, 74th Congress). We are prepared to present to the Committee in detail the subject matter to be covered by the proposed study and the funds and staff required.

[Note: Comr. Hennock will file separate views at a later date.]

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SPURIOUS RADIATION THORNY PROBLEM and FCC Comr. Webster takes industry to task for slowness in cleaning it up; how Canada handles it (p. 2).

STOCK OF WJIM-TV & WJIM, Lansing, to be offered publicly in first underwriting involving a single TV station; Gross family retains control (p. 3).

DuMONT NETWORK CURTAILS to N. Y.-Washington hook-up only; future seen resting on new video-film system, but Hollywood demonstrates one first (p. 3).

2 NEW VHF START, 2 UHF QUIT: Providence's WPRO-TV and Hawaii satellite are newest as WRTV, Asbury Park, & WLAM-TV, Lewiston, Me. give up (pp. 4 & 7).

SENATE TV INVESTIGATORS name Sidney Davis majority counsel; Jones turns down minority job. Storer backs "area deintermixture," tells how to do it (p. 6).

SUBSCRIPTION TV ISSUE gets hotter as NARTB calls board meeting; pros and cons argued, antagonists gird for battle after May 9 deadline for comments (p. 6).

CLOCK TVs TO BE OFFERED SOON by some manufacturers, functioning similar to popular clock radios; some bearish portents in TV trade (p. 9).

CURTAILED EARNINGS FOR 1955 likely to be reported by manufacturers as result of retroactive tax repeal bill which passed House this week (p. 10).

CPs GRANTED TO WKRG, Mobile, and Cowles Bcstg., Des Moines, while Court of Appeals sets FCC back on heels with Spartanburg uhf "protest" decision (p. 7).

STATION TRANSFERS APPROVED by FCC include WDEL-TV, Wilmington, sold for \$3,712,500, and KBTW, Denver sold for \$1,000,000 (p. 12).

ALL MAJOR TV-RADIO MAKERS now working on change-over to mechanized or automatic production techniques; flexibility seen No. 1 need (Special Section).

CBS SALES & EARNINGS RECORDS achieved in 1954; TV was dominant factor in gross revenues of \$373,380,139 and net income of \$11,414,645 (Special Section).

LONG DISTANCE TV signals sent over 200 mi. by Bell Labs & MIT, with complete reliability, opening way to transmission across large bodies of water (Special Section).

Editor's Note: Because of their special interest and unusual length this week, Electronics Reports, Financial & Trade Notes and Color Trends & Briefs are published as a Special Section (white pages) in this issue

ELECTRONICS KICKS OVER THE TRACES: The constantly expanding nature of electronics applications was never demonstrated so graphically -- or so excitingly -- as at this week's Institute of Radio Engineers convention in New York, attended by some 40,000.

What once was basically a communications and entertainment industry has now become economy-wide in its scope and applications. It has kicked over the traces, and is now galloping off in all directions -- with amazing results. Not even the sky is the limit, judging by the IRE symposiums on electronic-controlled space stations.

TV-radio-communications are destined to expand, of course, but they also seem destined to play a smaller proportional role in the electronics industry as a pyramiding assortment of new jobs is mapped out for the magical electron.

The IRE show, once dominated by radio, later by TV, now has some mighty new stars. Military electronics -- already a bigger field dollar-wise than TV-radio -- is certainly No. 1 today, with the fantastic guided missile getting top billing. Computer circuits of all kinds are drawing excited attention from engineers. And unquestionably the main attraction at this year's convention was the rapidly developing field of automation -- not only its amazing technology, but also its economic and social implications for the future.

These 3 exciting -- and interrelated -- fields of non-communications electronics, mostly still in stages of design and development, had the sessions and exhibits dealing with the "mature" science of TV-radio all but pushed into the background.

Most of the large firms identified with TV are also in the computer-missile-automation field, at least to some extent. But a vast new array of names -- many of

them big, old-line non-electronic companies -- are taking the spotlight in the "new electronics." Familiar names like American Machine & Foundry, General Mills, IBM, Daystrom, National Cash Register, Hughes Aircraft. Many entered electronics by buying up the plants and assets and know-how of smaller firms; others saw the trend early, developed their own electronics divisions.

Visions of the "automatic factory" and "automatic office" already are having double impact on the TV-radio industry: (1) Big companies identified with the industry are making a pitch -- some of them belatedly -- to have a larger part in the development & manufacture of the "brains" that automatize production & office work. (2) The home TV-radio industry with its military communications cousin, until recently one of the most backward in production methods, now bids to become the first completely automatized industry. (See TV automation and recruitment stories, Special Section.)

SPURIOUS RADIATION STILL THORNY PROBLEM: FCC appears to be rapidly losing patience with electronics industry because of slow progress in cleaning up spurious radiations -- those unwanted signals that impair reception of TV-radio and/or other communications signals. In symposium on the subject at IRE convention in New York this week, FCC Comr. Edward M. Webster put it this way:

"Something is wrong somewhere when it takes so long to come to a decision on this matter. I think the engineers have solved the problem. It's an executive and policy problem now, not an engineering problem.

"It's too bad the law covers only one end of the system -- the transmitter -- and not the receiver. The set buyers are not the only unsuspecting people. Companies have found equipment to be unreliable and have had to put it on the shelf.

"Manufacturers say we can't talk about costs -- that this is a competitive industry. But we've got to talk about costs and everything else. I'd like to see this aired publicly so that the public knows the problems. This should be discussed by RCA's Sarnoff, Motorola's Galvin, CBS's Stanton -- people like that."

GE's Dr. W.R.G. Baker, speaking for RETMA, cited the engineering efforts of RETMA and its recommendations to members as examples of industry's seriousness in seeking solutions. To attack continuing problem, he again urged that FCC sponsor joint FCC-industry committees. "The problem," he said, "is bi-lateral and requires deep study and compromise."

There are practical limits to reduction of spurious radiation, he said. "The number of actual cases of TV interference which have been experienced would not seem to warrant an FCC decree substantially increasing the cost to the public of all TV receivers." He made an additional recommendation -- that responsibility for correcting interference be placed on both the interfering service and the service suffering the interference.

Canada's solution to problem was described by G.C.W. Browne, controller of telecommunications, Dept. of Transport. There, law prohibits use of any apparatus which causes interference to reception of a radio signal 500 uv/m or greater, provided interference can be stopped at cost under \$50. In certain circumstances, the Govt. will order correction even if cost is greater.

Govt. has 50 mobile units covering country. When a complaint is received, technician investigates, recommends how to correct trouble. Dealers maintain stock of kits, and manufacturer bears all or most of cost of eliminating trouble.

Govt. checks about 12,000 complaints annually, finds very few that can't be resolved economically. According to one of Browne's aides, "we occasionally have a little trouble getting someone to fix an old sewing machine motor -- particularly if the owner has finished paying for the machine -- but that's the only sort of thing that people are slow to take care of."

Canadian law was amended recently to permit Govt. to order suppression of interference at point of sale rather than point of use -- essentially, control of manufacturers. Rules haven't been put into effect yet, but standards are being considered. Limits under study may be obtained for nominal charge from the Canadian Standards Assn., National Research Bldg., Ottawa, Ont.

LANSING STATIONS TO PUT STOCK ON MARKET: Profitable pre-freeze WJIM-TV, Lansing, Mich. (Ch. 6) proposes to place block of its stock on the open market, a la Storer group (Vol. 9:45) and Bitner group (Vol. 10:48) -- first time a single TV entity has ever sought to do so. Move probably will be forerunner of others.

There have been instances of public offerings involving radio stations -- notably WJR, Detroit and WFBR, Baltimore -- but this is initial financing project of kind since TV started. Paine, Weber, Jackson & Curtis will head underwriters.

FCC was asked this week to approve relinquishment of affirmative control by Harold F. Gross, along with change of name of WJIM Inc., operator of Michigan capital city's only vhf and of radio WJIM (250 watts, 1240 kc, NBC & ABC), to Gross Telecasting Inc. Mr. Gross and family own 98.8% of WJIM Inc.; he presently holds 74.2%, would hold 38.85% after transfer. Program v.p. Howard K. Finch owns 1.2%.

According to SEC registration, new stock would consist of 600,000 shares of \$1 par common (400,000 not to be issued) and 200,000 Class B common, \$1 par, convertible to common after March 31, 1958. Public offering would comprise 193,000 shares of the 200,000 common held by present stockholders, who retain all Class B in addition to Gross' retention of 7000 shares common. They have exchanged their former 2500 shares in WJIM Inc. at ratio of 80 for 1 for the common, 80 for 1 for Class B.

Offering price is undetermined but expected to be around 16. WJIM-TV started in May 1950. In 1950, the TV-radio combined had operating revenues of \$515,317, net profit after taxes \$107,149. In 1951, revenues were \$906,524 & profit \$196,508; 1952, \$1,452,531 & \$357,077; 1953, \$1,857,326 & \$419,891; 1954, \$2,241,589 & \$639,464.

Current assets were \$2,125,247 as of Jan. 1, 1955, fixed assets \$873,311. Current liabilities were \$962,144, including \$700,000 reserve for taxes. WJIM Inc. capital stock was 2500 shares at \$20, or \$50,000. Retained earnings total \$1,986,414.

DuMONT CURTAILS AGAIN, NEW CAMERA AWAITED: DuMont Network's famed Capt. Video, on air for 7 years, signs off in about a week -- as if to point up network's decline to virtual regional status. AT&T interconnections for live shows, which on Jan. 1 were curtailed to 15 cities plus some off-air feeders (Vol. 11:1), will be still further reduced April 5. Thenceforth, leased microwave-coaxial service will embrace only New York-to-Washington. DuMont apparently pins future as a network on long-heralded but still unrevealed new video-filming method.

Thus except for occasional events requiring more outlets for live shows, like the Mon. night fights (cooperatively sponsored) and the Tue. night Bishop Sheen program (Admiral sponsored), an 8-hour live network service will be furnished only to affiliates in Philadelphia, Wilmington & Baltimore in addition to the network's own stations in N.Y. & Washington and a few off-air pickups. The network, nevertheless, is still soliciting national business, notably sports, especially football for the fall, and can supply bigger hookups as ordered (for its remaining sponsors, see p. 8).

It's frankly another economy move. Skeleton force still left, in addition to personnel of splendidly equipped N.Y. studios housing own pioneer WABD, and own WTTG, Washington, are waiting with rest of trade for the new "technological development" which Dr. DuMont first mentioned in Los Angeles Chamber of Commerce speech Feb. 2 (Vol. 11:6, 8) and which he touches upon again in newly released 1954 annual report.

At that time he spoke of combination TV-film camera which he nicknamed the "piggy back" and which may be officially named "Electronicam". It's an electronic camera which can shoot high-quality film versions of live shows instead of kinescope and permit delivery of prints to other TV stations in a matter of hours. The first demonstration is promised within a few weeks.

* * * *

In Hollywood, meanwhile, what looks like same basic idea -- a dual-purpose movie & electronic camera that transmits a live TV show and records it on 35mm film at same time -- was demonstrated this week by Al Simon, production supervisor for McCadden Productions, TV film unit owned by comics George Burns & Gracie Allen. He showed it to the American Society of Cinematographers along with newsmen. The March edition of American Cinematographer Magazine carries a technical description.

Here's how it works: "An image is picked up by the camera by means of a regu-

lar photographic lens, which transmits it to the film plane in the usual manner. Between the lens and the film, a beam-splitter is interposed which causes a duplicate image to be picked up by the vidicon tube of the electronic side of the camera."

Adaptation to color is possible, it was stated, though this wasn't shown. A prime use would be for "monitoring" movie scenes as they are filmed without delay of waiting for rushes. Simon credits RCA engineers Earl Spicer and Douglas Upton for their cooperation, though it's unclear whether RCA itself is directly interested in his device. He said the late Arthur Reeves did the initial work, and Robert Nichols completed the camera which weighs less than an ordinary camera.

In DuMont's annual report this week, which admits TV networking has never been profitable, reference is made to "a wedding of electronic equipment and motion picture cameras" -- much the same phraseology as Dr. DuMont used in his Los Angeles speech and, curiously, the language also used in publicizing the Simon development as it got an undoubted publicity jump on a project Dr. DuMont has up to now only been willing to hint about. The DuMont annual report adds:

"It permits the instantaneous and continuous recording on high quality motion picture film of all programs at greatly reduced cost. In this way, it should be possible to eliminate cable costs (which have amounted to several million dollars a year), except for occasional uses to carry profitable current events, or live sports or other important live shows. By this method there can be delivered to independent stations programs of the highest 'live' quality for use at times permitted by their schedules. The improved quality and lower cost should be more attractive to advertisers [and] offers promise of eliminating network losses and an encouraging potential for profits through its proper use in multiple ways."

2 NEW VHF START, 2 MORE UHF GIVE UP: Newest starters are big Cherry & Webb dept. store chain's WPRO-TV, Providence (Ch. 12), granted in Sept. 1953 but long delayed by litigation, and KHBC-TV, Hilo, Hawaii (Ch. 9), satellite of KGMB-TV, Honolulu, also on Ch. 9 but some 200 mi. distant. Providence's second vhf was being tuned up for Sat. equipment tests, Sun. commercial debut. Hilo repeater started test patterns this week, first of 2 KGMB satellites -- other being KMAU, Maui (Ch. 3) due shortly. This week, too, Canada's 26th also got going: CHEX-TV, Peterborough, Ont. (Ch. 12).

Two more uhf dropouts were reported this week, making 41 uhf casualties to date. They are WRTV, Asbury Park, N.J. (Ch. 58), operated by the Walter Reade movie chain right under gun of New York's 7 vhf, and Frank M. Hoy's WLAM-TV, Lewiston, Me. (Ch. 17). WRTV signs off April 1 after 15½ months of operation. WLAM-TV, just one month older, had operated as a sort of satellite to Mr. Hoy's WPMT, Portland (Ch. 53) which also had to quit last Dec., going into hands of bankruptcy trustee.

Walter Reade Jr. said WRTV billings have been at rate of \$100,000 a year, and station has cost about \$200,000 to run. Conversions are 8-12%, he said, but have fallen off lately due to poor servicing. He would have kept station going, even at \$1000 a month loss, he told us, if he could see any "horizon" for it. He's keeping skeleton staff at Eatontown Drive-In Theatre studios awaiting FCC action on Ch. 8 application, convinced there's definite place for an independent community station. Mgr. Harold Burke is among those staying. Lewiston station signed off March 25, telling FCC it was forced by operating losses and will "re-survey the uhf situation."

* * * *

Who will get first GE loans promised stations in trouble under plan disclosed by GE and new National Affiliated TV Stations Inc. last week (Vol. 11:12), wasn't indicated this week. Only news from NATS was that it had sent out questionnaires to applicants for aid and that exec. v.p. Ely Landau had written other film distributors to urge them to cooperate in plan by offering deferred film payments, too. The questionnaire inquires into competitive situation, CPs, conversion, income & expense, time sales, films vs. live shows, etc.

Note: Though CBS has discussed purchase of St. Louis' sole surviving uhf, WTVI (Ch. 54), it's understood conversations have terminated and network has decided to remain in Ch. 11 race; examiner's initial decision is still awaited.

(For further data on this week's new starters, see p. 7.)

Telecasting Notes: Biggest batch of theatrical film yet released to TV by any major producer went to MCA-TV Ltd. this week from Republic Pictures—adding to the belief that others won't be long in coming out of the vaults, too. There's so much talk about feature-film releases by the majors, in fact, that the "landlords" of those now being rented, to say nothing of the TV film syndicators, are already expressing fears of a glutted market that will depreciate the value of all their properties. Beating down of prices, bad debts, are said to be rampant already . . . MCA-TV Ltd., film syndication div. of Music Corp. of America, big talent organization, has acquired exclusive world-wide rights to the 67 Roy Rogers and 56 Gene Autry films which the cowboy actors had vainly sought in the courts, in litigation that started in 1951 (Vol. 7:23-24 & 8:20), to keep off the air on plea that these would mean unfair competition to their current TV output. Litigation ended last winter (Vol. 10:24, 43) and MCA-TV v.p. Taft B. Schreiber closed deal this week with Republic pres. Herbert Yates. Original cost of the films was put at \$25,000,000; MCA-TV's lease price said to be about \$35,000 per film . . . One-hour TV shows will be made of each film, and they will of course ride popularity and promotion gained by both cowboy actors on TV since the days they made them—long before they ever contemplated TV. Moreover, the shows have some of the biggest names in movies in supporting casts, some now top-drawer stars on their own—John Carradine, Buster Crabbe, Jimmy Durante, Tito Guizar, Gabby Hayes, Sterling Holloway, Paul Kelly, Ann Rutherford, Bob Steele, to mention a few. They also contain a lot of hit songs . . . Vast reservoir of plays that couldn't make a boxoffice go on Broadway, yet have undoubted merit, is being made available for TV production—latest being Mildred Walker's *Southwest Corner*, which closed March 5, whose cast will feature NBC's *Kraft TV Theatre* March 30; similarly, Gian-Carlo Menotti's *Saint of Bleeker St.*, still running on a curtailed basis, has been slated by NBC-TV for Sun., May 15, 3:30-5 p.m. . . . Suc-

Personal Notes: Fred Shawn, ex-NBC-TV director of production operations, on March 28 joins WABT, Birmingham, as exec. asst. to Henry P. Johnston, pres. & managing director . . . Sam Pickard, onetime Federal radio commissioner, later CBS v.p., now running Paradise Point Villas, recreation development near Homosassa Springs on Florida west coast . . . Maurice E. McMurray promoted to national sales mgr. of Storer's WJBK-TV, Detroit; Keith McKenney named local sales mgr. . . . Robert L. Coe promoted to director of DuMont station relations, replacing Elmore B. Lyford, resigned . . . Marcel Carter named CBC exec. asst. in charge of coordinating radio & integrated services, succeeded as director of personnel & administrative services by C. E. Stiles; Kenneth M. Kelly named asst. personnel director . . . Alan C. Tindal resigns as v.p. of WWLP, Springfield, Mass., to devote fulltime to radio WSPR; Roger L. Putnam, pres. of WWLP, announced Tindal's election to WWLP board . . . James C. Cole, ex-mgr. of now defunct uhf WFTV, Duluth, recently mgr. of WDBX, Chattanooga, becomes sales mgr. of Carroll Hauser's radio KHUM, Eureka, Cal., April 1 . . . George D. Borden promoted to chief engineer, WPTZ, Philadelphia, replacing Raymond J. Bowley, resigned . . . H. Taylor Vaden, ex-radio WPTF, Raleigh, named promotion director, WCAU-TV, Philadelphia . . . Selma Wickers, ex-NBC-TV aide to ex-program v.p. Charles (Bud) Barry, named director of new Teleprompter sales service dept. . . . Richard L. Foote promoted to eastern sales mgr. of reps Hoag-Blair, N. Y. . . . Robert Garland, recently mgr. of KOLD, Yuma, named national sales mgr. of all Gene Autry TV-AM stations in Arizona, acting as liaison with Hollingbery . . . David Hume, ex-KTVU, Stockton, Cal., named program di-

rector, KBET-TV, Sacramento . . . Paul Beville, ex-radio WNOE, named sales director, WJMR-TV & WJMR, New Orleans . . . Robert Laws, ex-ABC western div. sales mgr., onetime Philco adv. mgr. in San Francisco, has closed down own ad agency and joined Hal Stebbins Inc., Los Angeles, as v.p. . . . George F. Foley, ex-TV-radio director of Cecil & Presbrey and Newell-Emmett, recently in packaging field, has resumed practice of law with offices at 666 Fifth Ave., N. Y.; John C. Holahan, from his package firm, is partner . . . Julian Gross is pres., Harry L. Harrison exec. v.p. of Gross-Harrison Inc., new name of Julian Gross Adv. Agency Inc., Hartford; Mr. Gross recently sold to NBC his interests in WKNB-TV, New Britain-Hartford (Ch. 30), sale still pending FCC approval (Vol. 11:2) . . . Gilbert A. Ralston, ex-Procter & Gamble and Compton Adv., who has been independent film producer last 5 years, joins CBS-TV as an exec. producer . . . Bud Gillis promoted to program mgr. of Crosley's WLWC, Columbus.

Canadian Assn. of Radio-TV Broadcasters, at 30th annual meeting this week in Quebec City, elects J. M. Davison, Northern Bestg. Co., Toronto, as pres., succeeding E. Finlay MacDonald, CJCH, Halifax; J. A. DuPont, CJAD, Montreal, succeeds Davison as v.p. TV members of board: George Cromwell, CHSJ-TV, St. John, N. B.; R. E. Henri Lepage, CKCV, Quebec; J. E. Campeau, CKLW-TV, Windsor; H. A. Crittenden, CKCK-TV, Regina; F. A. Lynds, CKCW-TV, Moncton, N. B.

Symphony of the Air, Arturo Toscanini's ex-NBC orchestra, will tour Japan for 7 weeks starting about May 1 under auspices of ANTA.

SENATE INVESTIGATION of TV networks and uhf moved one step closed to the hearing stage as Chairman Magnuson (D-Wash.) of Senate Commerce Committee officially announced appointment of N. Y. attorney Sidney Davis as special counsel for the investigation (Vol. 11:12). Davis, formerly counsel to Senate monopoly subcommittee, will take leave from N. Y. law firm of Phillips, Nizer, Benjamin & Krim, in which he is a partner.

Investigation again will have "majority" and "minority" counsel, as it did during tenure of Sen. Bricker (R-Ohio) as chairman. Bricker will appoint minority counsel for the probe next week, presumably an Ohio Republican. Post was offered to former counsel, ex-FCC Comr. Robert F. Jones, who turned it down this week.

In announcing Davis' appointment, Sen. Magnuson stated: "The inquiry now pending before the Committee will survey the entire field of broadcasting, telecasting and communications."

Meanwhile, Committee received concrete proposal for working out deintermixture on an area-by-area basis from pres. George B. Storer of Storer Bestg. Co., only entity to own full quota of 5 vhf & 2 uhf stations. In his comments on Plotkin Memorandum, Storer endorsed "area deintermixture," in effect called for 60-90 day freeze in areas where deintermixture is proposed. He proposed this procedure for deintermixing:

(1) Upon petition by an operating uhf station, including stations which have recently suspended operation, the FCC should act favorably to convert an area to uhf-only, provided: (a) 40% or more of the TV sets in the area can receive uhf signals. (b) Not more than one vhf station is located in the area and is in operation. (c) No other vhf station provides a Grade B service to the entire principal city in the deintermixed area from a transmitter location less than 60 mi. from the main postoffice in the principal city.

(2) Where the above conditions cannot be met, I recommend that upon petition by an operating uhf station, the FCC should act favorably to convert the city to vhf-only and that operating uhf stations should be permitted to apply for unassigned vhf channels, including channels which are currently the subject of FCC hearings upon which final FCC decisions have not been issued.

(3) During a waiting period of 60-90 days, to enable uhf stations to file petitions for deintermixture, and pending final action on such petitions, no further action should be taken on pending applications or hearings for vhf stations in any city where an operating uhf station indicates to the FCC in writing that it proposes to file a petition for deintermixture.

(4) National networks should be urged, by all appropriate means, to continue existing affiliation agreements with uhf stations, rather than to abandon the uhf station when a vhf affiliate becomes available, pending the working out of a deintermixture formula. The networks should abandon the 90-day or 6-month cancellation clause which now is usually inserted in uhf affiliation agreements; and extend assistance to additional uhf stations by affiliation.

(5) TV manufacturers should be urged, by all appropriate means, to manufacture sets with all-channel tuners only and to do away with prices which discriminate against uhf. They should be urged to make available to the public reasonably priced uhf conversion kits.

Storer disagreed with most of Plotkin's recommendations regarding network problem, urged that network-station contracts and station licenses be extended to 5 years from present 2 & 3 years, respectively.

Uhf Industry Coordinating Committee (Harold A. Thoms, WISE-TV, Asheville, chairman) had comment on the investigation this week, too. It hailed FCC proposal for study of entire network-uhf situation (Vol. 11:12), gave its own 10-point formula for nationwide competitive TV service:

- (1) Deintermixture.
- (2) Directional antennas.
- (3) Power & antenna height adjustments.
- (4) Mileage separation reductions.
- (5) Confinement of TV stations to their own market.
- (6) Common carrier cable cost reductions.
- (7) Opportunity for competitive common carrier service in the field of transmission of network programs to TV stations.
- (8) Opportunity for TV broadcasters to operate microwave relays for transmission of network and other programs.
- (9) Receiving set performance standardization and elimination of cost differentials for all-band sets.
- (10) Grant of funds to FCC for extensive investigation into entire field of network programming."

PACE OF subscription TV preparation and propoganda quickens as FCC's May 9 deadline for filing comments nears (Vol. 11:7). Items:

(1) NARTB pres. Harold E. Fellows called TV board into Washington for special meeting on subject April 12. The 15-man board, under Chairman Clair R. McCollough, of Steinman stations, includes many of most experienced heads in the business. Network representatives are: Ernest Lee Jahnce, ABC; Merle S. Jones, CBS; Ted Bergmann, DuMont; Frank M. Russell, NBC. Others: Campbell Arnoux, WTAR-TV, Norfolk; Kenneth L. Carter, WAAM, Baltimore; John Esau, KTVQ, Oklahoma City; Harold Hough, WBAP-TV, Ft. Worth; Ward L. Quaal, Crosley; Paul Raibourn, KTLA, Los Angeles; W. D. Rogers, KDUB-TV, Lubbock, Tex.; George B. Storer; Robert D. Swezey, WDSU-TV, New Orleans; Wm. Fay, WHAM-TV, Rochester.

(2) Paramount, whose Paul Raibourn is also on NARTB board, stepped up its preparation with appointment of Washington economic consultant Vincent V. Checchi to assist in building up case for subsidiary International Telemeter, developers of coinbox technique. Checchi associate Harry Clement is working on account. Skiatron retained Washington economists Robert R. Nathan Assoc. some months ago, with Sherwood Fine assigned to case. Zenith has had Millard Faught as public spokesman for years.

(3) Washington's National Press Club has set April 14 as date for debate between Faught and Alfred Starr, co-chairman of movie exhibitors' Committee Against Pay-As-You-Look TV (CAPT). CBS-TV's *Omnibus* will present short feature on subject March 27.

(4) CAPT has enlisted its first non-exhibitor expression of opposition to subscription TV—Florida State Retailers Assn. adopting resolution in Orlando this week urging FCC and Congress "to keep the air free in line with the philosophy on which American broadcasting has been established." Adoption of fee TV, association stated, would accelerate a "stay-at-home trend of present consumers and further result in the lessening of the large listening audience of free radio and TV presently integrated with important advertising programs which are definitely helpful to retail business."

(5) American Academy of General Practice, on other hand, cautioned FCC against closing door to subscription TV. Secy. Mac F. Cahal wrote Commission, stating Academy represented 20,000 physicians and declaring: "We believe it is important to future developments that the FCC does not establish restrictions that will prevent further experiments with 'scrambled-image' techniques that permit selected audiences to view programs on open circuit TV."

(6) To entice telecasters, Zenith has published booklet *Phonevision and the Broadcaster*, which was delivered to FCC members this week and which will be distributed to stations shortly. In annual report released this week, Zenith pres. E. F. McDonald stated that exhibitors are the "only segment of the entertainment industry that has openly opposed subscription TV" and noted that movie producers have generally not joined exhibitors in their opposition.

(7) FCC has heard little on subject from individual Congressmen. About dozen have forwarded letters from constituents, usually opposing pay system, while a couple have spoken up in favor of commercializing pay-as-you-look TV.

Minority counsel of Senate Commerce Committee, named this week by Sen. Bricker (R-Ohio), is Wayne T. Geissinger, 44-year-old Ohioan who once was consultant to Korean pres. Syngman Rhee. Committee's chief counsel is Frank Pellegrini.

Television Digest

with ELECTRONICS REPORTS

WYATT BUILDING WASHINGTON 5, D C • TELEPHONE STERLING 3-1755

Electronics Reports
Financial & Trade Notes
Color Trends & Briefs
March 26, 1955

AUTOMATION—the application of electronic controls to mechanized production—may have immediate and profound effects on the electronics industry itself, an industry which heretofore has relied largely on hand assembly methods. Automation and mechanization are ideally suited to such mass output industries as TV-radio, so long as they provide sufficient flexibility for changeovers required by new circuits, new models, new products — or a quick switch from civilian to military end-items.

Technical discussions at IRE convention treated many aspects of the automation and mechanization of the television-radio industry. Paper by Admiral engineering director Ray De Cola and chief engineer George Harrigan described equipment designed by Admiral to automatically produce half of circuitry in TV set. Completely new TV circuit was designed for maximum simplicity and economy. Conventional components were used, fed onto printed circuit board by special Admiral-designed machinery. The equipment has been used in production since July 1954. The Admiral engineers advocated standardization of TV components used in automatic assembly systems.

RCA engineer J. J. Graham laid down 3 criteria for any proposed automation system for high-volume work: (1) It must be universal, adaptable to entire range of the company's products. (2) It must be flexible, to allow design engineer relatively free rein. (3) It must be compatible, to "accept most or all of the existing systems, such as GE or Tinkertoy" (Vol. 11:12). "We have conceived a completely mechanized method of producing printed circuit boards," said Graham. "We are currently fabricating the machine and have actually tried out some of the items required . . . We are using certain pieces of machinery on production runs."

Electronics Reports: Recruitment was one of busiest activities at this week's IRE convention in N. Y., with ads for electronics specialists even crowding the sports pages of New York papers as personnel representatives of big and little companies were on hand for interviews. The list of advertisers and their locations emphasizes how much of the business is moving to new and non-TV firms, particularly aeronautical.

Today's emphasis in the electronics industry is on development of new items—particularly military—requiring far heavier supply of engineers than does straight production work. Many smaller companies, unable to offer the allure of the industry's giants, have been caught in the engineering squeeze—one reason for recent wave of consolidation of many smaller electronic companies. Employment bulletin boards at IRE conveyed golden opportunities by the hundreds, many aimed at the thousands of engineering students who throng to the annual IRE event.

In the New York newspapers, besides the usual ads of DuMont, Federal, GE, Philco, Raytheon, RCA, Sylvania, Western Electric & Westinghouse, these were some of the firms advertising for electronic engineers:

Electronics Corp. of America, Cambridge, Mass.; Hughes Electronic Mfg. Div., Culver City, Cal.; North American Aviation Inc., Downey, Cal.; Convair, div. of General Dynamics Corp., San Diego; Lockheed Aircraft Corp., Los Angeles; Ramo-Woodbridge Corp., Los Angeles; Bell Aircraft Corp., Buffalo; Stavid Engineering Inc., Watchung, N. J.; Chance Vought Aircraft Inc., Dallas; Avion Instrument Corp., Paramus, N. J.; Clevite-Brush Development Corp., Cleveland; National Co., Malden, Mass.; Radioplane Co., Van Nuys, Cal. (sub. of Northrop Aircraft Inc.); Sperry Gyroscope Co., Great Neck, L. I.; Canadair Ltd., Montreal; Fairchild Camera & Instru-

Stanford Research Institute's L. K. Lee outlined the 2 steps in automatic production of electronic equipment: (1) The assemblers' approach—inserting conventional components on printed circuit boards. (2) Component makers' approach—fabricating circuit elements as part of the assembly, starting with raw materials (for example, Tinkertoy). He said first approach reduces assembly cost 60-80%, "but labor cost of an electronic assembly is only 30% of the total manufacturing cost." To effect further savings, he added, "we must automatize the fabrication of those electronic components which make up most of the cost to the manufacturer."

He envisioned a possible automatic system of the future by which "we may be able to paint all the passive circuit elements on an insulating material, bond a semiconductor to it, and have an electronic assembly that will perform reliably and have an operating life which we no longer measure in hours, but in years."

Just about every large and medium sized TV-radio manufacturer has installed or is planning to install automatic production machinery. One device arousing considerable industry interest is General Mills' "Autofab" machine which automatically turns out printed circuit boards equipped with conventional components—first of 6 General Mills machines which can make TV-radio plant almost completely automatic. Every major TV-radio manufacturer has seen the machine, and several have placed firm orders. In addition to General Mills and Admiral, United Shoe Machinery Co. is also offering mechanized assembly machines for placing conventional components on printed circuit boards. ACF Electronics is offering radically redesigned "modular" components (Tinkertoy) for use with automatic assembly machines, though they can also be used in manual assembly (Vol. 11:12).

ment Corp., Hicksville, L. I.; Airborne Instruments Laboratory, Mineola, L. I.; Sanders Associates Inc., Nashua, N. H.; Norden Laboratories, White Plains, N. Y.; Otis Elevator Co., electronic div., Brooklyn, N. Y.; Melpar Inc. (sub. of Westinghouse Air Brake Co.), Falls Church, Va.; Radio Receptor Co., Brooklyn, N. Y.; Curtis-Wright Corp., Woodridge, N. J.; Kollsman Instrument Co., div. of Standard Coil Products Co., Elmhurst, L. I.; Vitro Laboratories, W. Orange, N. J. & Silver Spring, Md.; General Precision Equipment Co. for its General Precision Laboratory Inc., Pleasantville, N. Y.; Link Aviation Inc., Binghamton, N. Y. & Kearfott Co., Clifton, N. J.; Glenn L. Martin Co., Baltimore; International Business Machines Corp., N. Y.; American Machine & Foundry Co., electronics div., Boston; Control Instrument Inc., Brooklyn (sub. of Burroughs Corp.); Minneapolis Honeywell, aeronautical div., Minneapolis.

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Again proving TV's tactical value in warfare, big amphibious war games at San Simeon, Cal. this week used TV cameras to patrol landing beach operations. As in "Operation Threshold," last summer's tactical demonstration at Ft. Meade, Md. (Vol. 10:33), cameras in observation plane relayed views of battlefield to ground headquarters—and in this case also to invasion command ship as well as half-dozen other land-based receiving stations. Ground TV camera van also was landed in second invasion wave. TV operations used this week were development of Army's Battlefield Surveillance Dept., Ft. Huachuca, Ariz. (Vol. 10:50).

Confidence in future of electronics, as expressed on Ed Murrow's *Person to Person* interview March 25 with fabulously wealthy Clint P. Murchison of Texas: Asked what career he would recommend today for his three youngsters, Murchison (whose wealth is mainly in oil, cattle & banking) replied unhesitatingly: "Electronics."

Automation of TV & radio stations is made possible by "Automatic Sequencer," manufactured by Vandivere Laboratories Inc., 3520 S. 4-Mile Run Drive, Arlington, Va., and demonstrated at IRE show. Basic principle of Sequencer: It puts subaudible cues, or "switches," on audio tape. For example, a pre-recorded tape could make aural station identification, then automatically change slides for commercial, give aural part of commercial, then switch to film or slide projector, or record turntable, etc.—all automatically. While main applications appear to be to low-cost radio broadcast installations, it would also seem to be a "natural" for cutting down staff required to man a TV station or satellite. As demonstrated at IRE, Sequencer gave its own sales talk via tape, automatically shut off tape reproducer, played stack of records, turned on tape for more sales talk, gave commercial integrated with series of TV slides.

Two new transistorized devices demonstrated by DuMont at IRE convention: (1) Tiny preamplifier, 1x1x5-in., designed to amplify 1000 times electrical signals as small as a 1000th of a volt and whose power is 1-billionth of a watt. Suggested uses include medical studies involving tests of brain waves and muscular or nervous reactions, in which voltages or currents generated in the body are so small they are not usable by many kinds of laboratory equipment. (2) Cathode-ray oscillograph, battery-operated, designed to free engineer from confines of power line availability, from power line fluctuations and surges and from grounds.

Transistorized paging system is offered by Dictograph Products Inc. as replacement for present intercom systems in offices, factories, hospitals, etc. Using system demonstrated at IRE show by transistor manufacturer Radio Receptor Co., each key man in organization carries tiny 3-oz. transistorized receiver in shirt pocket, with small loud-speaker clipped to lapel. Transmitter broadcasts only within immediate plant level, can be used to contact one man at a time.

Two Canadian developments with TV applications unveiled at IRE show by Canadian Marconi: (1) New electronic memory cell for electronic computers, which may provide "new medium for recording TV programs more efficiently and economically." (2) Semi-conductor photocell, extremely sensitive to light, now in production. Latter's first application was said to be "in TV receivers where it automatically adjusts the brightness of the picture according to the light level in the living room."

Dr. Lee DeForest, who was hospitalized last week with bronchial pneumonia in St. John's Hospital, Santa Monica, responding to inquiry, wires us to advise his friends he's "now resting at home and gaining strength day by day." He lives at 8190 Hollywood Blvd., Hollywood, will be 82 on Aug. 26, has been actively operating his United Engineering Laboratories Inc., 1027 No. Highland Ave., Los Angeles.

\$20 Billion-a-Year In a Decade

Because of unusual demand for the Special Report published by *Television Digest* March 12, 1955, we have ordered an extra run of the notable address on "The Electronics Industry: Present Rate and 10-Year Potential" by W. Benton Harrison, Sylvania v.p.-finance before the Financial Analysts of Philadelphia on March 10. In it he details the present dollar volume (total: \$9 billion) of the various facets of the electronics industry and projects their probable potential to \$20 billion over the next decade. Single copies are 50¢; ten or more, 25¢ each.

Rival to transistor in specialized electronic fields is "bi-mag," tiny magnetic core possessing 2-way magnetic field, invented and developed by Burroughs Corp., Detroit. Particularly suited to computing and automation devices, bi-mag is little larger than shirt button, relatively rugged, requires no special handling and can cut down number of tubes required in electronic devices. Says Burroughs pres. John S. Coleman: "We believe the range of uses to which it can be put is certainly wider than we now know. Used as a counter in electronic computing machinery, it can store impulses decimally from 1 to 10. Moreover, this 2-way magnetic core seems to gain in efficiency the longer it is used. It would seem to hold enormous promise. For example, we did not know when we started that it could be used in an electrocardiograph to pick up fetal heartbeats. Research by doctors at Wayne U here disclosed that fact—and it supplied them with something for which they had been looking for years."

New industrial TV camera was demonstrated at IRE convention by Blonder-Tongue Laboratories Inc., Westfield, Conn. manufacturer of TV distribution & community antenna equipment and uhf converters. The 4¼-lb. vidicon camera measures 8x4½x3 in., is priced at \$1495, including 18½-lb. control unit, vidicon, lens and 25-ft. control cable. Industrial TV equipment was also shown by DuMont, GPL & Kay-Lab. Shown by Olympic Radio for first time was new industrial TV receiver—ruggedized version of standard table model set, to be offered in 14, 17 & 21-in. sizes, prices starting at about \$200. IRE show featured closed-circuit TV "bulletin board" and paging service, with messages for visitors and exhibitors displayed on 8 Capehart receivers in the 2 exhibition halls. Camera was supplied by Farnsworth Electronics, distribution system by Jerrold.

Indiana Steel Products Co. has purchased Ferroxcube Corp. of America, Saugerties, N. Y. from co-owners Sprague Electric Co. and Philips Lamp Works (Philips of Holland), will retain plant and most of personnel. FCA was formed in 1950, became one of leading developers of ferrites. "Ferroxcube" is a ceramic pressed magnetic material used in transformer cores, chokes, coils, etc. Main customer is TV.

Pocket-sized developmental broadcast receiver, using 8 junction transistors, was described by RCA Labs engineers at IRE convention. Measuring 2¼x5½x1¼-in., AM set uses superhet circuit, has performance "comparable to that of conventional personal receivers." Battery life, using RM-1 cells, is approximately 50 hours. By extending receiver length one-half inch, RM-502 cells can be used, providing 120 hours of life.

"Electronics & Automatic Production" is theme of national symposium on technical developments, social and economic implications of automation, sponsored by Stanford Research Institute and National Industrial Conference Board in San Francisco Aug. 22-23, immediately preceding Western Electronic Show.

Times Wire & Cable Co., N. Y., manufacturer of special coaxial cables used in electronics, has been taken over, through purchase of majority stock, by International Silver Co., Meriden, Conn., its operations to be moved to Meriden under present management.

Westinghouse plans combined new manufacturing plant and engineering & office building near Baltimore's Friendship Airport to produce military electronic equipment, reports Walter E. Benoit, electronics div. mgr. Full occupancy is planned by Jan. 1956.

LaPointe Electronics Inc., Rockville, Conn. (TV antennas) is acquiring Allied Products Corp., Dorchester, Mass., manufacturer of houseware and aluminum tubing.

Reon Resistor Corp., Yonkers, N. Y., has purchased assets of Columbia Resistors Inc., Pearl River, N. Y.

Financial & Trade Notes: TV was dominant factor in rise of CBS sales and earnings to new records in 1954, states annual report released this week which shows consolidated gross revenues and sales of \$373,380,139, up 18.9% from the \$313,908,771 for 1953. Consolidated net income in 1954 was \$11,414,645 (\$4.85 per share on 2,353,312 shares outstanding) compared with \$8,894,642 (\$3.80 on 2,340,896 shares) in 1953. In addition to the 1954 income from normal operations, CBS realized non-recurring capital gains of \$5,302,181 after provision for taxes, resulting principally from sales of minority interests in WCCO-TV & WCCO, Minneapolis; WTOP-TV & WTOP, Washington; KQV, Pittsburgh.

Report does not break down financial operations by divisions, though it makes clear that CBS-TV—which it states was “the largest single advertising medium in the world” in 1954—was the top source of revenue and presumably of profits. Radio income declined, but “CBS Radio is confident that radio will retain a permanent and important place in American life and that CBS Radio will continue to contribute to the profits of the company, though perhaps to a lesser degree than in the past,” states radio pres. Adrian Murphy. Record business was ahead, but tube and receiver divisions did not show profit.

Total assets were \$169,298,915 as of Jan. 1, 1955, up from \$136,040,997 year before; earned surplus was \$51,084,775, up from \$42,300,722.

At annual meeting April 20, stockholders will vote on proposed 3-for-1 split of Class A shares. Class A totaled 1,337,934 on Jan. 1, Class B 1,100,780. Officer and director 1954 compensations are shown in notice of annual meeting as follows (stockholdings in parentheses): Wm. S. Paley, chairman, \$200,000 (39,281 Class A & 226,950 B); Frank Stanton, pres., \$250,836 (44,686 & 10,225); Edward R. Murrow, director, \$306,611 (306 & 204), most of compensation coming from commercial sponsorships; J. L. Van Volkenburg, pres. CBS-TV, \$101,250 (102 & 204); Adrian Murphy, pres. CBS Radio, \$65,000 (none); James B. Conkling, pres. Columbia Records, \$72,499 (102 B); Charles F. Stromeyer, pres. CBS-Hytron, \$54,807 (2321 & 2238); Seymour Mintz, pres. CBS-Columbia, \$51,346 (none). Year's counsel fees to firm of Rosenman, Goldmark, Colin & Kaye—Ralph F. Colin being a Class A director—totaled \$203,000 from CBS Inc. and \$12,750 from Columbia Records.

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Zenith Radio Corp. earnings and sales last year were second highest in company's history, and pres. Eugene F. McDonald Jr. told stockholders in annual report that TV-radio sales in first 2 months of 1955 were 44% ahead of same 1954 months. Profit last year was \$5,676,264 (\$11.53 a share) on sales of \$138,608,360, compared to \$5,631,701 (\$11.44) on \$166,733,276 in 1953 and \$5,845,933 (\$11.87) on \$137,637,697 in 1952. McDonald said backbone of industry in foreseeable future will be larger-size black-&-white TV receivers and “substantial quantities” of radios. While company has made “considerable progress” in color, he said much more remains to be done before color sets “of excellent performance are ready for mass manufacture at prices that will interest the public.” Tube subsidiary Rauland Corp. showed a profit, compared to loss in 1953. Factory branches in N. Y. & Chicago operated at a loss because of “extremely competitive conditions.” Hearing aid sales increased “significantly” over 1953 in both units and dollars. Govt. billings were down 32% in 1954, and McDonald foresaw “still lower defense contract sales in 1955.”

Sprague Electric Co.'s 1954 net income was \$3,333,408, or \$2.68 per share on 1,241,712 shares outstanding, compared with \$2,888,281 (\$2.50 on 1,154,970 shares) in 1953.

Electronics Corp. of America reports net sales of \$5,590,209 in 1954, net income \$162,106. Sales for 1953 were \$4,636,564, embracing those of predecessor companies, merged in Aug. 1954, which were Photoswitch Inc., Combustion Control Corp., Fireye Corp., Photoswitch Marine Div. Inc., and for which net incomes were not revealed. ECA now employs about 1000 workers, plans 1500-2000 by late 1956, had just taken 20-year lease on Wm. Filene's Sons Co. warehouse in Cambridge, Mass., to which it will move administrative & sales offices and labs by end of year. Pres. Arthur Metcalf told annual meeting March 25 backlog of unfilled orders is \$4,500,000 and prospect for 1955 sales is \$9,000,000.

Aerovox Corp., under terms of agreement with Prudential Insurance Co., will pay no more cash dividends on its common shares until at least Nov. 1, 1956 in order to build up working capital, said Aerovox pres. W. M. Owen. Prudential, in turn, has agreed to waive all loan payments until that date. Owen said stock dividends will be issued instead, based on earnings in 1955 and 1956. Aerovox paid 45¢ a share in cash last year, 60¢ in 1953. Aerovox this week also disclosed acquisition of Luther Mfg. Co., Olean, N. Y., manufacturers of automatic production equipment.

Hazeltine Corp. earned \$2,666,263 (\$3.81 per share) after taxes of \$3,067,000 on gross income of \$8,525,767 in 1954, compared to \$2,085,705 (\$2.98) after taxes of \$5,171,200 on gross income of \$10,057,032 in 1953. In annual report, chairman Jack Binns and pres. W. A. McDonald noted that company owned 569 U. S., 1851 foreign patents as of last Dec. 31, had 161 additional applications for patents pending here, 754 overseas.

Trav-Ler Radio Corp. sales were \$16,347,000 in 1954, up 13% from \$14,669,624 in 1953. Profits were \$241,000 (32¢ per share) compared to \$412,257 (54¢) in 1953. Govt. sales went down from 31% to 11%, civilian business went up 33%. Pres. Joe Friedman predicted 25% increase in U. S. sales this year, with Canadian plant, recently acquired from Hallcrafters, expected to add about \$7,000,000 in billings.

Collins Radio earned \$1,495,572 (\$3.01 on 490,370 common shares outstanding) on sales of \$48,214,224 in 6 months ended Jan. 31, compared to \$1,476,406 (\$3.41 on 426,409 shares) on \$37,925,586 same period of preceding fiscal year. Backlog of orders totaled \$160,000,000 as of Jan. 31.

Movie earnings continue up: 20th Century-Fox reports 1955 net earnings of \$8,044,524, or \$3.04 a share on 2,644,486 shares outstanding, compared to \$4,560,887 (\$1.65 on 2,769,486 shares) in 1953. Gross income rose to \$115,715,815 from \$113,513,260.

Canadian GE reports net income of \$7,139,759 (\$37.46 on 188,845 common shares) on record sales of \$210,912,045 in 1954. Earnings were \$11,044,537 in 1953, for which no sales figure was given.

National Co. earned \$230,332 (84¢ on 260,100 common shares outstanding) on sales of \$7,298,055 last year, compared to \$228,217 (83¢ on 250,000 shares) on sales of \$7,095,593 in 1953.

Oak Mfg. Co. earned \$1,321,155 (\$2.52 per share) after taxes of \$1,480,000 on sales of \$18,788,317 in 1954, compared to \$1,239,017 (\$2.36) after taxes of \$2,290,000 on \$20,680,957 in 1953.

Globe-Union earned \$569,280 (79¢ per share) on sales of \$44,106,364 in 1954, compared to \$1,682,276 (\$2.35) on \$48,180,147 in 1953.

Texas Instruments Inc. earned net profit of \$1,200,995 (40¢ a share) on sales of \$24,387,334 in 1954 vs. \$1,270,125 (42¢) on sales of \$27,007,957 in 1953.

Color Trends & Briefs: Rectangular 22-in. color tube bulbs are now being shipped to tube makers in limited quantities, Corning Glass officials said at IRE convention in New York this week. They added they're ready now to make 22-in. bulbs "in any quantity that may be required by the industry." It's known that CBS-Hytron is now receiving the bulbs and plans to introduce new 22-in. color tube soon. Corning electronic sales dept. mgr. J. S. Muller said he expects new size to become "the standard of the color TV industry." It's approximately same length and height as 19-in. round bulb and is designed to fit in same size cabinet. Designed for shadow mask tube, it's constructed so mask can be mounted by either of the 2 methods now in use—flat land or pin method—and can accommodate either 1 or 3 guns. Corning spokesmen also revealed company is making small number of 19-in. round glass bulbs for color tubes and is now developing rectangular color bulbs larger than 22-in. Several tube makers showed "22-in. color tubes" at IRE show, but none was in a receiver or operating.

Method of increasing color tube brightness up to 4 times was described in paper by Rauland's (Zenith) M. E. Amdursky, R. G. Pohl & C. S. Szegho. It involves increasing size of holes in mask to permit more energy to reach phosphors, while introducing an "auxiliary mesh" to make certain that beams reach proper phosphor dots. They reported having made new tube in 19-in. round and 24-in. rectangular types, using flat masks and screens, and are working to adapt principle to tubes with curved mask and phosphors and face plate.

Meanwhile, American Optical Co. prepared to ship 23 pre-production units of color projection set assemblies to 15 unidentified manufacturers. Unit was given setback when price of 21-in. direct-view tube was cut to \$100, but AO spokesman Samuel Sheard said he hopes that projection units can be offered for considerably less than the \$250 originally quoted. He said that current unit is much improved over that originally demonstrated by Hazeltine (Vol. 10:49). Along with optical, electrical and mechanical changes, picture has been increased from 13½x18½-in. to 15x20-in.

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Single color camera tube, the "tri-color vidicon," was described at IRE convention by Paul K. Weimer, head of 5-man RCA team. Giving progress report on the tube first demonstrated 2 years ago (Vol. 9:16), he said tube can handle slides, film and live scenes employing high light levels—and work continues toward development of tube capable of operating under normal lighting conditions. When perfected, great advantage of tube is that it will minimize optical and electrical registration problems in-

herent in current 3-tube cameras—in addition to permitting construction of much smaller cameras.

Principle of tube is described as follows: "The heart of the tube is a unique and intricate color-sensitive target applied to the face of the tube by an evaporation technique. The target, a rectangle whose diagonal measurement is only 1½-in., consists of nearly 900 fine vertical strips of alternating red, green and blue color filters, covered by 3 sets of semi-transparent conducting signal strips . . . The signal strips corresponding to a given color are all connected to a common output terminal, and insulated at the same time from the strips of the other 2 colors. As the target is scanned by a single electron beam, the color-sensitive filters permit the signal strips to produce electrical signals corresponding to the arrangement of light and color in the scene before the camera."

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Progress towards transistorized color sets as reported in annual report of Stanford Research Institute: "Under sponsorship of RCA, the Institute has been working for 3 years on the general problem of applying transistors to TV receivers. The particular problem chosen is the adaptation of transistors to a color-decoder circuit. This is the circuit that accepts the video signal and unscrambles it into the 3 signals—red, blue, green—for the color picture tube . . . Two types of experimental transistor color TV decoders have been built. Both have demonstrated the possibility of substantial reductions in size and power consumption. Power saving is not only important per se but also in the reduction of heat within the receiver cabinet."

March 28 week network color schedules: CBS-TV—March 28-April 1, *Robert Q. Lewis Show*, 2-2:30 p.m. NBC-TV—March 31, *Dinah Shore Show*, 7:30-7:45 p.m.; April 2, *Your Hit Parade*, 10:30-11 p.m. Later color shows scheduled: April 4, Robt. Sherwood's *Reunion in Vienna*, with Greer Garson, Brian Aherne & Peter Lorre, NBC-TV 8-9:30 p.m.; April 6, *Stage Door*, with Rhonda Fleming, Diana Lynn, Dennis Morgan, Elsa Lanchester, Peggy Ann Garner & Victor Moore, CBS-TV 10-11 p.m.; April 9, *The Merry Widow*, operetta, with Anne Jeffreys, Edward Everett Horton, Bambi Linn & Rod Alexander, NBC-TV 9-10:30 p.m.

Color TV lighting clinic for station managers, engineers, etc., will be conducted by GE at Nela Park, Cleveland, April 4-7. Color and monochrome cameras will be employed, and talks will be given by lighting specialists from GE and various stations.

Most recent color scanner shipments reported by DuMont—to WAGA-TV, Atlanta; KXJB-TV, Valley City, N. D.; WTVW, Milwaukee.

RELIABLE TRANSMISSION of TV signals over the horizon for distances as great as 200 mi. without relay stations was announced this week by Bell Labs and MIT—opening way for transmission of TV signals across large bodies of water and over rugged terrain where microwave relay stations can't be built. AT&T has already received permission from FCC for experimental uhf transmissions from Florida to Cuba (Vol. 10:40, 45, 49, 51).

Transmission technique announced this week is already being used by continental defense system. In the TV experiments, 10-kw uhf transmitters and 60-ft. diameter antennas were used—20,000 times the power and 30 times the antenna area used in present transcontinental microwave system in which relay stations must be spaced 30 mi. apart. Uhf band was used rather than microwave because of the high power equipment required—not available in the microwave frequencies.

First successful TV transmission using the system was accomplished last year between Holmdel, N. J. and

Round Hill, near Bedford, Mass., distance of 188 mi. Scientists have known that uhf transmissions travel over the horizon under certain conditions, but previously believed them too weak and undependable for practical use. Bell-MIT experiments utilized signals which drop off a straight radio beam beyond the horizon and are reflected or scattered to distant points by the atmosphere.

Note: Another method of relaying TV signals for even longer distances—across oceans and continents—was envisioned by Bell Labs' electronics research director Dr. John R. Pierce at opening session of IRE convention in New York. It's still far in the future, involves launching 100-ft. space station satellite in an orbit 22,000 mi. above the earth to reflect TV signals from one continent to another. This would require antenna 250-ft. in diameter at the sending and receiving stations on earth, transmitter power of only 50-kw. Principal problems involved: (1) Building such a satellite. (2) Keeping the satellite's reflecting surface steadily aimed in the proper direction.

REVERSAL of examiner this week brought CP for Mobile's Ch. 5 to WKRK-TV Inc., in final decision denying Mobile TV Corp. Giddens & Rester families, owners of 7 Mobile theatres and operators of WKRK, were favored because Commission felt their record of operating radio gave greater assurance of carrying out programming promises. FCC said that operation of WABB by *Mobile Press Register*, 20% owners of Mobile TV, gave less such assurance. In addition, Commission said that grant to principals of WDSU-TV, New Orleans, who own largest share of Mobile TV, wouldn't promote "diversification" because of their interests in WAFB-TV & WAFB, Baton Rouge. Commission didn't hold newspaper ownership against Mobile TV stockholders.

Also finalized this week was Ch. 8 grant to Cowles in Des Moines, after withdrawal of KSO under option agreement whereby latter can acquire 40% (Vol. 11:10).

Four uhf CPs were cancelled: WIBG-TV, Philadelphia (Ch. 23), whose principals bought WDEL-TV, Wilmington (see p. 12); KDTX, Dallas (Ch. 23); KTVP, Houston (Ch. 23); WTLB, La Crosse, Wis. (Ch. 38).

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Highly significant decision was rendered by Court of Appeals this week when it tossed back to Commission the famous "protest" case in which FCC denied hearings to WAIM-TV, Anderson, S. C. (Ch. 40) and WGVL, Greenville (Ch. 23) after they protested change of site granted to WSPA-TV, Spartanburg (Ch. 7). Court stated flatly that protestants were entitled to hearing.

Importance of decision by Judges Edgerton, Bazelon and Fahy is it appears to force FCC to grant hearings vastly greater number of cases and to conduct the hearings on issues specified by protestants. The uhf stations had alleged economic injury because Commission grant of site move enabled WSPA-TV to obtain CBS affiliation. But court stated:

"Spartan [WSPA-TV] did not deny . . . that the change of transmitter site enabled it to get the CBS affiliation. The Commission found that, even if so, injury

caused by this affiliation was not caused by the change of transmitter site, so as to make appellants parties in interest under Sec. 309(c), because the affiliation was not ordered by the Commission but resulted from private negotiation. However, the economic injury that gives standing, under [*FCC vs. Sanders*], to oppose Commission action, is seldom if ever a direct result of Commission action. Even the grant of a new station license does not automatically take advertising revenue away from existing licensees, but only creates a situation in which the new licensee may be able to get the revenue by private negotiation, yet existing licensees are 'adversely affected' and 'parties in interest.'"

Commission has been so upset by repeated success in courts by protestants that it is virtually begging Congress to amend Communications Act. This week, it sent Congress a recommended amendment designed "to obviate the use of the new procedure as a device for delaying radio station grants which are in the public interest while at the same time retaining the rule's primary objective of providing interested parties with a means by which they may bring to the Commission's attention bona fide questions concerning grants made without hearing."

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Another de-intermixture petition was filed this week. Noting that WBRZ, Baton Rouge (Ch. 2) is about to go on air, New Orleans' WJMR-TV (Ch. 61) asked Commission to switch the 2 stations' channels so as to make New Orleans all-vhf, Baton Rouge all-uhf.

In other allocations actions: (1) National Grange filed opposition to proposed "5-mile rule," stating that its adoption "in many cases would deprive material and substantial segments of rural America of receiving an adequate TV signal." (2) FCC started rule-making to add Ch. 16 to Pittsburg-Antioch, Cal. and to switch WMVT's Ch. 3 from Montpelier to Burlington, Vt. (3) WNHC-TV, New Haven (Ch. 8) opposed petition of WRTV, Asbury Park, N. J. (Ch. 58) which asked allocation of Ch. 8 to Asbury Park for low-power station.

PROVIDENCE'S new WPRO-TV (Ch. 12), new satellite KHBC-TV in Hilo, Hawaii (Ch. 9) and new CHEX-TV, Peterborough, Ont. (Ch. 12) keep U. S. on-air total at 428 after deducting 2 more uhf (see p. 4) while Canada now has 26 on air. Next U. S. starters, all of whom have stated they would get going on or about April 1, are expected to be the second satellite of Honolulu's KGMB-TV—KMAU, Maui (Ch. 3)—and WBRZ, Baton Rouge, La. (Ch. 2); KWTX-TV, Waco, Tex. (Ch. 10); KFDM-TV, Beaumont, Tex. (Ch. 6).

WPRO-TV starts out as CBS basic, with \$1000 Class A rate and Blair-TV as rep. It has 50-kw GE transmitter with 12-bay antenna on 358-ft. Blaw-Knox tower. Arnold F. Schoen Jr. is gen. & sales mgr., reporting to pres. Wm. S. Cherry Jr.; Fred D. Shavor, ex-WTRI, Albany, is program mgr.; Peter Swanson, production mgr.; John V. Ferri, chief engineer.

The satellite KHBC-TV in Hilo, employing KGMB-TV's original equipment, has 500-watt RCA transmitter with antenna on radio KHBC tower. It won't be direct pickup from Honolulu, but will have installation on NW side of Mauna Kea crater which will pick up Maui's KMAU (Ch. 3) programs, microwave them to Hilo, on crater's other side. Harold Marques is in charge of TV operation, which will utilize KHBC radio staff. Neither Hilo nor Maui station will have rate card, nor will KGMB rates be increased, until "proved circulation" can be offered—not before next year. Rep is Free & Peters.

CHEX-TV, Peterborough, Ont. opens new TV area between Toronto & Ottawa as of March 28, having tested since March 23. It uses 10-kw RCA transmitter, 12-slot

wavestack antenna on 400-ft. tower built by Canadian Bridge Ltd. Owners are Senator W. Rupert Davies, publisher of *Peterborough Examiner* and *Kingston Whig-Standard* (51%) and publisher-broadcaster Roy Thomson (49%); they also operate CKWS-TV, Kingston. Doug Manning is commercial mgr.; Wm. Straiton, program mgr.; Bert Crump, chief engineer. Base rate is \$200. Repts are All-Canada and Weed.

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No new shipments were reported by any of the equipment manufacturers this week, but GE reports order for 20-kw transmitter from WITN, Washington, N. C. (Ch. 7), which has Sept. target, and 6-bay antenna for KVOO-TV, Tulsa (Ch. 2). Two new Canadian TV applications were filed this week with CBC—for Ch. 13 by CFCY, Charlottetown, P. E. I., and for Ch. 9 by Lethbridge Television Ltd., Lethbridge, Alta.

First microwave equipment in 10,700-13,200-mc band, for TV station STL and other use, is being offered by Lambda-Pacific Engineering Inc., which makes STLs for Philco and has supplied links to AT&T for upcoming A-bomb tests in Nevada. Equipment employs new Varian klystrons. Move into higher frequencies aims to relieve congestion on lower microwave bands.

Sale of radio KFDX, Wichita Falls, Tex. for \$100,000 to Grayson Enterprises (Vol. 11:9) was approved by FCC recently, seller Darrold A. Cannan retaining KFDX-TV (Ch. 3). Grayson Enterprises is 50% owned by Sid Grayson, v.p.-mgr. of KMID-TV, Midland, Tex.

Network Accounts: DuMont's gen. mgr. John H. Bachem, subbing for managing director Ted Bergmann, hospitalized this week, stated network is pitching heavily for pro football next season, ready to deliver "custom-built" hookups according to sponsor demand, despite further curtailment of regular leased lines (p. 3). Network is still going after new sponsors, he said, to replace Johnson Candy Co.'s *Captain Video* and Alka-Seltzer's *Morgan Beatty & the News*, which quit next week; and to fill in for the Paul Dixon afternoon and Ernie Kovacs evening shows, being dropped in early April. Termination of *Chicago Symphony* is due April 6 after 26-week season. Sponsored shows still on network: Admiral's Bishop Sheen, Tue. 8-8:30 p.m.; Heinz's *Studio 57*, Tues. 8:30-9; DuMont Receiver Div.'s *What's the Story?* Wed. 8-8:30 p.m.; Emerson Drug's & Lenthic's *Chance of a Lifetime*, Fri. 10-10:30 p.m.; Western Union's *Down You Go*, Fri. 10:30-11 p.m.; Serutan's *Life Begins at 80*, Sun. 9:30-10 p.m.; Libby, McNeil & Libby's & Swift & Co.'s *All About Baby*, Thu. & Fri. 2-2:15 p.m. . . . Sunbeam sponsors 20 min. of Milton Berle & Martha Raye shows on NBC-TV starting in fall, Tue. 8-9 p.m., and one-half of "color spread" each 4th Sun., 7:30-9 p.m., thru Perrin-Paus . . . Mars Candy, thru Leo Burnett, and Carnation Milk, thru Erwin Wasey, each buys 15-min. segment of Disney's upcoming *Mickey Mouse Club* on ABC-TV starting Oct. 3, Mon.-thru-Fri. 5-6 p.m.—other partic. sponsors are General Mills, thru Knox Reeves; Campbell Soup, thru Leo Burnett; Ipana, thru Doherty, Clifford, Steers & Shenfield; Armour, thru Henri, Hurst & McDonald . . . Procter & Gamble to be alt. sponsor (with Viceroy cigarettes) of *The Lineup* on CBS-TV starting April 1, Fri. 10-10:30 p.m., thru Young & Rubicam . . . General Foods (Walter Baker chocolate & Post cereals) to sponsor *Pantomime Quiz* as summer replacement for *Mama* on CBS-TV starting July 8, Fri. 8-8:30 p.m., thru Benton & Bowles . . . Re-runs of *I Love Lucy*, under sponsorship of Lehn & Fink (cosmetics), start under title of *The Lucy Show* on CBS-TV April 17, Sun. 6-6:30 p.m. . . . Colgate-Palmolive switches production of *Colgate Comedy Hour* from Ted Bates & Co. to Wm. Esty Co., effective June 12 . . . GE planning series of films, possibly to be produced by 20th Century-Fox, on CBS-TV starting June 1, Wed. 10-11 p.m., thru Young & Rubicam . . . Eastman Kodak finally settled uncertain fate of color-film *Norby* by cancelling it on NBC-TV Wed. 7-7:30 p.m., takes over re-runs of *Ford Theatre* series Wed. 8-8:30 p.m. in April, thru J. Walter Thompson . . . Charles Antell Inc. (Lanolin hair preparation) to sponsor 12:30-1 p.m. portion of Easter parade on 5th Ave. on NBC-TV, Sun. April 10, 12:15-1 p.m., thru T.A.A. Adv., Baltimore.

Rate increases: WABC-TV, New York, has raised base hour from \$3100 to \$3750, 20 sec. from \$550 to \$675; WISH-TV, Indianapolis, May 1 raises base rate from \$800 to \$1000, min. \$150 to \$180; WSAZ-TV, Huntington, W. Va. raises base hour from \$700 to \$800, min. \$140 to \$160; KFMB-TV, San Diego, from \$600 to 800 & \$120 to \$160; KHQ-TV, Spokane, adds new Class AA hour (8-10 p.m. daily) at \$600, min. at \$120; WGAN-TV, Portland, Me. raises base hour from \$250 to \$350, min. \$50 to \$70; WRBL-TV, Columbus, Ga. adds new Class AA hour (7-10 p.m. Mon.-Sat. & 7-10:30 p.m. Sun.) at \$300, min. at \$60, with Class A hour going from \$200 to \$250; WDBO-TV, Orlando, raises base hour from \$200 to \$250, min. \$50 to \$55; KVAL-TV, Eugene, Ore. April 15 raises base hour from \$175 to \$225, min. \$35 to \$45.

Four big auto companies—General Motors, De Soto, Chrysler, Packard—have purchased total of 9 partic. on NBC-TV's 7-9 a.m. *Today* week of April 18, when show originates from Detroit.

Major league baseball's TV lineup: Baltimore, WMAR-TV & WAAM, National Bohemian Beer, thru W. B. Doner & Co.; Boston, WBZ-TV & WNAC-TV and WSSH-TV, Portland, Chesterfields & Narragansett Beer, both thru Cunningham & Walsh, and Atlantic Refining Co., thru N. W. Ayer; Brooklyn, WOR-TV, Lucky Strike & Schaefer Beer, both thru BBDO; Chicago Cubs & White Sox, WGN-TV, Oklahoma Oil, thru Maryland Adv., & Hamm's Beer, thru Campbell-Mithun; Cincinnati, WCPO-TV, Burger Beer, thru Midland Adv.; Cleveland, Carling Beer, stations undetermined, thru Lang-Fisher-Stashower; Detroit, WJBK-TV & WSPD-TV, Toledo, Goebel Beer, thru Campbell-Ewald, & Speedway Petroleum, thru W. B. Doner; New York Giants, WPIX, Chesterfields; New York Yankees, WPIX, Ballantine Beer, thru Wm. Esty, and White Owl cigars, thru Young & Rubicam; Philadelphia, WPTZ & WFIL-TV, Atlantic Refining, Ballantine & Tasty Baking Co., latter thru Gray & Rogers; St. Louis, WTVI, Marine Petroleum & General Finance Corp., thru Gordon Best; Washington, WTTG, National Bohemian. No TV will be permitted in Pittsburgh (though Thomas P. Johnson, pres. of uhf WENS, is also part owner of Pirates), Kansas City & Milwaukee.

Spate of inter-network back-patting has had industry smiling last few weeks. First, ABC-TV placed trade ads that not only expressed delight with its "Emmy" awards but congratulated CBS-TV and NBC-TV for theirs—listing each network's winners specifically. CBS-TV came back this week with ad featuring extremely clever Bemelmans sketch with "Alphonse-Gaston" motif, saying: "It was pretty nice of the ABC-TV Network to salute its fellow networks . . . We had intended doing the same thing earlier this season when they launched some very exciting program ideas. But they beat us to it—just as they beat us to *Disneyland*." Ad then saluted NBC with: "Only through network TV can 65 million people share simultaneously the pleasure of NBC's memorable *Peter Pan* . . . or to discover a great comic like George Gobel." Summing up the pitch for network TV—and getting its own message across—CBS noted: "Only through network TV can an advertiser reach 41 million people each week as economically, for example as he can on *I Love Lucy*—another network developed program."

CBS-TV affiliates have been asked to surrender 7:15-7:30 p.m. option time to network as part of master plan to revise 7-8 p.m. program lineup. Subject was discussed, among other topics, at recent hush-hush meeting of key affiliates and network officials called by CBS-TV pres. J. L. Van Volkenburg. Affiliates were pledged to secrecy, but network has confirmed that it's trying to get away from 15-min. program format of news and music in 7-8 period, would like to use 30-min. variety programs to meet stiff competition from such shows as ABC-TV's *Disneyland*. Eventually, it would like to begin programming at 7 instead of 7:30, as at present.

Sponsors of ABC-TV's upcoming weekly *Warner Brothers Presents*, to be produced especially for it by Warners (Vol. 11:12), may buy minimum of 30-min. alt. weeks for 52 weeks, under sales plan launched this week by network. Show thus will have maximum of 4 sponsors. Tue. night show debuts Sept. 13, either 7:30-8:30 or 8-9, on 122 stations. Series will consist of 39 first-run films and 13 summer repeats. Each show will have 6-min. promotional segment at end, showing various theatrical films in current production.

Television Bureau of Advertising, at board meeting March 24-25, disclosed signing of contract with A. C. Nielsen Co. for series of special market studies designed to measure TV's ability to sell specific commodities. TvB board also played host at luncheon to top ad agency executives at 21 Club.

CLOCK TVs NEXT; TRADE OUTLOOK UNCLEAR: Something new in the 1956 TV lines, to be shown this summer, will be clock TV -- working much like the clock radios, which have proven big commercial success in the 9 years they've been on market. At this week's IRE show in New York, 2 of the biggest makers of electric clocks and timers -- Sessions Clock Co., Forestville, Conn., and GE's Telechron dept. -- made big pitch for clock-timed TVs, both showing mock-ups with small clock-timer set below screen.

Sessions displayed its clock on Philco set, and it's understood Philco will use Sessions clock in some of its 1956 models. It can be assumed, too, that GE will use Telechron clock in some of its sets, and other set makers will use both.

Principle is same as clock radio. Set can be timed to turn on and off at any time, especially desirable for increasingly popular early-morning programs like NBC's Today and CBS's Morning Show and as reminder to watch certain programs in day and evening. Sessions clocks can be set 24 hours ahead, Telechron 12. Sessions people say they plan big consumer advertising campaign for both clock TVs and TV clock. Latter is separate clock-timer unit which can be set atop any TV, converting it to clock TV. Spokesman estimated timer would add \$15-\$20 to retail price of set.

Note: Idea of clock TV isn't entirely new. Olympic Radio briefly promoted clock-timed TVs in 1952 (Vol. 8:31), subsequently dropped them.

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There's a spottiness to current TV market that has a lot of set makers more uneasy than they care to admit. Granted that TV sales normally tail off at this season, there's added fear now that, with some 36,000,000 sets-in-use in nation's 48,000,000 homes, TV won't have the same bounce-back later in the year, and that the traditional "second-quarter blues" may extend into the fall.

Bearish signs are beginning to crop up. Dumps and distress sales are appearing in formerly strong markets. Such money-back offers as proposed this week by Crosley distributor Gerald O. Kaye in N.Y. to customers who weren't satisfied that its Custom V sets could "outperform" all others (see p. 10) are rarely associated with thriving markets, whatever may be the virtues of the device. As another symptom, Arvin this week decided to quit TV production about June 1 because of insufficient return, will concentrate on more profitable radio output (see p. 10).

Additionally, new markets which used to be fertile fields for initial set sales aren't opening up with much regularity these days. Finally, you hear quite a bit of grumbling from distributors and dealers about the movement of 24-in. sets, for which much promise was held out as items to yield greater profit. Commented one distributor: "We could do just as well without them." Said another: "Ours is a low-end 'grab-bag' market, and 24-in. sets don't cut any ice here."

On the plus side, there's the growing second-set and replacement business, particularly in large markets. Motorola's Robert W. Galvin estimates 63% of sets sold in N.Y. market currently are for replacement. Then there are the forecasts of Sylvania v.p. W. Benton Harrison, in talk before Financial Analysts of Philadelphia March 10 (text printed as Special Report, Vol. 11:11). He foresaw sales of 6,300,000 black-&-white sets, plus 100,000 color this year, reasoned that if only 4% of the sets now in use are replaced, 1,300,000 sales will result. He adds to that 300,000 second-sets and 600,000 more merely as result of normal population growth, leaving 4,100,000 sets to be marketed this year as initial sales. Not too tough, he says.

The nation's economic underpinning trends to encouragement for the trade, too. Several recent reports certainly point to continued high consumer purchasing power. Consider: (1) Federal Reserve Board's 10th annual survey of consumer finances, conducted for it by U of Michigan's survey research center, reports consumers believe they are in better financial position than year ago, more indicate they plan

to buy appliances this year. (2) Joint Congressional Committee on Economic Report agreed economy has been improving since late 1954, added that both employment and production have regained one-half the ground lost in 1953-54, foresaw national output valued at \$375 billion in 1955. (3) Commerce Dept. reported 41% of families now have incomes of at least \$5000 a year; since 1947, number of families with incomes of over \$10,000 has increased by 100%, those with more than \$4000 a year by 70%.

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TV production totaled 164,478 week ended March 18, compared to 160,995 units preceding week and 166,461 week ended March 4. It was year's 11th week and brought production for year to date to about 1,835,000 vs. 1,200,000 same 1954 period.

Radio production totaled 307,549 (160,048 auto), highest weekly output of the year, up from 297,595 week ended March 11 and 297,457 week before. Production for 11 weeks was 3,900,000, compared to 2,200,000 in corresponding period year ago.

Topics & Trends of TV Trade: Crosley's offer of a money-back guarantee to N. Y. area customers if its "Custom V" 21-in. receiver does not "outperform" all other TV sets, promoted in full-page ad in N. Y. newspapers March 20 and smaller ads later in week, got mixed reaction from dealers—some favoring device as means of helping them close sales, others objecting to becoming, in the words of one, "a delivery system."

The initial ad, placed by distributor Gerald O. Kaye & Assoc., said: "Purchase any of the magnificent Crosley Custom V television receivers—even the low-priced leader at \$179.95—and if it does not perform better in your home than any set in your neighborhood, regardless of price, return it to your authorized Crosley Custom V dealer—and get the purchase price of the set refunded. And what's more, you have 10 full days from the time the set is installed to satisfy yourself that you have the best TV in America." It invited customers to "compare performance in the city or 100 miles from New York—in your own home!"

Dealers favoring idea felt confident that even if a set is returned, they will be able to hold the customer and sell him another receiver. Those against it said comparisons would be difficult to prove, since sets perform differently in different locations in a room, much less in different houses. Kaye, of course, agreed to take back any sets returned to dealers.

Crosley this week added a 17-in. maroon metal "Super V" table model at \$130, the \$140 mahogany & \$150 blonde "Super V" sets remaining unchanged. TV-radio sales mgr. H. J. Allen said Crosley TV unit sales in first quarter increased 74% over first 3 months of 1954, credited increase to vertical chassis design, first introduced in "Super V" series but now used throughout entire line.

* * * *

Arvin calls it quits on TV production about June 1, will divert most of its TV personnel and facilities to expansion of radio output thereafter. It's second big-name company to quit TV in last 3 months—aside from several in bankruptcy proceedings—the other having been Stewart-Warner (Vol. 10:52). Arvin pres. Glenn W. Thompson attributed move strictly to manufacturing economics, explaining: "Arvin has found that the rewards are insufficient for the time, energy and capital required. We are convinced that the company's resources can be employed to better advantage by expanding into electronic items which fit more logically into our type of manufacture." He said he was making announcement well in advance of discontinuance so inventories can be disposed of orderly, so distributors and dealers will have ample time to make connections with other TV manufacturers, and so employes can be gradually transferred to other divisions. TV-radio sets accounted for 29% of Arvin's total sales of \$53,372,757 in 1954—though it's believed radios, particularly auto sets, constituted bulk of the 29%.

CURTAILED EARNINGS for 1955 are expected by many TV-radio and tube manufacturers as result of the retroactive tax repeal bill (Vol. 11:12) which breezed through the House March 24 by voice vote and now goes to Senate committee, with passage expected shortly. Fought bitterly by RETMA and other trade assns., bill (H.R. 4725) repeals Sections 452 & 462 of Internal Revenue Code, which permit manufacturer to deduct cost of warranties on sets and tubes sold in 1954 and also a reserve fund set up to cover anticipated expenses on those warranties in 1955.

The tax bill of manufacturers will be increased by millions of dollars, industry-wide, RETMA estimates. The deductions permitted on warranties for sets sold in 1954 will have to be reported out of 1955 income because, under terms of bill, businessmen are given until Sept. 1, 1955 to pay all back taxes.

Unanimous House passage of the bill, requested by the Administration, means that both parties are supporting repeal. As result, RETMA probably will not even bother to testify when bill goes to Senate Finance Committee for hearings, though this hasn't been finally determined.

Bill also affects dealers and servicemen, though to a lesser extent. NARDA chairman Mort Farr warned House Ways & Means Committee before bill's passage that repeal could impose a burden on dealers which in some cases "may often be literally ruinous."

Compatible black-&-white TV system with double the vertical and horizontal resolution of present system was described at IRE convention by Pierre M. G. Toulon & Francis T. Thompson, Westinghouse. System requires special 2-gun picture tube with 2 kinds of phosphors—one long decay, other short decay. At transmitter, equipment analyzes picture for "redundancy," transmitting large detail and motion with 2 conventional fields. Small, stationary details are transmitted with 8 fields. Authors stated that "fortunately, most of the system complications occur at the transmitter where the redundancy analysis is made." System differs from dot-interlace system which doubled horizontal resolution, developed by Philco several years ago.

TV shipments to dealers totaled 637,479 in Jan., when production was 654,582, reports RETMA in state-by-state tabulation (county-by-county breakdown available to members on request). Total compares with shipments of 1,014,227 in 5-week Dec., when production was 833,423, and shipments of 612,222, production of 420,571 in Jan. 1954. New York led in shipments, with 59,197; California second, 43,597; Pennsylvania, 42,100.

Wells-Gardner Co., Chicago private label manufacturer, has turned back to Govt. \$390,000 company saved by cutting costs on a \$4,000,000 Navy contract for electronic parts, reports pres. Robert S. Alexander.

Trade Personals: Joseph H. Gillies appointed Philco manufacturing v.p. in addition to his duties as v.p. & gen. mgr. of govt. & industrial div. . . . Matthew D. Burns, gen. mgr. of Sylvania electronic tube operations, elected a v.p., headquartering in N. Y. . . . Maj. Gen. Edmund C. Langmead, USAF (Ret.), joins Packard-Bell to assist in development of technical products div. . . . Douglas Wallace, veteran of 33 years with company, elected a v.p. of Graybar, N. Y. . . . A. Wm. Christopher Jr., ex-Trad TV, named field rep for Sylvania's new electronic systems div., covering military agencies in Philadelphia, Ft. Monmouth, Boston & N. Y. State areas and working out of new office at 4700 Parkside Ave., Philadelphia . . . James G. Richmond promoted to manufacturing mgr., Indiana Steel Products Co.; Port M. Wheeler named asst. sales mgr. . . . Edwin F. Nile named Sparton eastern regional mgr., Albany, succeeded as east central mgr. by Howard Whipple, headquartering at Jackson, Mich. plant; Jack Clarke named west central mgr., Chicago; Lloyd De Young, southern regional mgr., Atlanta . . . Wm. H. Graham, ex-Crosley, named gen. mgr. of Magnavox TV-radio-phono plant at Greenville, Tenn., replacing Joe F. Dolland, resigned . . . Charles H. Berman resigns as Scott Radio field sales mgr. . . . Wm. A. Rockwood appointed asst. to J. H. Voss, v.p. in charge of Stromberg-Carlson telephone div. . . . Franklin F. West, ex-Sonotone, named Clarostat quality control mgr. . . . Wm. O. Hamlin, ex-Sylvania, named CBS-Hytron supervisor of technical information service . . . E. Leslie McCarthy, ex-RCA Victor Co. Ltd., named adv. mgr., Canadian Aviation Electronics Ltd., Montreal, DuMont licensee . . . Harry A. Rice named mgr. of Canadian Marconi's new magnetron & power tube plant to be constructed adjacent to headquarters at 2442 Trenton Ave., Mt. Royal, Que.; he's succeeded by C. P. McNamara as mgr. of commercial products div.

* * * *

DISTRIBUTOR NOTES: Sylvania appoints Mayflower Sales Co., St. Louis, replacing Schwander Co., 3914 Olive St. (Julian Schwander, pres.), now Stromberg-Carlson distributor; Sylvania also appoints Thompson & Holmes Ltd., 650 Second St., San Francisco, replacing Western Empire Distributing Co., and Wright & Willembly, Omaha . . . Hoffman Electronics: Mayflower Sales Co., Kansas City (Al Hicks, gen. mgr.) and Radio Supply Co., Auburn, Me. (Wm. Rinaldi, sales mgr.) . . . Stromberg-Carlson: Kelvinator, Chicago (Wm. DeCamp, zone mgr.), replacing own factory branch . . . Progressive Appliance Distributors Inc., Cleveland, relinquishes Capehart-Farnsworth line . . . Zenith New York appoints W. E. Skinner, from N. J. div., as v.p.-gen. mgr., replacing Wm. W. Boyne, resigned . . . DuMont New Jersey appoints Joseph Sarlin gen. sales mgr.; he's ex-v.p.-gen mgr. of recently-discontinued Chicago factory branch . . . Harry Alter Co., Chicago (Crosley-Bendix) appoints Sam Robins field sales mgr. . . . Peaslee-Gaulbert Corp., Louisville (Admiral) announces resignation of sales mgr. Edward J. McGrath . . . Gerald O. Kaye & Assoc. (Crosley-Bendix) starts construction of new headquarters at 56th Road & 50th St., Maspeth, L. I. . . . Stromberg-Carlson: Fergerson Co., 10th & Broadway, Paducah, Ky. (H. W. Rankin, v.p.) . . . Chemung Appliance Distributors (Philco), moves to 557 E. Water St., Elmira.

Regal Electronics Corp., TV-radio manufacturer of 605 W. 130th St., N. Y., which had been operating under Chapter XI of Bankruptcy Act since Dec. 1953, has been adjudicated bankrupt. Referee Herbert Loewenthal ordered that plant be locked up pending settlement of claims.

Daniel W. Tracy, 68, onetime Asst. Secy. of Labor who served as pres. of International Brotherhood of Electrical Workers 1933-1940 & 1947-1954, died in Washington March 22. At time of death he was an AFL v.p. & president emeritus of IBEW.

Greater accuracy in location and height of antenna towers will be required by FCC in cases where Airspace Subcommittee labels tower a "critical obstruction." New FCC Public Notice 55-348 outlines new requirements which will hereafter be included in construction permits for towers considered "critical obstructions": (1) Stipulated ceiling on height of the specific antenna, including obstruction lighting and other attachments. (2) Bench mark on tower base shall give elevation above sea level within 1 ft. (3) Position of tower site shall be determined within 1/2 second of latitude & longitude. (4) Affidavit by engineer or surveyor shall specify geographic coordinates, over-all height above sea level, describing survey and reference points, together with plat and sketch of site and structure.

National Assn. of Educational Broadcasters announces availability of 40 scholarships for attendance at upcoming educational TV workshops. Each will be worth \$150, under grant from Ford Foundation's Fund for Adult Education. NAEB committee will screen candidates, who should address applications to NAEB, Urbana, Ill. First TV production workshop will be conducted at Iowa U, Iowa City, Aug. 14-Sept. 3, limited to 30 representatives of educational TV licensees, grantees or applicants. Engineering workshop will be held at Michigan State's WKAR-TV, E. Lansing, Sept. 12-16.

Closed-circuit TV will help N. Y. board of education select principals for city's schools next month. Rather than visit school classes as part of their supervisory tests, as in past, candidates will convene April 11 in a high school auditorium to watch 2 classes being conducted in WCBS-TV's Studio 61. From the telecasts, candidates will write supervision reports, which will be judged competitively as part of exams. Board and WCBS-TV share \$4500 cost of project, which will save city estimated \$10,000.

ABC's request to supply programs to XETV, Tijuana, was opposed this week by KFMB-TV, San Diego, which told FCC that Mexican station is beamed almost solely at American viewers while enjoying "every advantage that freedom from control of the U. S. Govt. can bring" and remaining free from the "limitations and costs imposed by the programs being broadcast by local San Diego stations."

"Pirating" of TV-radio play-by-play descriptions of N. Y. Giants baseball games was forbidden this week by injunction of N. Y. Supreme Court, which ordered Martin Fass to stop his 4-year practice of transmitting such descriptions by teletype to radio stations in west. Injunction stated commercial value of play-by-play descriptions to team often extends for years.

Advertising Council re-elects all officers this week: chairman, Stuart Peabody, Borden Co.; pres., Theodore S. Repplier; v.p.'s, George P. Ludlam (N. Y.) & Allan M. Wilson (Washington); secy., Frederic R. Gamble, AAAA; treas., Paul B. West, ANA. New board members elected were Wm. R. Baker Jr., Benton & Bowles; Marion Harper Jr., McCann-Erickson; Victor Schwab, Schwab & Beatty.

Rep Joseph Weed is donor of annual \$500 scholarship open to college seniors and graduate students interested in applying TV-radio to a major field of study at Iowa State College, which operates WOI-TV & WOI; application blanks are available from Richard B. Hull, at WOI-TV, Ames, Ia., and must be submitted prior to May 2.

Sheraton Hotels have bought 10 Fleetwood projection TV receivers, are now equipped for coast-to-coast closed-circuit sales meetings, conventions, etc. The new unit, made by Fleetwood Corp., 1037 Custer Dr., Toledo (Vol. 10:49, 51 & 11:2) is in single cabinet, produces 9x12-ft. picture.

Sale of WRRR, Rockford, Ill. (1-kw, 1330 kc) for \$45,000 to Wisconsin radio group headed by Wm. E. Walker of WMBV-TV, Marinette-Green Bay, Wis. (Ch. 11), was approved by FCC this week.

MAJOR TRANSFER deals approved by FCC this week: (1) WDEL-TV, Wilmington, Del. (Ch. 12) from Steinman brothers to Paul F. Harron, owner of radio WIBG, Philadelphia (Vol. 11:4) for consideration of \$3,712,500. (2) KBTW, Denver (Ch. 9) from group of 17 local business men to partners John C. Mullins and Frank Leu for \$1,000,000 (Vol. 11:7).

In approving Wilmington deal, FCC took unusual step of cautioning Harron that grant is made with "explicit understanding" that transmitter site and main studio must remain at present location and that "operation and service, including programming, [be] consonant with, if not subservient to, the public interest of the principal city to be served, namely Wilmington, with secondary consideration in this respect being given to the local interests of any other segment of the station's coverage area." In other words, though station's 316-kw signal easily covers nearby Philadelphia, being located about halfway between the cities, it must remain identified with Wilmington.

Denver deal brings former owner of Phoenix's KPHO-TV back into TV, with Joe Herold remaining as mgr. John Mullins, of Tulsa, took over pre-freeze Phoenix station from group of Texas oilmen in 1949, sold it for \$1,500,000 to Meredith in 1952 (Vol. 8:18). Mr. Leu owns Homeland Insurance Co., Nashville, and Security Life & Accident Insurance Co., Mobile, and has small interest in WMSL-TV, Decatur, Ala. As in case of Wilmington, where Steinmans retain their radio WDEL, Denver station's stockholders W. D. Pyle and T. V. Eckgram did not sell their radio KVOD.

FCC's FM functional music decision (Vol. 11:12), released this week (FCC Public Notice 55-340), makes it clear that stations' auxiliary service must be primarily of a music nature at start—but Commission holds door open to introduction of other kinds of services, such as 2-way taxi radio, if good case is made later. New rules require station to get a Subsidiary Communications Authorization (SCA) for new service; to operate regular FM not less than 36 hours weekly, with minimum of 5 hours daily between 6 a.m. and midnight; to switch all SCA operations to multiplex basis within a year. When multiplexed, new service will be receivable only by those with special receivers—not by general public. Pioneer FM broadcaster Ben Strouse, of WWDC & WWDC-FM, Washington, and chairman of NARTB's FM committee, was disappointed with decision because shift to multiplexing will deprive WWDC-FM of large home audience which has shown great enthusiasm for programs which are almost entirely music. He termed it great mistake for Commission to term such programming a "non-broadcast service." In partial dissent, Comr. Doerfer gave same opinion. Comr. Webster also dissented partially, stating fear that non-broadcast services would eventually dominate FM band.

Edward Lamb is due to take the stand April 1 when hearings resume on his application for renewal of license for WICU, Erie. Last week his attorneys indicated they would appeal to full FCC to call off hearings and grant renewal (Vol. 11:12). This week they deferred plans for the appeal, agreed to have Lamb testify. Said former Attorney General J. Howard McGrath, Lamb's chief attorney: "We welcome an opportunity to have Mr. Lamb testify in his own behalf and we hope this will prove a basis for early renewal."

NCAA's "compromise" TV plan (Vol. 11:12) was approved by member colleges this week, 193-27. NCAA TV committee was to meet in New York at week end to consider proposals for televising the 8-game national series. Individual teams are free to negotiate own sponsorship and station deals for 5-game regional series.

Alfred I. duPont Awards for 1954, presented in Washington March 25: (1) Radio WHAS, Louisville, for "programming which consistently shows a lively sense of public responsibility and an awareness of public and community interests." (2) Radio KGAK, Gallup, N. M., for "developing programs which have contributed to the better health and education of the Indians." (3) CBS commentator Eric Sevareid, for "thoughtful and lucid analysis of the current scene, for penetrating knowledge of men and events, combined with tolerance, reasonableness, and a leavening of friendly or caustic humor." Awards comprise plaque and \$1000. Awards committee also gave special commendation to WCBS-TV, N. Y., for such programs as *Camera Three*, *On the Carousel*, *Here Is the Past*, *America in the Making & Our Goodly Heritage*, in which "talent and showmanship are called to the service of programs of unusual educational and spiritual value"; and to KMJ-TV, Fresno, for "unusually comprehensive programming in the fields of agriculture and education, including a novel and effective series to teach English to foreign-born residents of the region." Awards judges: Dr. Francis P. Gaines, pres. of Washington & Lee U; Mrs. duPont; Dr. Hadley Cantril, Princeton U; Turner Catledge, managing editor, *New York Times*; Dr. Susan B. Riley, American Assn. of University Women. Note: Next big presentation will be George Foster Peabody Awards at luncheon of Radio & Television Executives Society April 20 at Roosevelt Hotel, N. Y.

Reversing recent newspaper criticism of TV (Vol. 11:11), Minneapolis-St. Paul's WCCO-TV has released 19-p. comparison of costs & coverage which take some digs at its owners—the Ridders' *St. Paul Dispatch* and *Pioneer Press* (53%) and Cowles' *Minneapolis Star and Tribune* (47%). Though the report, titled *Sight Plus Sound Plus Motion Equals Advertising Action*, perhaps illustrates nothing more than the commendable independence of joint newspaper-TV interests, it makes these claims: (1) Circulation of major newspapers in Twin Cities is failing to keep pace with steadily increasing population, though ad rates have risen steadily. (2) WCCO-TV covers 8000 more families than combined circulations of Minneapolis & St. Paul newspapers. (3) An advertiser's cost-per-thousand rate per advertising impression is 78¢ on WCCO-TV vs. \$4.18 on *Star*, newspaper with largest circulation in Twin Cities area.

Publisher Samuel I. Newhouse, who owns 10 newspapers and owns or has interests in 3 TV stations, this week acquired 23% interest in KWK-TV & KWK, St. Louis (Ch. 4) as part of deal whereby he bought 103-year-old *St. Louis Globe-Democrat* for \$6,250,000 cash. He owns WSYR-TV (Ch. 3) & WSYR, Syracuse, WTPA, Harrisburg, Pa. (Ch. 71), and 50% of KOIN-TV (Ch. 6) and KOIN, Portland, where he bought *Portland Oregonian* several years ago. Brokers in St. Louis deal were Allen Kander and Blackburn-Hamilton. (For list of Newhouse newspapers, see WSYR-TV, p. 160, *TV Factbook No. 20*.)

Application for selective satellite was filed this week with FCC. August H. Vogeler, Twin Falls (Ida.) storage and warehouse operator, asked for Ch. 13 there, proposes to offer satellite facilities to Salt Lake City's KSL-TV & KUTV, Boise's KBOI-TV and Idaho Falls' KID-TV. New station applications on file total 167 (18 uhf). [For details, see *TV Addenda 20-K* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

Channel shifts & power boosts: WLOK-TV, Lima, O. April 24 shifts from Ch. 73 to Ch. 35, changes call letters to WIMA-TV. FCC this week wired authorization for WLVA-TV, Lynchburg, Va. (Ch. 13), to increase power "immediately" to 316-kw; KGBT-TV, Harlingen, Tex. (Ch. 4), now operating with 93.3-kw ERP.

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Television Digest

with ELECTRONICS REPORTS

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

RCA REPLY IN DEPT. OF JUSTICE anti-trust action denies all charges of patent restraints, defends licensing policies (pp. 1 & 14, and Special Report).

AIDS TO UHF AND WEAK VHF sought by Govt. and industry—with "second look" at deintermixture, booster proposal, network investigations, etc. (p. 2).

BATON ROUGE, BEAUMONT & WACO get new starters, all vhf, bringing on-air total to 431, highest yet; 47 stations have quit air to date (p. 3).

SUBSCRIPTION TV COMMENTS of telecasters to stress dangers of losing known service while toying with the unknown; CBS to take strong anti-fee stand (p. 3).

"RESCUE" OF 3 UHF STATIONS, 2 now off air, projected as NATS-GE continue quest for president; Ted Streibert mentioned; Madison Ave. skeptical (p. 4).

BOOSTERS PROPOSED by FCC to fill in uhf "shadows"; majority of industry comment favors low-power operations, urges more relaxation of rules (p. 5).

FCC GRANTS Ch. 7 to WDBJ, Roanoke, Ch. 23 to KYAK, Yakima; examiner favors WKAT for Miami's Ch. 10; many uhf operators seek lower channels (p. 5).

FAIR TRADE LAW REPEAL urged by blue-ribbon committee, but Govt. is unlikely to take any action to curb discount houses (p. 11).

AUTOMATION'S EFFECT ON ELECTRONICS industry to be explored at CIO conference April 14; RCA contract talks with IUE start April 4 (p. 12).

MAJOR FILM PRODUCERS TYING UP with TV—Disney & Warner Bros. with network, 20th Century-Fox & Paramount with sponsors and their agencies (p. 7).

FIRST LEGIT THEATRE-TV SHOW a flop, but no one knows why; championship bout and polio report will be next large-scale uses of closed-circuit TV (p. 7).

NEW "TRANSLATOR" SATELLITE shipped to Manson, Wash., for experimental low-power operation; upcoming stations report on progress and target dates (p. 9).

SENATE TV HEARINGS won't get going for at least 6 weeks; House approves \$170,000 extra funds for FCC's own network study and application processing (p. 10).

PROSPECTUS ON NEW STORER STOCK offering discloses how gross and net zoomed after entry into TV; 1954 gross was \$17,736,531, profit \$3,680,779 (p. 16).

RCA REFUTES PATENT RESTRAINT CHARGES: RCA categorically denies practically every allegation in Dept. of Justice's civil anti-trust action instituted last Nov. 19 in N.Y. Federal district court (Vol. 10:47) -- and unequivocal wording of 36-p. brief filed March 29, replying to each of Govt.'s 63 points and asking dismissal of the charges, indicates firm intention of standing by its patent-licensing structure.

(Full text of brief is published as Special Report with this issue; full text of Dept. of Justice complaint was published as Special Report, Nov. 20, 1954.)

Repeatedly, RCA insists its patent licenses are available to all comers on "reasonable and non-discriminatory terms and without restriction." Far from stifling TV-radio competition, far from restraining the electronics industry, RCA asserts it "has pioneered and been responsible for the creation and expansion of much of this industry...the fastest growing and most dynamic industry in the world."

Its own share of the total electronics industry last year was put at 10%; and of combined TV-radio receiver sales same year, 12.6%. "Leadership of a 10% factor in the industry," says the brief, "has been a leadership by example, not by control in any way, shape or form." Govt. suit raises no monopoly issue with respect to RCA manufacturing, broadcasting and other operations; it names GE, Westinghouse, AT&T and latter's Western Electric and Bell Labs as co-conspirators but not as defendants.

Suit aims primarily at so-called "package licensing agreements," alleges the misuse of patents in pooling 10,000 or more of them. RCA patent royalties are said to exceed \$20,000,000 a year, which RCA concedes, but allegations of exclusion of competition and harassment of other manufacturers are vigorously denied. RCA says it not only pays for patents of others, without restraints upon them, but has spent many millions on research and development on its own -- notably some \$50,000,000 on black-&-white TV and an equal amount on developing a compatible color TV system.

Brief traces history of company from its formation in 1919 ("at the urgent

request of the U.S. Govt. in order to free American communications from foreign domination and to create a new American radio company") through licensing and cross-licensing agreements ("without them the industry would have been paralyzed by conflicting patent holdings and endless patent litigation") up to present stature as the industry's biggest entity, doing nearly a \$1 billion business (Vol. 11:9).

RCA rests its legal case largely on the consent decree of 1932 under which GE, Westinghouse & AT&T disposed of their stock in RCA and Govt. agreed to new cross-licensing agreements. "RCA avers," states the brief, "that the Govt. cannot attack a consent decree to which it is a party by charging RCA with violating the law -- beginning the very day after the decree was entered -- because it has conformed to the provisions of the decree." These were reaffirmed by the courts in 1942, says the brief, and reasserted by the court as recently as 1954.

You don't have to be a lawyer to understand even the technical details of the comprehensive legal document filed this week. Since RCA claims that every one of the TV receivers made by its licensees utilizes one or more of its inventions -- representing a public investment of more than \$10 billion -- and since RCA spells out its licensing philosophy and policies in detail -- it's an invaluable reference source for manufacturers, lawyers, students, anyone concerned with the industry. For more highlights culled from brief, with particular relation to electronics, see p. 14.

FCC, CONGRESS & INDUSTRY WORK ON UHF: Efforts to preserve and resuscitate uhf stations -- and ailing vhf outlets as well -- proceeded at many levels this week, as industry kept fingers crossed as to probable efficacy of the moves, particularly for the short run. FCC, Congress and industry took following steps:

- (1) FCC started its "second look" at deintermixture by inviting comments on a reconsideration of its denial of previous deintermixture petitions for Peoria, Ill.; Madison, Wis.; Evansville, Ind.; Hartford, Conn. (see below).
- (2) Uhf "booster" rule-making, to permit uhf stations to fill in shadow areas with low-power on-channel repeaters, was initiated by Commission (see p. 5).
- (3) AT&T's proposal for lower-cost off-air microwave service (Vol. 11:7) was set forth by Commission, and industry was invited to comment about it (p. 16).
- (4) House voted FCC \$80,000 to conduct a network study, in a surprise action; Commission has said this is long overdue, and Senate concurrence appears likely. In addition, House voted FCC \$90,000 for application processing (p. 10).
- (5) Uhf tuner makers were invited to meeting April 20 with Senate Commerce Committee, 5 days before set makers sit down with Committee, while Sidney Davis took over as head of investigatory staff and prepared for hearings (p. 10).
- (6) New money was being found to revive 2 defunct uhf stations and shore up one that is leaning badly, while GE continued work on its "help uhf" plan (p. 4).

* * * *

FCC's action on deintermixture was in line with promises to Senate Commerce Committee (Vol. 11:12), but it shouldn't be concluded that Commission is by any means hell-bent to deintermix. What the Commission wants is a lot more information before it makes up its mind. The 4 cases chosen are probably the most clear-cut. Peoria, Madison, Evansville and Hartford each have 1 vhf channel -- not granted yet, though hearings have been conducted on all. Evansville also has a vhf in nearby Hatfield.

In each case, uhf operators have asked that the vhf channel be deleted, moved out of town or given to educators -- to preserve the cities as "pure" uhf. FCC's previous denials were generally considered weak, vulnerable to court reversal, and it's certain Commission will be much more careful in next go-around. Usually, FCC has cited vhf applicants' investment in hearings as a major reason for denials.

Commission is studying similar cases -- Corpus Christi, New Orleans, Baton Rouge, et al -- but similar action isn't necessarily expected.

Commission is asking parties for "the works" in their comments, which are due May 2: Grade A & B contours of operating and potential stations in each area; number of families within the contours, plus number able to get signals beyond contours; total sets in area, including percentage equipped for uhf; availability of signals from stations in other cities; estimated loss of service if vhf is deleted; data on

how the deleted vhf channel can be used elsewhere; nature of network affiliations & number of network programs; availability of other programs; extent of advertiser support for uhf; impact of uhf set sales and conversions if uhf's lose network shows.

That Commission really intends to give subject full treatment is indicated by fact that it said oral argument will be conducted after comments are filed -- something rather infrequent in such proceedings.

Comr. Hennock dissented, stating that it is "utterly arbitrary and unjustifiable for the Commission to take steps looking toward deintermixture in 4 isolated cases without first announcing its intention with respect to deintermixture throughout the country...Whatever temporary advantage deintermixture might afford to uhf broadcasters located, like the petitioners, in isolated communities where no vhf station has yet been authorized, it would prove in the longer run to be illusory."

Commission action is bound to stimulate other uhf stations to plump for similar action in their areas -- even to extend principle to shift operating vhf's to uhf.

NEW VHF's IN BATON ROUGE, BEAUMONT & WACO: Three new stations went on air this week -- all vhf. They bring on-air total to 431, highest yet -- total having been held down in recent months by the 47 deletions to date (41 uhf, 6 vhf). Week's starters:

WBRZ, Baton Rouge, La. (Ch. 2), offering first competition to 2-year-old uhf WAFB-TV (Ch. 28), aired test patterns March 30, hooks up with NBC & ABC April 14. It has 10-kw RCA transmitter, 12-bay antenna on 750-ft. Ideco tower. Manship family, publisher of Baton Rouge Advocate and State Times, operating radio WJBO, owns 50%; other principals are ex-operators of radio WLCS, who dismissed own Ch. 2 application and sold radio station. Roy Dabadie is gen. mgr.; John Ferguson, program mgr.; Bob Reed, production mgr. Base rate is \$250. Rep is Hollingbery.

KFDM-TV, Beaumont, Tex. (Ch. 6), first local competitor of uhf KBMT (Ch. 31), which began year ago, started test patterns April 1, becomes CBS basic April 24. It has 10-kw RCA transmitter, 12-bay antenna, 608-ft. Emsco tower. Its principals are Darrold A. Cannan, who controls KFDX-TV, Wichita Falls, pres.; C.B. Locke, v.p.-gen. mgr.; with Gov. W.P. Hobby, publisher of Houston Post (KPRC-TV) and husband of Oveta Culp Hobby, Secy. of Health, Education & Welfare, holding option to acquire 32.5%. Mott M. Johnson, ex-KFDX-TV, is sales & operations mgr.; Edward F. Joslyn, program mgr.; Harold Bartlett, chief engineer. Base rate is \$300. Rep is Free & Peters.

KWTX-TV, Waco, Tex. (Ch. 10), planned as independent, began tests March 30. It's area's third outlet -- both KANG-TV, Waco (Ch. 34) and KCEN-TV, Temple (Ch. 6) having started in fall of 1953. It has 10-kw RCA transmitter, 12-bay antenna on 461-ft. Andrews tower. Owners include W.W. Naman, pres.; M.N. Bostick, v.p. & mgr. Chas. Boland is sales mgr.; Earl Huff, chief engineer. Base rate is \$200, rep Pearson.

'TV CANNOT EXIST HALF FREE & HALF FEE': Strong telecaster opposition to subscription TV is beginning to shape up as networks and stations begin preparation of comments which are due at FCC May 9. Though telecasters have been the "silent people" in the much-publicized pay-as-you-look picture (Vol. 11:9), they definitely will take a firm stand. Mostly, it will be in opposition to fee-TV.

Nature of opposition is becoming clearer, too. Among major arguments: (1) The economics of subscription TV are probably unsound, with no assurance of top-rated subject matter from any responsible source. (2) If economics prove sound, it will be because public is willing to pay for what it now gets free. (3) Why jeopardize a going system, of known value, to tinker with techniques of speculative worth?

Though RCA-NBC's and ABC's bearish views on fee TV have been known for some time (Vol. 11:9), CBS has taken a "let's study it" attitude. Now, says a spokesman, CBS will oppose it with full vigor. It's considering, for example, telling FCC that a show like I Love Lucy now costs sponsor about \$100,000 a week, which comes to a fraction of 1¢ per viewer. With a boxoffice in every home, on the other hand, no sponsor could match bid of pay-TV promoter who might get many times that from the viewer. Thus, all attractive programs would soon be converted to pay basis. The CBS thesis will be: "TV cannot exist half free and half fee."

CBS got into middle of a hassle this week, after March 27 Omnibus, produced by Ford Foundation, presented symposium on Phonevision. Broadcaster-telecaster Geo.

B. Storer participated, via film -- but audio was so bad his statements were hardly intelligible. Since he was only participant opposing subscription TV, Committee Against Pay-as-You-Look TV quickly protested and asked for new program.

CBS pres. Frank Stanton agreed program "did not do full justice to that side of the controversy," said CBS would put on another covering whole subject in Omnibus Sunday time after its season ends April 10. Storer will be invited again, as presumably will other opponents as well as proponents.

CAPT's campaign this week, as lines were being drawn for intense battle, was marked by retaining of noted inventor-engineer John V.L. Hogan as technical consultant. It also enlisted on its side of argument such groups as "Downtown Boosters," "Hospitalized Veterans for TV Committee," and "Shut-Ins for Free TV."

Note: Intensity of interest in subscription TV is indicated by the fact that Business Week April 2 devotes 2 pages to roundup on subject, and Wall St. Journal treated it in long front-page feature March 31.

ONE TOTTERING and 2 defunct uhf stations were subject of actual or potential "rescue" operations this week. In Macon, Ga., oldtime broadcaster E. K. Cargill, once chief owner of radio WMAZ (now companion to Ch. 13 WMAZ-TV in nearby Warner Robins, Ga.) and Texas oilman J. C. Barnes have agreed to take over 20-month-old WNEK-TV (Ch. 47) for \$1 plus assumption of about \$249,889 in liabilities. They propose to give it new business whirl. Present owners applied to FCC this week for transfer, saying they could not afford continued losses. Cargill will be mgr. and 25% owner, Barnes will hold 75% and put up new working capital. Station's operating deficit to date has been \$196,230.

In Lebanon, Pa., owners of WLBR-TV (Ch. 15), who lost about \$100,000 in year of operation up to sign-off last Oct. 16 (Vol. 10:42), are seriously contemplating reopening—depending on pledges of local ad support entirely, inasmuch as networks are all spoken for. They also are bucking application by WHUM-TV, Reading (Ch. 61) to take over the WLBR-TV channel. City has population of about 30,000 in center of rich farming & industrial area. It's "uhf country" with service from 2 uhf in Reading, 25 mi. away; 3 uhf in Harrisburg, 25 mi.; 2 uhf in York, 30 mi.; and from the vhf in Lancaster, only 22 mi., plus some from Philadelphia's vhf. Lester P. Etter is pres. & gen. mgr. of prosperous radio WLBR, which owns 52% of TV station, while *Lebanon News* owns 36%.

In Mobile, Ala., WKAB-TV (Ch. 48), which quit air last Aug. (Vol. 10:31) after some 20 months of operation, is definitely being sold to group headed by George A. Mayoral, exec. v.p. and chief engineer of WJMR-TV, New Orleans (Ch. 61)—but details of deal and time of reopening of station have not yet been divulged. Though station got on air about same time as vhf competitor, it was a consistent losing proposition. Sellers are Mrs. Louise P. Pursley and associates, with assent of lenders J. H. Whitney & Co., N. Y. investors, who own KOTV, Tulsa (Ch. 6).

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GE plan to finance uhf and other stations in trouble was going forward this week, said principals, but no president of projected new National Affiliated Television Stations Inc. (Vol. 11:12) had yet been found. There was talk of engaging Theodore F. Streibert, former pres. of WOR-TV & WOR and ex-MBS chairman, now director of U. S. Information Agency, top-level govt. service that runs Voice of America among other propaganda projects. Mr. Streibert, however, said he had not been approached.

Accolades came to GE, meanwhile, from CBS v.p. Richard Salant and Washington attorney Harry Plotkin, author of famous Plotkin Memorandum, during their debate before FCC Bar Assn. luncheon March 31. Said Salant: "GE has made an enormous stride forward, show-

ing imagination and boldness." Said Plotkin: "GE proposes a step in the right direction, but I don't think GE can do it alone. Others should join in."

But Madison Ave. was inclined to be skeptical about NATS project. Business rivals of Ely Landau's National Telefilm Associates Inc., program syndicate whose library services would be made available on deferred payment basis, didn't cotton to deal they said was beneficial only to a competitor. And station rep firms, which got letter from NATS v.p. Oliver Unger this week urging they cooperate on sales side, similar to Landau's letters to the program firms (Vol. 11:13), were not rushing to join the NATS project. Said one of top reps:

"Frankly, I don't know what to think about the whole setup. If it were not for the fact that GE has identified itself with it, and is apparently putting up a lot of money, I'd think it was simply a high pressure deal by film salesmen. I don't think the basic idea has much merit anyhow.

"Pouring money into a losing proposition—especially some of the uhf stations which were unsound in their planning and execution—is going to serve no more purpose than to get their owners further in debt. The money advanced to these stations—whether in cash or equipment—must be repaid. Unless there is a drastic revision in the entire spectrum picture, most of today's losers cannot be salvaged by going deeper in debt."

This rep went on to emphasize the costliness of TV installations, with uhf transmitters generally more expensive than vhf, and added: "Many basically uneconomic properties have jumped on the bandwagon in too-small markets because they heard stories about the golden TV goose and didn't want to be left in the lurch as long as there were channels available.

"Unless the situation has basic merit, all the pump priming in the world won't help stations in too-small markets that operate on a system that needs conversion from the norm. As for helping vhf stations, that may have more merit in some instances. Here again, if the station is basically sound, it would be operating profitably by this time."

First station to tell FCC it's seeking aid from new NATS Inc. is KTVQ, Oklahoma City (Ch. 25). In petition opposing change in tower site of vhf KGEO-TV, Enid, KTVQ told FCC its investment of \$600,000 in station "is presently in jeopardy." KTVQ petitioned added: "The station is presently in reorganization and an application . . . for reorganization [has] been approved by the court. The reorganization includes a plan for assistance from General Electric in accordance with the proposals advanced by that company for support and aid to TV stations." KTVQ said that its reorganization, together with expected support from GE, will afford it "reasonable opportunity to continue to survive and render a service meeting the needs of its community . . ."

BOOSTER proposal issued by FCC this week is companion piece to its low-power satellite proposal issued last year (Vol. 10:51) and on which industry commented this week. The booster rule-making is confined strictly to uhf—though it may be assumed that the principle, if adopted, will eventually be extended to vhf.

This week's proposal is quite general, aimed largely at gathering information. Commission stated that uhf just doesn't fill "shadows" in rough terrain as well as vhf does, so it proposed to permit operation of low-power units in "holes" simply repeating mother-station signals on same channel. It noted uhf booster experiments of RCA in Vicksburg, Miss., Adler Communications Labs in Waterbury, Conn., Sylvania in Emporium, Pa. It also noted that WSM-TV has "contributed extensively" to knowledge of subject through vhf experiments in Lawrenceburg, Tenn.

Commission shied away from using the term "booster," choosing to call the repeaters "amplifying transmitters." Its notice asks for technical data of all kinds, including handling of color, mileage separations, etc. It also seeks comments on costs, hours of operation, who shall be licensees, number of boosters in each area, applicability of multiple ownership rules, etc. Document is Public Notice 55-404, Mimeo. 17414, copies of which may be obtained from FCC or from us.

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Interestingly, new proposal was issued just day before industry filed final comments in FCC's satellite proposal (Vol. 10:51), which contemplates repeaters using *different* channels from those of mother stations.

RETMA committee, under chairman Ben Adler, suggested that FCC ease requirements on power tolerances, proof of performance & directionals and eliminate power minimum—provided station gives Grade A service to whole community. It also recommended that satellites be permitted anywhere, regardless how far nearest operating station is located.

Sylvania reported having received 95 queries about

satellites and boosters, including 16 from TV or radio stations, 16 from TV-radio distributors, 35 from individuals, 14 from corporate or civic organizations. It urged relaxation of requirements on frequency tolerance, side-band filters, directionals, and recommended that unattended or remote-control operation be permitted. It also suggested that Grade A coverage be substituted for minimum power requirement.

Sylvania estimated cost of on-channel (booster) station would run \$19,500, off-channel (satellite) \$21,500, while low-power outlet capable of local originations would run \$44,500. Annual operating costs were estimated at \$9950 for first 2, \$18,000 for the third.

Costs estimated by Adler were: A 20-watt on-channel station, capable of producing 750 watts ERP, would run \$12,500 for two 100-ft. towers, receiving & transmission antennas, transmission line, on-channel amplifier and test equipment; 150-watt amplifier, making 5-kw ERP possible, may be added for \$4960. A 20-watt off-channel station, which shifts any channel to any other, would run \$13,500 for same equipment listed for on-channel station—and 150-watt amplifier is \$4960. Station capable of producing local programs would run \$21,000, to which a "typical film & slide originating package," including vidicon camera, 16mm projector, slide projector, sync generator, audio equipment and auxiliary apparatus may be added for \$7500.

NARTB endorsed low-power principle but warned that originating stations have program rights which could be infringed by indiscriminate rebroadcasting.

National Assn. of Educational Broadcasters said it was "heartily in favor" and that adoption would speed growth of educational stations.

KFBC-TV, Cheyenne, urged that present allocation mileage separations be maintained; that one satellite be permitted in each area; that they have independent ownership.

WSM-TV, Nashville, recommended that multiple ownership rules be waived for satellites.

FCC's GRANTS this week comprised Ch. 7 CP to WDBJ, Roanoke and Ch. 23 CP to KYAK, Yakima, Wash., while examiner Herbert Sharfman issued initial decision favoring A. Frank Katzentine's WKAT for Ch. 10 in Miami Beach over 3 competitors.

Sharfman said WKAT had "clear lead" over others in local ownership, civic participation, integration of ownership-management and had good broadcast record despite lapse into broadcasts of horse-racing information. He had good things to say about other 3 applicants but felt that none had quite the combination of favorable features exhibited by WKAT. Other 3 are: L. B. Wilson Inc., owned by estate of the late operator of WCKY, Cincinnati; Public Service TV, owned by National Airlines; North Dade Video, owned by 10 local businessmen whose pres. is Frank Bryson.

Several more uhf stations sought lower channels this week: WNOW-TV, York, Pa. (Ch. 49) asked that Ch. 15 or Ch. 21 be made available in York through shifts involving CPs and allocations in Williamsport, Lancaster & Lebanon. WTPA, Harrisburg, Pa. (Ch. 71) also petitioned for Ch. 21 through moves affecting Williamsport & Lancaster. WKNY-TV, Kingston, N. Y. (Ch. 66) applied for Ch. 21 and WHYN-TV, Springfield, Mass. (Ch. 55) applied for Ch. 36, though rule making providing those channels hasn't been finalized.

WICS, Springfield, Ill. (Ch. 20) asked that city be deintermixed by giving Ch. 2 to educators or moving it to St. Louis. WTVO, Rockford, Ill. (Ch. 39) sought deintermixture through shifting Ch. 3 from Madison, Wis.

to Beloit, Ch. 39 from Rockford to Madison, substituting Ch. 68 for Ch. 54 in Fond du Lac, Wis. FCC tied latter into "second look" at Madison deintermixture (see p. 2), day after it was filed.

Also of an allocation complexon were complaints filed this week by KOTV and KVOO-TV, Tulsa, asking Commission to issue cease-&-desist order against KTVX, Muskogee, directing it to quit creating impression it's a Tulsa station.



FCC is cracking down on illegal boosters (Vol. 10:46-47) in series of hearings next month in Seattle. Examiner J. D. Bond will conduct hearings on proposed cease-&-desist orders for 3 rebroadcast operations in Washington State, has called 21 individuals and one corporation to appear. They're charged with operating without licenses and without licensed operators, and rebroadcasting programs without authority of originating stations (all Seattle outlets). Ordered to appear at hearing May 9 are 20 individuals from Quincy, Wash.; May 12, H. J. Miller of Nespelem; May 16, C. J. Community Services Inc., Bridgeport.

Profit-&-loss statement filed at FCC this week with application to switch WKNY-TV, Kingston, N. Y. from Ch. 66 to Ch. 21 in Poughkeepsie shows operating loss of \$42,017 from time it began commercial operations May 31, 1954 to Feb. 28, 1955. Net income totaled \$84,059, including \$58,189 from local time sales, \$13,560 national, \$531 network. Operating expenses totaled \$126,077. Total assets on Feb. 28 were \$225,571; liabilities included \$116,574 in equipment notes, \$137,901 common stock.

Personal Notes: Thomas W. Sarnoff named director of production & business affairs, NBC Pacific div., reporting to network services v.p. Earl Rettig . . . Marvin Josephson resigns from CBS-TV legal dept. to form Broadcast Management Inc., 5 E. 57th St., N. Y., specializing in business consultation to TV-radio production firms . . . Peter Finney resigns as TV-radio v.p., Harry B. Cohen Adv., to join Vidican Pictures Corp., 240 E. 39th St., N. Y., as partner & exec. v.p. . . . W. Ward Dorrell, research director of rep Blair-TV, elected v.p. of John Blair & Co. . . . Thomas R. Murphy, ex-Grant Adv. v.p., named Dallas mgr. of Pearson rep firm, succeeding Robert M. Baird, who goes to Atlanta to open new Pearson branch . . . Frank Fouce, pres. of Pan American TV Corp., Los Angeles, and owner of chain of Spanish-language theatres there, elected pres. of XETV, Tijuana, Mexico (near San Diego), controlled by Emilio Azcarraga; George Rivera, station's founder and operator of radio XEAC, becomes treas. . . . James M. Harmon, ex-KOTV, Tulsa, named program director, KFMB-TV, San Diego, succeeding Bill Fox, now gen. sales mgr. . . . Hoyt Andres now v.p. as well as gen. mgr. of WSFA-TV, Montgomery, Ala., with John C. Hughes promoted to sales mgr. and following transferred to WSFA-TV from WKY-TV, Oklahoma City: Gene R. Jacobsen, production supervisor; Robert F. Doty, program director; Robert M. Hayward, chief engineer . . . Sidney Barbet, ex-Buyers Associates Inc., ex-United Artists & Eagle-Lion Films, appointed film buyer of Hearst Radio's newly acquired WTVW, Milwaukee . . . Stephen C. French, ex-WTVP, Decatur, Ill., ex-GE adv. dept., appointed gen. mgr. of Gov. Noe's WNOE, New Orleans, succeeding James E. Gordon, resigned . . . John Schultz, ex-NBC TV Spot Sales, Chicago, named station mgr. of upcoming WFRV-TV, Green Bay (Ch. 5), due in mid-April, reporting to gen. mgr. Don Wirth . . . Herbert S. Stewart named acting mgr. of CHCT-TV, Calgary, succeeding John H. Battison, latter having completed contract to put station on air . . . Ann Brenton (Mrs. Gary Bronneck) has resigned as CBS Hollywood director of music copyrights after 17 years . . . John A. Thayer Jr., ex-DuMont Network, named sales mgr., Gotham Recording Co. . . . Harry Trenner, ex-v.p., Wm. Weintraub Agency, has formed Station Film Library Inc., 579 Fifth Ave., N. Y., offering daytime strips; associated with him is Richard Hubbell, ex-DuMont . . . Howard Grafman, ex-NBC, forms Howard Grafman & Assoc., Chicago, film distribution . . . Wm. G. Grainger resigns from NBC film div. to become pres. of National TV Distributors Inc., N. Y., film producers & distributors . . . Sidney Matz, ex-Feigenbaum & Wermen Adv., Philadelphia, named merchandising exec. of WRCA-TV & WRCA, N. Y. . . . Donald C. Arries assigned to Chicago office, N. W. Ayer as a TV-radio dept. director and production supervisor . . . Ervin J. Brabec elected v.p. of MCA Corp., affiliate of Music Corp. of America, in charge of industrial films for manufacturers & distributors . . . Edward G. Thoms, WKJG-TV & WKJG, Ft. Wayne, elected pres. of Indiana Bestrs. Assn., succeeding C. Bruce McConnell, WISH-TV & WISH, Indianapolis.

Two newspaper publishers who pioneered both radio and TV—Joseph Pulitzer, 70, and Col. Robert R. McCormick, 74—died this week. Pulitzer, editor & publisher of *St. Louis Post-Dispatch*, founded its KSD in the early '20s and its KSD-TV in 1947, latter at urging of newspaper's then adv. mgr., now TV-radio director, George M. Burbach. Col. McCormick's *Chicago Tribune* acquired WGN in radio's early days, established WGN-TV in 1948.

Junius Blair Fishburn, 89, chairman of Roanoke Times-World Publishing Co., pioneer in radio whose station WDBJ holds Ch. 7 grant, died April 1. His son Junius P., who was pres. & publisher, died last year when stricken with a heart attack during an FCC hearing.

Edward Lamb denied he wrote an article for the Communist *Sunday Worker*, in his first day on the stand April 1 as the lengthy hearings resumed on his application for license renewal of his WICU, Erie. Speaking softly in response to questions from equally soft-spoken Broadcast Bureau attorney Joseph Kittner, the Toledo broadcaster-publisher-industrialist said part of the article referred to in previous testimony by ex-Communist Louis Budenz may have been obtained by "someone picking up a copy of one of my manuscripts" of a series of speeches delivered in 1936. He also flatly denied testimony by his former secretary that he sent a telegram to *Daily Worker* editor John Gates in 1948. Much of the rest of the questioning was centered around Lamb's 1933 trip to Russia. He said he traveled as a tourist, received no special treatment. At outset, examiner Herbert Sharfman barred Lamb from making a preliminary statement. A statement was distributed to the press, however, expressing gratitude that "after 2,000,000 words of testimony [the] time has come in this fantastic proceeding when I can now tell *my* story." He claimed FCC had cleared him of same charges "many times before"—but that this time "my Government is on trial." Lamb's attorney J. Howard McGrath said that the loss to Lamb's enterprises as result of the FCC charges "runs into hundreds of thousands." In unusual Saturday session April 2, Lamb denied he ever knowingly was member of any committee of International Labor Defense organization, and clashed with Kittner over whether latter was trying to "entrap" him.

FCC set new limits on length of briefs filed with it and added more flexibility to its rules on time allotted for oral argument. The newly amended rules, as listed in Public Notices 55-387 and 55-388: In adjudicatory proceedings designated for hearing, briefs must not be longer than 15 double-spaced typewritten pages, unless exception is granted by motions commisioner. Memoranda accompanying exceptions to or statements in support of initial decisions, as well as briefs in reply to exceptions, will be limited to 50 pages, exceptions to be granted only by the Commission. In hearings before Commission en banc, former 20-min. limit on oral argument by each party has been rescinded. Instead, orders designating cases for oral argument will specify time allotted each party, Commission granting exceptions if "good cause" is shown.

Two major positions in FCC Broadcast Bureau are still unfilled—chiefs of Hearing and Renewal & Transfer Divs. Chairman McConnaughey, now firmly in position after Senate confirmation, is expected to make appointments soon. There's no clear indication who will be selected, though Joseph Nelson is known to have strong support for Renewal & Transfer post. He now heads TV application branch.

Joint Committee on Educational TV, at meeting this week marking 5th anniversary, elected Dr. Albert N. Jorgensen, pres. of U of Connecticut, as chairman, succeeding Dr. David D. Henry, pres.-elect of U of Illinois. Dr. Edgar Fuller continues as vice-chairman, Ralph Steetle as exec. director.

Col. Edwin L. White, chief of FCC Safety & Special Radio Services Bureau, retires at end of July after 35 years of govt. service; he joined old Federal Radio Commission in 1930, served previously in Army and in Naval Research.

Lambert B. Beeuwkes, ex-KYW, has opened offices in Little Bldg., Boston (phone Hubbard 2-2070) as management consultant specializing in uhf and declining-revenue radio stations.

Edward B. Crosland, asst. AT&T v.p. & attorney in Washington for last 3 years, named asst. to the pres. of AT&T in N. Y.

Telecasting Notes: Direct tieups of major film producers with ad sponsors & agencies look like next phase of Hollywood's growing affinity with TV. Whereas top-rated *Disneyland* began as tieup of Walt Disney studios with ABC-TV, which found the sponsors, and Warner Bros. entry into field is also by way of affiliation with ABC-TV (Vol. 11:12-13), 20th Century-Fox's projected advent represents direct deal with GE and its agency, Young & Rubicam, and it looks like Paramount will supply Colgate (Wm. Esty agency) with film format as substitute for Sun. NBC-TV *Comedy Hour* next fall . . . **Format for GE show** hasn't been decided, says Young & Rubicam, but at least 26 shows will be placed on CBS-TV, Wed. 10-11 p.m. Spyros Skouras himself handled negotiations, with assist from Y&R's Peter Levathes, who was once a Fox executive handling *Crusade for Europe* series for *Life Magazine* . . . Warner Bros. modus operandi, it's understood, will be 45 min. of entertainment, with 6 min. of behind-the-scenes in Hollywood, 3 min. of plugs for studio's latest films, 6 min. for sponsor commercials. Paramount, which released clips from its upcoming *Seven Little Foys*, starring Bob Hope, and *Run for Cover*, starring James Cagney, for colorcast celebrating opening of NBC-TV's new Color City in Burbank March 27, is expected to make available to Colgate the best of its old film properties, musical scores, etc., with excerpts from new shows and appearances of its contract players . . . Walt Disney proved there's boxoffice promotion (*20,000 Leagues Under the Sea*) and even theatrical re-release potential (*Davy Crockett*) for current as well as old shows—if the appetite is whetted by TV. He really started the rush of the big producers into TV, about which we've heard only the beginning . . . **First 20th Century production** made solely for TV syndication, though adapted from film and story properties, will be 39 half hours of *My Friend Flicka*, to be handled by General Artists Corp.; other film prop-

erties that may be adapted are *Cheaper by the Dozen* and *Jesse James*. It's suggested new "Emmy" may be added next year for best performance by an animal on TV, as horse star Flicka joins Lassie, Rin Tin Tin and J. Fred Muggs as TV celebrities . . . CBS got jump on stage & screen bidders by acquiring right to J. P. Marquand's current best seller *Sincerely, Willis Wayne*, will first adapt it to TV on *Climax*, May 5 . . . Philco Playhouse hit *Marty* is coming out as feature film this month (Vol. 11:13), then may become Broadway play—prompting USC's great TV educator Prof. Frank Baxter (*Shakespeare on TV* and *Now & Then* on CBS-TV) to remark to us while in Washington this week: "All we need now is a novel based on the plays—and we'll complete a reverse cycle" . . . U. S. Steel Hour's *Fearful Decision*, ransom kidnap drama played twice on ABC-TV and due for third telecast in May, has been bought by MGM for feature film . . . TV's Steve Allen appears to be choice to play Benny Goodman in Universal film based on bandleader's life to be produced in Hollywood; Walter Matthau, one of TV's top actors, signed for feature role in Kirk Douglas ferry's first production, *The Indian Fighter* . . . NBC signs Perry Como to 12-year contract, taking him away from CBS where his radio & TV shows have been sponsored by Liggett & Myers since 1943; NBC has also signed Martha Raye for 15 years, Ralph Edwards for 5. CBS tieup with Jackie Gleason is for 15 years, with Ed Sullivan 20 . . . Greta Garbo being sought for TV, says *Variety*, but she declined to participate in this week's Academy Awards show on NBC-TV; recently she conferred in N. Y. with CBS chairman Wm. S. Paley, giving rise to conjecture she may be signed by that network . . . Paul Dixon, who went from Cincinnati's WCPO-TV to DuMont, joins WLWT, Cincinnati April 18 for 3-3:30 p.m. Mon.-thru-Fri. show, to be fed also to Crosley outlets in Dayton & Columbus.

LEGITIMATE THEATRE took to the "road" this week via theatre TV in long-heralded and closely-watched experiment, which many theatrical personalities predicted would revitalize the American theatre. Nobody knows just why, but the March 29 theatre telecast of *ANTA Album*—closed-circuited to 33 theatre screens in 31 cities from coast to coast—was a flop.

Joint benefit for American National Theatre & Academy (ANTA) and CARE originated in DuMont's Adelphi Theatre, N. Y. (the only theatre reporting a full house), using DuMont facilities and syndicated by DuMont. Live performance in N. Y. cost theatregoers \$3-to-\$100; at movie theatres prices ranged from \$2-\$10, although at least one theatre halved prices before show time, due to poor advance sale.

Theatres booking the telecast had total capacity of 80,000, and ANTA & CARE officials had predicted gross of \$400,000 in event of a sellout. But no theatre reported more than a half-capacity crowd, one Chicago theatre (the Uptown) reporting that only 300 of its 4400 seats were filled. Cost of show was estimated at \$250,000.

Second-guessers submitted a number of possible reasons why the first legit theatre-TV offering flopped: (1) The fragmentary nature of the show, which, despite the big names appearing (Helen Hayes, Ezio Pinza, Lena Horne, Victor Borge, Ruth Draper, et al.), gave it the aura of a home-TV variety show. (2) Late hour of performance (10:30 p.m. in east) may have discouraged potential attendees. (3) Poor advance promotional buildup.

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Theatre-TV's most solid successes so far have been with televised championship prizefights—and May 16 Marciano-Cockell bout, slated to be theatre-televised from San Francisco by Nathan Halpern's Theatre Network Tele-

vision Inc., may be biggest such hookup in history. About 100 theatres are equipped with permanent closed-circuit equipment, and TNT has an additional 50 projection units available for rental at rates varying from \$100-\$500, depending on size of picture. TNT hopes to book out into more theatres than the record 71 which featured second Marciano-Charles bout.

Another closed-circuit TV show—this one using not only theatres but hotels, medical auditoriums and TV studios—will be the April 12 report to physicians on results of use of the Salk vaccine in combatting polio. Sponsored jointly by pharmaceutical firm of Ely Lilly & Co. and National Foundation for Infantile Paralysis, it will feature pickups from Ann Arbor, Mich., Indianapolis & New York City. It's scheduled to be closed-circuited to 65 cities, is being handled by DuMont's closed circuit dept. (Morris Mayers) and Medical Communications Inc. (Paul Klemtner & Co., Newark adv. agency).

NBC Radio's new week-end program concept, designed to revitalize its radio operation through 48-hour around-the-clock network service of music & information and possible use of audio portions of popular TV programs (Vol. 11:10), was approved this week by affiliates exec. & study committees, which will recommend it to all affiliates. Committees got details of plan, which will be revealed fully next week, at meeting with network officials in N. Y. Committees' members are Robert D. Swezey, WDSU, New Orleans, chairman; R. B. Hanna Jr., WGY, Schenectady; George Norton Jr., WAVE, Louisville; Harold Essex, WSJS, Winston-Salem, N. C.; Paul W. Morency, WTIC, Hartford; Richard H. Mason, WPTF, Raleigh; Jack W. Harris, KPRC, Houston; Walter J. Damm, WTMJ, Milwaukee; Edwin K. Wheeler, WWJ, Detroit; Wm. Fay, WHAM, Rochester.

Station Accounts: Valuable advice for using TV is given its members by American Bankers Assn., 12 East 36th St., N. Y., in 40-p. booklet, *Television for Banks*, plus kit of TV program ideas (85¢) released last week. It says banks' use of TV has been steadily increasing, 200 banks now buying TV time and devoting average of 33% of their ad budgets to medium. Results have been highly gratifying, ABA says, noting that one bank traced almost \$7,000,000 worth of business to 13-week TV series, another increased number of savings accounts by 2500, another sold 3000 calendar coin banks at \$1.25 each after two 90-sec. announcements. Though many banks sponsor syndicated film shows, ABA recommends greater use of local live programs—such as panel discussions on personal and family money management, dramatizations of bank's services, weather programs originating in front of bank, etc. . . . National Dairymen's Assn. to sponsor film series for children's audience, *Kite-Flite to Moonland*, on selected markets in all sections of country starting in late April, thru McCann-Erickson, Chicago . . . Helaine Seager Inc., Los Angeles, planning TV spot campaign to introduce its Pink Ice facial toiletry in East, thru Fiore & Fiore, N. Y. . . . Greyhound Bus signs Jerry Fairbanks Productions to produce 40-min. travel film in color for eventual distribution to TV outlets, thru Beaumont & Hohman, Chicago . . . Pillsbury Mills buys *Stars of the Grand Ole Opry*, 39 half-hour film features, from Flamingo Films, for 18 mid-western markets initially, thru Campbell-Mithun, Minneapolis . . . Emerson Drug (Bromo Seltzer) to sponsor Ziv's *Science Fiction Theatre*, which debuts week of April 17, in 20 markets, thru Lennen & Newell; Olympia Brewing Co., 16 markets exclusively, and 8 jointly with PictSweet Foods, thru Botsford, Constantine & Gardner, Seattle, and Brisacher, Wheeler & Staff, San Francisco; Serutan, 3 markets, thru Edward Kletterer & Assoc. . . . Ralston Purina buys live *Bandstand Revue* for San Francisco, Portland, Seattle, Providence, Cincinnati & St. Louis, thru Guild, Bascom & Bonfigli, San Francisco; company plans expansion to dozen markets by fall . . . Bulova to launch most concentrated ad campaign in its history shortly for new "23" series of watches, using spots on 270 TV-radio stations, thru McCann-Erickson . . . Philadelphia Distributors, Stromberg-Carlson outlet, sponsors *Standby Broadway* on

WPTZ Sun. 6:45-7 p.m., as Broadway show tryout, with winners qualifying for show business auditions . . . Shamrock Oil of Texas buys *Bill Corum's Sports Show* from National Telefilm Assoc. for 8 southwestern markets, thru McCormick Co., Amarillo . . . Among other advertisers currently reported using or preparing to use TV: Richman Brothers, Cleveland (men's clothing), thru Lang, Fisher & Stashower, Cleveland; Northrup, King & Co., Minneapolis (Golf Brand lawn seed), thru BBDO, Minneapolis; Alsol Products Co., Newark (auto wax), thru Hal Tunis Assoc., N. Y.; Carpet Institute, N. Y., thru Morey, Humm & Johnstone, N. Y.; Remington Arms Co., Bridgeport, Conn. (firearms), thru BBDO, N. Y.; Ben-Hur Mfg. Co., Milwaukee (farm & home freezers), thru Walker B. Sheriff, Chicago; Boyle-Midway, N. Y. (Wizard deodorizers), thru Geyer Adv., N. Y.; Hamilton Metal Products Co., N. Y. (Scotch insulated ware), thru Leber & Katz, N. Y.; Cremo Co., Philadelphia (Cremo toppings & cake frostings), thru Gresh & Kramer, Philadelphia; Madison Pharmacal Co., Chicago (In-Ex for pain & Wayless reducing tablets), thru Duggan & Phelps Adv., Chicago; Precision Radiation Instruments, Los Angeles (Precision Snooper geiger counters, scintillators, metal locators), thru McCarty Co., Los Angeles; Majo Co., Philadelphia (Emperor auto wax), thru Gresh & Kramer Adv., Philadelphia; Trio Chemical Works, Brooklyn, N. Y. (Amazon floor wax), thru Peck Adv., N. Y.; Geigy Chemical Co., Fresno, Cal. (insecticides), thru Julian Besel & Assoc., Los Angeles; Wesix Electric Heater Co., San Francisco (water & room heaters), thru Albert Frank-Guenther Law, San Francisco; Shirtcraft Co., N. Y. (Airman shirts & sportswear), thru Friend-Reiss Adv., N. Y.; Keystone Paint & Varnish Corp., Brooklyn (Key-Lux, Key-Tex, Key-Tint paints & enamels), thru C. K. Kondla Adv., N. Y.; Potato Advisory Board, Bakersfield, Cal. (California Long White Summer potatoes), thru McCarty Co., Los Angeles; Tura Inc., N. Y. (eyeglass frames), thru Dundes & Frank, N. Y.; Durall Products Co., York, Pa. (Durall tension screens & screenarium), thru Wilson, Haight, Welch & Grower, N. Y.; Jiffy Steak Co., Freedom, Pa. (Jiffy Super beef steaks), thru Friedman-Rich Adv., Pittsburgh; Jane Art Co., N. Y. (Misteez perfume), thru Ben Sackheim, N. Y.; Rilling Dermetics (Fluid facial), thru Dowd, Redfield & Johnstone, N. Y.

Several morning TV shows and about 1000 phone circuits were knocked out from 1:15 a.m. to 9:40 a.m. March 31 when Southern Bell's coaxial cable at Columbia, S. C. was dynamited by vandals—one of series of incidents that started when Communications Workers of America (CIO) went on strike March 14. Union has repeatedly disclaimed sabotage. Most of service was immediately restored by rerouting, but 8-9 a.m. of NBC's *Today* was knocked off WJHP-TV, Jacksonville; WJNO-TV, W. Palm Beach; WGBS-TV, Miami; and 7-8 a.m. of CBS's *Morning Show* was lost to WMBR-TV, Jacksonville; WDBO-TV, Orlando; WTVJ, Miami.

In connection with damage to KPIX, San Francisco and KEAR, San Mateo, during labor negotiations (Vol. 11:8), FCC has scheduled hearings in San Francisco May 3-6 on suspension of licenses of 5 technicians, to determine whether they "willfully damaged" equipment or "maliciously interfered" with operations. J. D. Bond will be examiner.

RCA cuts price of vidicon camera tube (type 6198) from \$345 to \$315, second reduction since tube was introduced in 1952, also doubling warranty period when purchased for replacement in broadcast and industrial use.

RCA shipped 3-V color film camera March 31 to KPTV, Portland, Ore. (Storer); April 1 to *Detroit News'* WWJ-TV.

Strong farm appeal is also forte of WREX-TV, Rockford, Ill., with *Town & Country* show popular with urban as well as rural audience; with 16 implement dealers of nearby communities partic. sponsors of *Waterfront*; with Murphy Products Co., Burlington, Ia. (livestock & poultry concentrates) buying 5 live market reports weekly on 52-week contract, thru Van Auken, Ragland & Stevens, Chicago; with Ralston Purina & John Deere sponsorships; with test starting March 7 for Lederle Labs Div., American Cyanamid Co. for Targot, cow disease remedy, placed thru Conklin-Mann & Son, N. Y. In connection with items in this column on farm programming (Vol. 11:10-11), compilation of TV station farm directors is carried in March *Television Age*—very handy.

Jackie Gleason is going to be "Mr. CBS" on Sat. night this fall. He'll control 2 hours of time each Sat., with 3 shows, either as producer or actor. Here's his lineup: 8-8:30 p.m., Dorsey Brothers film show, produced by Jackie Gleason Enterprises; 8:30-9 p.m., *Honeymooners*, starring Gleason & Art Carney; 9-10 p.m., *Cafe Mardi Gras*, variety show in night club setting.

WTVY, Dothan, Ala. (Ch. 9) this week announced affiliation with CBS under Extended Market Plan (Vol. 10:49-51), 21st station to sign up for EMP.

Bill exempting TV-radio stations from libel suits stemming from political broadcasts was passed by N. Y. state legislature this week.

Network Accounts: Network switches by sponsors and talent—*Variety* calls them “raiding parties”—increased this week, and the end of the fiercely competitive fight isn’t in sight yet. Following recent switch of Pabst fights from CBS to ABC-TV, former turned the tables this week and lured U. S. Steel from ABC-TV, its high-rated *U. S. Steel Hour* moving in starting July 6, Wed. 10-11 p.m., as alt. with GE. On the talent side, CBS-TV’s Perry Como, Chesterfield-sponsored, shifted to NBC, possibly for hour-long Sat. night show . . . Hallmark buys 6 of NBC-TV’s upcoming color spectaculars this fall on Sun. 4-5:30 p.m., and has taken option on remaining 2, thru Foote, Cone & Belding; shows will be produced by Maurice Evans, who will act in some . . . Lucky Strikes cancels alt. sponsorship of *Robert Montgomery Presents* on NBC-TV next fall, Mon. 9:30-10:30 p.m.; network says it will disclose new sponsor next week . . . Pontiac drops *Red Buttons Show* on NBC-TV in latter May, will join Armstrong Cork as alt. sponsor of *Circle Theatre* next fall, when it will expand to full hour, Tue. 9:30-10:30 p.m., thru MacManus, John & Adams . . . Whirlpool Corp., in first network sponsorship, buys 20 min. of Milton Berle & Martha Raye shows on NBC-TV starting Sept. 20, Tue. 8-9 p.m., thru Kenyon & Eckhardt; American Chicle Co. also buys 20 min., thru Dancer-Fitzgerald-Sample . . . Welch’s Grape Juice buys 15-min. per week of Disney’s upcoming *Mickey Mouse Club* on ABC-TV starting Sept. 5, Mon.-thru-Fri. 5-6 p.m., thru Kenyon & Eckhardt; it’s 8th partic. sponsor, others being Mars Candy, Carnation Milk, Post Cereals, Campbell Soup, Ipana, Armour, American Dairy Assn. . . . Camels to sponsor *You’ll Never Get Rich*, filmed series starring Phil Silvers, on CBS-TV next fall, time and starting date undetermined, thru Wm. Esty Co. . . . Dixie Cup to sponsor 30 min. alt. weeks of *Super Circus* on ABC-TV, Sun. 5-6 p.m., thru Hicks & Greist . . . General Foods to sponsor one-shot Roy Rogers rodeo from San Antonio Coliseum on NBC-TV June 21, Tue. 8-9 p.m., thru Benton & Bowles . . . Eastman Kodak, which dropped *Norby* last week on NBC-TV Wed. 7-7:30 p.m., to sponsor filmed *Kodak Request Performance* on NBC-TV starting April 13, Wed. 8-8:30 p.m., thru J. Walter Thompson; series will present some of best TV film productions of 1954-55 season . . . Hoover Co. (vacuum cleaners) buys 5 partic. on CBS-TV’s *Morning Show*, Mon.-thru-Fri. 7-9 a.m., starting April 18, thru Leo Burnett Co., Chicago . . . Kleenex, thru Foote, Cone & Belding, buys 3 time periods on alt. weeks this summer on NBC-TV for undetermined shows—Tue. 9-9:30 p.m., Fri. 8-8:30 p.m., Sun. 10-10:30 p.m. . . . CBS-TV to present unsponsored *Look Up and Live* Easter morning religious program Sun. April 10, 10:30-11 a.m. . . . Noxzema drops out as alt. sponsor (with Amoco) of Ed Murrow’s *Person to Person* on CBS-TV Fri. 10:30-11 p.m. . . . Quaker Oats to drop alt. week sponsorship of *Zoo Parade* on NBC-TV May 8, Sun. 4:30-5 p.m.; other sponsor, American Chicle Co., drop out April 17 . . . Longines-Wittnauer Watch Co. cancels *Longines Chronoscope* on CBS-TV starting May 13, Mon.-Wed.-Fri. 11-11:15 p.m.

New ABC-TV Rate Card No. 5, effective May 1, establishes minimum purchase of \$25,000 per 30-min., with client free to pick as many stations as he wishes, as long as they include network’s 5 o-&o stations. Another feature of card enables advertiser to earn up to 32½% in discounts, as opposed to present 27½%, provided he spends minimum of \$80,000 a week for 52 weeks. Production Manual No. 4, accompanying rate card, separates charges for facilities-equipment & personnel, charging flat rate for equipment & facilities, sliding rate for personnel.

Station reps will designate their member of Television Bureau of Advertising board May 10; with Petry joining this week, there are now 3 reps in TvB—others being Blair-TV & Meeker.

NEW TYPE of satellite transmitter was shipped this week by Adler Communications Laboratories, New Rochelle, N. Y., to Manson Community TV Co., Manson, Wash., which plans experimental transmission at first, then commercial operation after FCC finalizes low-power rules (Vol. 10:51 & 11:3). Manson grantee plans to “translate” Ch. 4 signals of KXLY-TV, Spokane, retransmit them on uhf Ch. 16 without demodulation. Transmitter is rated at 20 watts, and outlet will have 200 watts ERP, with identification automatically by Morse code, no operator required to be on duty. Equipment shipped by ACL for the new “booster-satellite” is similar to on-channel booster now in experimental operation at WATR-TV, Waterbury, Conn. (Ch. 53).

RCA shipped 10-kw transmitter April 1 to upcoming WHIS-TV, Bluefield, W. Va. (Ch. 6), which has May target; also April 1 it shipped 50-kw transmitter with 2-kw standby to KCOP, Los Angeles (Ch. 13). DuMont reports it has shipped 25-kw transmitter and complete studio equipment to upcoming WFRV-TV, Green Bay, Wis. (Ch. 5), due April 15; also 50-kw amplifier to KHQA-TV, Hannibal, Mo. (Ch. 7).

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

KRNT-TV, Des Moines (Ch. 8), granted to Cowles last week, has ordered GE transmitter, will use 709-ft. Ideco tower, reports v.p. & TV-radio mgr. Bob Dillon, who says target date is Aug. 1. Remodeling of three office floors for TV has already begun in building which houses KRNT Theatre, called “largest legitimate theatre in the country,” seating 4200. Cowles publish *Des Moines Register* and *Tribune*, *Minneapolis Tribune* and *Star*, *Look Magazine*, also operate KVTW, Sioux City (Ch. 9), radio stations KRNT, Des Moines and WNAX, Yankton, S. D., and own 47% of WCCO-TV, Minneapolis (Ch. 4) & WCCO. Adding TV to radio KRNT duties are sales mgr. Paul Elliott, program director Dick Covey, asst. program director Joe Hudgens. Rep will be Katz.

KOTA-TV, Rapid City, S. D. (Ch. 3), now installing 500-watt RCA transmitter, plans test patterns between May 15 and June 1, programming by June 15, reports gen. mgr. Leo Borin. RCA 3-bay antenna is due to be installed soon on 300-ft. Fisher tower, formerly used by FM, about mid-April. Station has signed with CBS under Extended Market Plan, has agreement with other 3 networks. Rep will be Headley-Reed.

WTHS-TV, Miami (Ch. 2, educational), won’t get going in April as planned (Vol. 11:10) because of delays in converting old WTVJ Ch. 4 transmitter & antenna, reports Vernon Bronson, asst. director, Dept. of Radio & TV Education of Dade County Board of Public Instruction. Transmitter will be in Everglades Hotel, with antenna on rooftop FM tower, 306-ft. above ground.

KLFY-TV, Lafayette, La. (Ch. 10), has 5-kw DuMont transmitter due by mid-April, plans June 1 test patterns, July 1 CBS programming, reports gen. mgr. Bill Patton. It will use 384-ft. Trilsch tower. Earlier this year it got FCC permission to buy out share-time CP-holder KVOL-TV for \$5,000 out-of-pocket expenses incurred by grantee *Lafayette Advertiser* and KVOL gen. mgr. George H. Thomas (Vol. 10:49 & 11:4) Base rate will be \$200. National rep not chosen; Clarke Brown Co. will be rep in south & southwest.

WCBC-TV, Anderson, Ind. (Ch. 61) now doesn’t plan to start until late summer, reports program director Fred M. Mullen for grantee Great Commission Schools, owned by Church of God denomination, which operates local school system & Anderson College & Theological Seminary (Vol. 11:7). On hand are RCA 1-kw transmitter and studio equipment purchased from John L. Booth’s now defunct WBKZ-TV, Battle Creek, Mich. (Ch. 64).

HEARINGS IN SENATE Commerce Committee's investigation of "the entire field of broadcasting, telecasting and communications" won't get going for at least 6 weeks—possibly not until summer—but the House this week approved \$80,000 for the FCC to make its own study of "problems of radio and TV network broadcasting."

Sidney Davis took over this week as chief counsel for the Senate investigation (Vol. 11:12-13), and indicated he favors go-slow policy, wants time to familiarize himself with the problems involved in the inquiry, to conduct preliminary staff investigation, etc. At week's end, Committee Republicans had not yet officially named their choice for minority counsel. Announcement probably won't be made before April 12 or 13, after Congress returns from Easter vacation, but it's understood Republicans want Robert D. L'Heureux, staff member who served as Committee's chief counsel under late Sen. Tobey (R-N. H.).

Next move in Committee's attempt to alleviate plight of uhf stations will be its all-out campaign to encourage production and sale of all-channel receivers. Chairman Magnuson (D-Wash.) has invited large TV tuner manufacturers to meeting in Washington April 20, five days before big meeting with receiver makers (Vol. 11:12). One of main reasons for tuner makers' meeting is understood to be collection of data on prices of all-channel tuners as opposed to vhf-only tuners. Meanwhile, Committee has received acceptances for the April 25 meeting from all major TV manufacturers.

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In a surprise Congressional move this week, House approved \$170,000 more to run the FCC in fiscal 1956 than had been requested in President's budget—\$90,000 of it earmarked for processing backlog of applications, and \$80,000 for the study of network TV-radio broadcasting which the FCC has wanted to undertake for many years.

Increase in appropriation was unexpected—even by FCC, which is accustomed to having its budget estimates slashed by House Appropriations Committee. Committee's questioning of FCC on the subject was short and sweet.

Color Trends & Briefs: Color is featured heavily in NARTB convention's engineering sessions May 25-26, which include papers exceptionally well keyed to current major topics. The TV agenda May 26:

"Advancements in Color Film & Slide Programming," Fred F. Bartlett, Philco; "Conversion of Iconoscope Chains to Vidicon Operation," Joseph W. Belcher, GPL; "General Characteristics of Color TV Displays," Bernard D. Loughlin, Hazeltine; "Network Transmission of Monochrome & Color TV," James R. Rae, AT&T; "A CBS-TV Color Studio," Robert B. Monroe, CBS; "Integration of Color Equipment & Existing Monochrome Installations," Anthony H. Lind, Lannes E. Anderson & Nils J. Oman, RCA; "Design, Construction & Operation of TV Boosters & Satellites," Dr. George Brown of RCA, Ben Adler of Adler Communications & Eugene E. Overmeir of Sylvania; "A Review of Color encoding Principles," Robert Deichert, DuMont; "Proof of Performance Measurements for a VHF TV Station," Richard K. Blackburn & Bernard C. O'Brien, WHEC-TV, Rochester; "Achieving One Megawatt ERP at UHF," Frank J. Bias, GE; "Considerations of Microwave Installations," Richard C. McLaughlin, Raytheon; "A Low Power TV Station for \$50,000," F. Dan Meadows & Joseph W. Alinsky, Dage.

Exhibitors are also expected to devote considerable attention to color. Among other things, RCA is likely to stress new amplifier which produced drop in color camera price from \$67,000 to \$49,500 (Vol. 11:12), GE to step up campaign for "Chromacoder" camera chain and "Y" channel system for improving monochrome aspects.

In reply to Congressman's questions, Comr. Hyde cited Commission's repeated efforts to get money for an investigation. When asked how much was needed, Hyde turned to Broadcast Bureau chief Curtis Plummer, who said \$100,000. No more was said on subject. At same hearing, Plummer was asked about backlog and processing. He replied that an additional \$50,000 could process 100 of the pending 237 AM applications by year's end. Committee earmarked, and House approved, \$90,000 extra for processing all classes of applications—TV, AM, other.

Commission's fiscal 1956 appropriation as approved by House in Independent Offices Appropriation Bill (HR-5240) would be \$6,870,000, as opposed to \$6,700,000 in President's budget estimate and \$6,629,400 appropriated for fiscal 1955. Committee envisioned adding 26 employees to Commission, bringing total to 1057.

Bill now goes to Senate Appropriations subcommittee on independent offices — by coincidence, headed by Sen. Magnuson. Commission must comment to Magnuson's subcommittee on the House bill. Magnuson is understood to favor the increased appropriation.

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One network's arguments against Plotkin Memorandum were previewed this week in debate between Harry Plotkin and CBS v.p. Richard Salant at FCC Bar Assn. luncheon. Reviewing many of his recommendations to Senate Commerce Committee, Plotkin said basic problem of uhf was set circulation, and only answer to network problems was increasing source of programs — mainly through abolition of option time.

The big question posed by Plotkin report, replied Salant, is: "Do we want to have networks?" He said there is no indication whether networks could survive if Plotkin proposals were adopted. "A network has to be big or it's not a network," he added. "There's no such thing as a small network, as one company has found out." Ultimate arbiter is the public, he said—adding, "I don't think there has ever been any business which has had such a clear stamp of public approval."

Upcoming network color schedules: NBC-TV—April 4, *Producers' Showcase*, "Reunion in Vienna," with Greer Garson, Brian Aherne, Peter Lorre & Robert Flemyng, 8-9:30 p.m.; April 6, *Norby*, 7-7:30 p.m., last of series; April 9, *Max Liebman Presents*, "The Merry Widow," with Ann Jeffreys, Edward Everett Horton, John Conte, Bambi Linn & Rod Alexander, 9-10:30 p.m.; April 15, *Home* segments, 11-11:15 a.m. CBS-TV—April 6, *Best of Broadway*, "Stage Door," with Rhonda Fleming, Diana Lynn & Dennis Morgan, 10-11 p.m.; April 14, *Shower of Stars*, "Ethel Merman's Show Stoppers," with Ethel Merman, Red Skelton, Peter Lind Hayes, Mary Healy, Harold Lang & Cindy Robbins, 8:30-9:30 p.m.

Total of 67,300,000 saw NBC-TV's *Peter Pan* March 7, NBC reported this week on basis of Nielsen and ARB figures. NBC Research's day-after estimate was 65,000,000 (Vol. 11:11). Nielsen gave show rating of 66.1, with 68.3 share of audience. Homes reached totaled 20,400,000, meaning 43% of U. S. families. ARB reports 3.3 viewers per set. Nielsen figures don't include audiences in public places, such as Ford and RCA dealer showrooms, where most of color viewing was done. There was no estimate of color viewers.

Color schedule of WKY-TV, Oklahoma City reached total of 37 hours March 27-April 3, when station micro-waved 32 hours of film and live programming to 12 color sets at annual home show in addition to its regular daily 1-hour *Cook's Book*. Home show, in Municipal Auditorium, is sponsored by local Home Builders Assn., has as motif the application of color to home decoration and furnishings.

PLENTY TALK BUT NO ACTION ON DISCOUNTERS: Behind big headlines and well-publicized oratory this week about fair trade and discount houses, lies the simple, inescapable fact that nobody -- least of all the Govt. -- wants to take any formal action against the discounters which might be construed as stifling legitimate competition. Thus, you can expect a continuing barrage of publicity on the subject -- but very little action of any consequence, at least not on the Federal level.

Attorney General Brownell expressed Administration sentiment on subject in address before National Retail Dry Goods Assn. home furnishings conference April 1 in Washington. His speech came only one day after the National Committee to Study the Anti-Trust Laws, a 60-man blue-ribbon panel of experts under Brownell's direction, had urged that fair trade laws be repealed. Speech started as attack on fair trade laws, ended in what amounted to a defense of discount house. He said:

"Vigorous protests are being registered concerning the 'unfair competition' of the 'discounters.' But similar protests were made in our grandfathers' time, when mail-order houses began competing with local merchants, and again, more recently, when chain stores presented another threat to established patterns of distribution.

"It may be that what is called 'unfair competition' is really just keen competition. This nation is so thoroughly committed to a belief in competition that we sometimes forget that some of its advocates may be thinking solely in terms of competition for the other fellow...There is the danger, however, that cries of 'unfair' and insistence that there be more and more laws to 'civilize' competition may lead to ever-increasing curtailment of individual initiative and regulation by the Government until the very essence of free competition will have been dissipated."

This "free enterprise" declaration was echoed at same meeting by Magnavox pres. Frank Freimann, who warned the group, largely dept. store executives, to quit trying to change their stores around to meet discount house competition. Instead, he urged them to concentrate on their particular selling specialties. Speaking off the cuff, he told them, in effect: "Be yourself."

Robert A. Seidel, RCA exec. v.p. for consumer products, another conference speaker, shied away from the fair trade-discount house controversy. Instead, he urged dept. store people to expand their TV lines as a sure way to greater profits.

"The greatest opportunity for increases in home furnishing sales and profits this year, next year, or perhaps any year during our lifetime, will be in TV," he said. "It is now a \$1 billion industry. With the advent of color, and it's coming fast, it will top \$2 billion annually." He said almost 67% of the 38,000,000 TVs now in use are smaller than 21-in. -- "thus obsolete by today's standards."

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The 60-man committee's 392-p. report urging repeal of all fair trade laws acknowledged that those laws reflect some "legitimate" commercial aims, among them protection of "quality items from debasement in the consumer's mind" but that fair trade pricing is not "an appropriate instrumentality for such protection." It said the "legislative price-setting authorization extends far beyond the essential guarantees of 'loss-leader control' and strikes at all price reductions."

The Senate Small Business Committee, Democratic-controlled (Sen. Sparkman, D-Ala., chairman), took a somewhat different view of the fair trade-discount setup this week. Its annual report warned that small, independent appliance store is not likely to survive in a fierce competitive struggle with the discount house. It said expanding discount house operations represent "a more serious challenge to the fair trade laws than ever was presented by any court decision." It already has disclosed plans to investigate fair trade and discount houses (Vol. 11:11).

TV production totaled 163,042 week ended March 25, compared to 164,478 units

preceding week and 160,995 week ended March 11. It was year's 12th week, one short of 3 months by RETMA calculations, and brought production for year to date to about 2,000,000, compared to approximately 1,325,000 in corresponding period of 1954.

Radio production totaled 300,568 (158,204 auto), compared to 307,549 units in week ended March 18 and 297,595 week before. For 12 weeks, production was 4,200,000, compared to 2,410,000 in corresponding period year ago.

Trade Personals: Jack S. Beldon, marketing mgr. of GE air conditioning div., named marketing mgr. of TV-radio dept., Syracuse, succeeding Eugene F. Peterson, now mgr. of International GE's consumer goods export dept. . . . John B. Coullard promoted to mgr. of product planning in expansion of GE's electronic components dept., Syracuse; he's succeeded as sales mgr. by Roy L. Merwin Jr., ex-central district mgr. of light military electronic equipment . . . Herbert J. Allemang, ex-Philco v.p., now exec. v.p. of Eureka Williams Co., named a director of National Union Electric Corp. . . . Russ Hansen, ex-Motorola, named mgr. of RCA Service Co. Cleveland district succeeding Russ Dunlap, now mgr. of New England district . . . Wm. T. Higgins, who formerly headed own distributorship for Raytheon in Baltimore, joins Zenith as asst. sales mgr. in charge of market development . . . Wm. R. Crotty promoted to TV-radio sales mgr., Erie Resistor electronics div.; Robert W. Orr promoted to mgr. of govt. liaison activities . . . James Frye, ex-mgr. of now-discontinued Chicago factory branch, named Stromberg-Carlson national merchandise mgr. . . . Earl Olson, chief engineer of Jensen Industries, Chicago, named operations v.p. . . . Robert F. Swift, ex-Graybar, named CBS-Columbia regional mgr. for Mich.-Ind., headquartering in Detroit; he replaces O. R. Barnes, resigned . . . George T. Stewart, ex-pres. of Stewart Wholesalers Inc., Rochester, named Sylvania upstate N. Y. district sales mgr. . . . Theron A. Cramer named GE mgr. of carrier current engineering, under Charles M. Heiden, mgr. of engineering for communications equipment . . . Jules Alexandre resigns as Emerson sales mgr. for air conditioners.

Frank M. Folsom, pres. of RCA, has been named by Joint Congressional Committee on Atomic Energy to high-level citizens' panel to help speed peaceful uses of the atom. Eight-man board is headed by Robert McKinney, publisher of *Santa Fe New Mexican*, ex-Asst. Secy. of Interior. Other members: Ernest R. Breech, chairman, Ford Motor Co., Detroit; George R. Brown, of Brown & Root, Houston (construction), chairman of Texas Eastern Transmission Co., member of President Truman's Materials Policy Committee (which was headed by CBS chairman Wm. S. Paley); Sutherland C. Dows, chairman, Iowa Light & Power Co., Cedar Rapids; Dr. John R. Dunning, dean of engineering, Columbia U, director of Oak Ridge Institute of Nuclear Power; Dr. T. Keith Glennan, pres. of Case Institute of Technology, Cleveland, ex-member of Atomic Energy Commission; Samuel B. Morris, gen. mgr. & chief engineer of Los Angeles Dept. of Water & Power, chairman of American Public Power Assn. atomic energy committee.

Maj. Gen. Francis H. Lanahan, Army asst. deputy chief of staff for logistics and onetime chief signal officer of SHAEF and chief of SHAPE signal div., retired from active service March 31 to enter private industry.

Brig. Gen. Frank L. Howley (USA Ret.), ex-Philadelphia adman who commanded in Berlin during the airlift, elected a director of Gray Mfg. Co., Hartford.

Capt. Samuel M. Tucker, deputy director since 1953, named director of Naval Research Lab, Washington, succeeding Capt. Willis H. Beltz, retiring.

Dr. Ragnar Thorensen named research director of Magnavox's new research lab in W. Los Angeles.

AUTOMATION'S EFFECT on American industry, prominently including electronics business, will be discussed by CIO at Washington's Mayflower Hotel April 14—right in the middle of RCA's contract negotiations with IUE, an affiliate of CIO. An IUE spokesman said, however, that the automation conference should not cause any interruption or interference with the RCA negotiations which start April 4, or with the Philco talks which begin on or about the April 14 conference date.

Purpose of the national conference, says CIO, is to make sure everybody — including itself — knows what's meant by automation. It will discuss "the meaning and implications" of the term, including its relationship to a guaranteed annual wage, which the CIO has declared to be a goal in its contract talks this year (Vol. 11:11). The electronics industry, already showing profound effects of automation (Vol. 11:13), will be included in these talks with IUE, though each local is given wide latitude on how intensively to press annual wage issue.

Battle of words on automation's effect—even its meaning—goes on unabated, meanwhile. Ewan Clague, head of Bureau of Labor Statistics, describes automation by comparing a thermometer and a thermostat. Former, he says, automatically measures temperature whereas latter not only measures but also automatically controls the temperature. CIO pres. Walter Reuther calls automation "the second industrial revolution," warns that Govt. & industry must prepare for large-scale unemployment and migration of workers as a result. General Motors pres. Harlow Curtice, on the other hand, said he'd like to debunk word "automation," added it's only another step in technological progress.

Govt. is taking official "hands off" policy on both automation and annual wage, public officials adopting note of caution in speeches. Labor Secy. Mitchell said problem of job displacements by new automation machinery cannot be "brushed off" but doubted mass unemployment would result. He declared annual wage issue should be settled at bargaining table and Labor Dept. would express no opinion, barring a national emergency.

Authoritative United Business Service generally supports Mitchell's view on automation's effect on employment. It said that some temporary layoffs are bound to result but that "automation does not hold a long run threat of rising unemployment." Reason given is that automation will eventually expand the national productive capacity tremendously, thus increasing job opportunities.

One of most popular—and frustrating—exhibits at IRE show last week was electronic computer which took on all comers in game of tic-tac-toe. In every case we observed, the electronic brain bested the human brain. Device, displayed by G. H. Leland Inc., Dayton, O. maker of solenoids and relays, was specially designed binary relay logic computer, designed to recognize some 362,000 game sequencies and containing 10,000 individual parts.

Noting our report that Lambda-Pacific is offering 10,700-13,200-mc microwave for first time (Vol. 11:13), Raytheon informs that it announced such equipment year ago, is currently taking orders for 30-day delivery.

National Conference on Aeronautical Electronics will be held at Dayton's Biltmore Hotel, May 9-11.

Topics & Trends of TV Trade: Federal Trade Commission cracked down on Admiral this week, issuing complaint (No. 6319) charging misrepresentation in its national ads. Specifically, FTC charged that Admiral's advertising claims that its "giant 21-inch picture tubes" provided 20% more screen area than other 21-in. sets were false. It was FTC's first advertising complaint against a major TV manufacturer.

Admiral declined immediate comment on complaint, issued April 1. A spokesman indicated displeasure that press received notice before company had seen copy. He said Admiral had discussed ads with FTC last fall, but had had no communication from agency this year. Admiral has 20 days to answer, and hearing has been set for May 17 in Chicago before examiner James A. Purcell. Edward F. Downs represents FTC as attorney.

[Note: An FTC complaint is not in itself a punitive action. It is merely a preliminary step to determine if prosecution is warranted. In the past, many such complaints have ended with filing of consent judgment in which the company, without admitting guilt, promises to halt the practices in future. Within industry, most recent FTC case involved complaint of conspiracy against National Electronic Distributors Assn. in sale of parts, which ended last year in consent judgment (Vol. 10:27).]

In accordance with FTC policy, Downs declined to identify complainant but said case was "thoroughly investigated to determine the truth of the complaint." He noted that FTC has been considering a code of fair merchandising practices for TV-radio industry (Vol. 8:19, 9:41, 10:23), and doubted that Admiral's advertising claims would be sanctioned by any such code.

Trade sources recalled that a spate of protest broke out from other set makers about a year ago, when Admiral first started its "giant" 21-in. ads. They said it was somewhat reminiscent of TV's early days, when 14-in. sets were described as "giant life-sized screens."

The complaint cites as "typical" of the company's advertising: "Admiral announces a brand new Giant 21-inch picture tube, accurately described as 'The World's Largest' . . . with 270 square-inch screen . . . 20% bigger than other 21-in. TV . . ." It said this claim had been made in TV-radio commercials as well as in publications.

"In truth and in fact," the complaint states, "the screen area of Admiral TV sets, which are equipped with its giant 21-in. picture, is not 20% larger than the screen area of Admiral's competitors' TV sets which are also equipped with 21-in. picture tubes." As result of this advertising, complaint notes, trade has been "unfairly diverted" to Admiral from its competitors.

* * * *

N. Y. Better Business Bureau put the blast on TV-radio-appliance ads claiming their products were "first" or "best" on the market. In special bulletin this week, it said it had no objection to accurate description of proven superior features of a particular model, but recommended that no claims be made, directly or indirectly, that (1) any TV set or appliance is "Rated No. 1," or (2) any TV set or appliance outperforms all other makes or models. Latter was regarded as subtle criticism of money-back offer last week by Crosley N. Y. distributor Gerald O. Kaye if Custom V did not outperform any other TV set (Vol. 11:13), though it didn't mention any company by name.

Wilcox-Gay Corp., currently operating under Chapter XI of Bankruptcy Act (Vol. 11:5), this week proposed plan to pay 50% to unsecured creditors with claims over \$100, offering non-interest notes in 10 semi-annual installments of 5% each, starting 6 months after confirmation. Plan was filed in Federal court in Charlotte, Mich. by Wilcox-Gay on behalf of itself and subsidiaries Majestic Radio & Garod Radio.

DISTRIBUTOR NOTES: Emerson establishes factory branch, Emerson-Buffalo Inc., 285 Kenmore Ave., Buffalo (Warren F. Hardy, gen. mgr.); Emerson Radio of Washington (Herman E. Goodman, pres.) creates branch, Emerson Radio of Virginia Inc., 166 MacTavish St., Richmond . . . Stromberg-Carlson appoints McLain & Son, 974 Sullivant Ave., Columbus, O. (F. M. McLain, owner) and D&N Auto Parts, 420 Howard St., Greenwood, Miss. (V. Whitehead, sales mgr.) . . . Bendix Radio appoints Bailey's Inc., Chattanooga . . . Phillips Distributing Co., Salisbury, Md. (Raytheon) opens Baltimore branch (Louis A. Berwanger, mgr.) . . . Crosley-Bendix appoints Davies Electric Co., Saskatoon . . . Emerson Radio of Florida appoints Harry Karp, gen. mgr. of Tampa branch, as v.p. . . DuMont New York promotes Harry Ripps to gen. sales mgr. . . Boyd Distributing Co., Denver (Philco) appoints Berry Long, ex-radio KLZ & KOA, as sales mgr. . . A. K. Sutton Inc., Charlotte (CBS-Columbia) appoints W. T. Winter as sales mgr. . . Radio City Distributing Co., Dallas (Zenith) promotes Gene Willett to sales mgr. . . Westinghouse Electric Supply Co. transfers S. B. Folckomer from Baltimore to Richmond as mgr. of consumer products div., succeeding Charles R. Ross, transferred to Chicago; Folckomer is replaced in Baltimore by John B. Nolan . . . Philco Los Angeles appoints John E. Kelly adv. & sales promotion mgr. . . Gross Distributing Corp., Newark (Stromberg-Carlson) reports resignation of gen. mgr. W. D. Goldberg.

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CBS-Hytron has changed brand name on its TV & radio tubes, as well as on semi-conductors, to "CBS"—in order, according to CBS-Hytron pres. Charles F. Stromeyer, "to take full sales advantage of the national recognized and respected letters CBS." Shipments of the newly branded merchandise start about April 7. CBS-Columbia has been shipping TV sets with "CBS" brand since first of year (Vol. 11:8).

GE planning ad campaign to promote TV servicing by helping dealers inform public about facilities for receiver maintenance and repair, thru Maxon Inc. Huge promotion kicks off with 9½-p. insert in May 3 *Look* (on stands April 19)—biggest insert ever carried by magazine, listing 5331 service dealers in 2281 cities and featuring \$25,000 consumer contest to fill in last line of jingle.

Sentinel Radio, noting our story of last week on advent of clock TV this year (Vol. 11:13), writes that it had TV sets with Telechron timers in 1952 but discontinued them in 1953 after selling "quite a few." The clock was installed on a 27-in. open-face console retailing at \$575 and a full-door blonde console at \$645.

Emerson Radio executive offices and plant facilities are now located at 16th & Coles Sts., Jersey City (phone Journal Square 3-5100). Only the public relations dept. & Emerson Radio Export Corp. continue to maintain offices at 111 Eighth Ave., N. Y. (Oregon 5-7000).

RCA's TV sales this year are running ahead of record 1954 at an "almost unbelievable rate," said Robert A. Seidel, exec. v.p. for consumer products, in address April 1 before NRDGA home furnishing conference. He predicted a continued high industry-wide level of TV sales this year.

More expansion predictions: Norman B. Krim, v.p.-gen. mgr. of Raytheon tube operations, foresees 65-70,000,000 TVs, 140,000,000 radios in use by 1965, with doubled sales of replacement tubes by then. He spoke at recent Raytheon tube symposium attended by company's sales officials.

Hoffman Electronics cuts prices of 15 receivers by \$30-\$50 as special April-June promotion, line ranging from \$180 for 21-in. walnut table to \$350 for 24-in. cherry console.

RCA Victor Chicago regional office will be moved in May to Merchandise Mart but company will retain display space on 5th floor of American Furniture Mart.

RCA's LICENSING POLICY has been a major factor in the spectacular growth of the electronics industry, including the radio-TV industry, and the pre-eminence of the U. S. in that industry . . .

"Today aircraft manufacturers, automobile manufacturers, business machine manufacturers and many other areas of American industry, and universities as well, are actively conducting research and development in electronics and are producing electronic equipment.

"This chain reaction of research and development in the electronics industry was initiated with the formation of RCA, and is attributable in large part to RCA's policy of making inventions available to others."

Foregoing are a few of the statements in RCA's reply brief in Dept. of Justice's civil anti-trust suit, filed this week (see story p. 1 and Special Report herewith). While obviously self-serving in a lawsuit, they are cited to point up the impact of TV-radio developments on widening fields of electronics. For the brief notes that Dept. of Labor's Bureau of Labor Statistics in Jan. 1952 reported 629 companies qualified to do work in electronics research, 277 giving that as their major specialty and reporting their 1951 cost of research & development was \$531,600,000. That year, RCA said it had expended about \$39,000,000 on research & development in electronics.

Many companies not formerly in electronics are now devoting their efforts to intensive research in the field, and the brief cites such aircraft manufacturers as Boeing, Douglas, Hughes, United; auto manufacturers like General Motors and Willys; business machine manufacturers like Burroughs, IBM, Remington Rand; makers of industrial control equipment like Maxson, Minneapolis-Honeywell, Otis Elevator; makers of automation equipment like General Mills and United Shoe Machinery Corp.; companies developing atomic energy applications such as General Dynamics Corp.; firms in the motion picture industry such as Bell & Howell and Paramount Pictures.

"The assets of these companies alone," the brief states, "total many billions of dollars, and their research facilities far exceed those of RCA." And a substantial part of their electronics work was said to have direct application to the TV-radio industry.

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"Substantially all" TV-radio manufacturers are licensed by RCA, according to the brief. Yet there is "intense and effective competition." Listed as substantial competitors with large research resources of their own are Admiral, CBS, DuMont, Emerson, GE, IT&T, Motorola, Philco, Ray-

Electronics Reports: Transistor developments reported this week: First transistorized digital computer designed for aircraft use was announced by Bell Labs and Wright Air Development Center; called TRADIC (Transistor Digital Computer), it uses 800 transistors, 11,000 diodes, draws only 100 watts power, can be housed in 3-cu. ft. cabinet. Millivac Instrument Corp., Schenectady, reported development of transistorized audio amplifier far quieter than any vacuum tube amplifier, with electronic noise level of one-third of millivolt or less. Radio Receptor Co. announced that it will turn out more than 2,000,000 transistors by year's end, and that prices have been cut to range of 75¢-\$4.50, compared with high of \$8 a year ago. Signal Corps has tested power transistors made for it by Transistor Products Inc. (Clevite Corp.) and found them to be of value in replacing items with moving parts, such as small dynamotors and vibrators—holding out hope of solving problems of unwanted noise and necessity of frequent servicing of such items in electronic gear.

Weston Electrical Instrument Corp. stockholders will be asked to approve merger with Daystrom Inc., Elizabeth,

Sylvania, Westinghouse, Zenith—whose sales figures "amount to many billions of dollars."

RCA's present royalty rates, which it says compare favorably with those of other licensors in this or any other industry, were result of reductions last summer (Vol. 10:31). Based on manufacturer's selling price, they are now ½ of 1% for radio broadcast receivers using tubes, 1⅓% for radio receivers using transistors, 1¼% for black-&-white TV sets, 1¾% for color TV receivers, 1¼% for electron tubes other than color tubes, 1¾% for color tubes, 2% for color TV commercial apparatus except govt. apparatus, 1½% for other commercial apparatus except govt. apparatus, 1% for all commercial apparatus manufactured for govt. use.

"In return for these reasonable royalty rates," states brief, "licensees have the privilege of obtaining a license under, or using, any one or more patents under which RCA has the right to grant licenses [and have] complete freedom to manufacture apparatus in competition with RCA under any and all patents available to RCA, to the extent to which RCA has the right to grant such licenses. No royalties are payable on any apparatus under any license agreement granted by RCA unless the apparatus uses patents licensed by RCA."

Among its competitors who have granted licenses to others, RCA lists Maj. Edwin H. Armstrong, CBS, DuMont, Eitel-McCullough, GE, Hazeltine, IT&T, Philco, Sperry, Sylvania, Western Electric, Westinghouse, Zenith. Since 1940, RCA states, it has brought only 2 patent infringement actions—one a suit settled before trial [presumably DuMont] and the other a suit pending against Zenith and its subsidiary Rauland following prior action by Zenith challenging validity of RCA patents.

Zenith-Rauland having won legal skirmish in U. S. Supreme Court, which refused this week to block trial of their patent suit against RCA in Chicago court pending outcome of similar litigation in Delaware court (Vol. 11:11-12), Federal Judge Michael Igoe in Chicago district court this week cleared way for trial. Zenith & Rauland seek \$16,000,000 triple damages in counterclaim suit against RCA, GE & Western Electric (Vol. 10:47-51), whom they charge with setting up patent pool in violation of anti-trust laws. Original litigation started in 1945 when RCA sued Zenith for patent infringements, in long-delayed suit which was expected to come to trial in Wilmington this spring. Zenith is only major TV-radio manufacturer (save Philco, which did not renew license at end of 1954) which has not signed RCA royalty agreement.

N. J., at special meeting May 16, on basis of one share of Daystrom stock for each share of Weston. Daystrom already has voting control of 49½% of Weston stock. Largely as result of recent expansion, Daystrom now reports 55% of sales in electronic and allied equipment. Its operations cover electronics, printing equipment and furniture industries. Electronic products include hi-fi equipment (Crestwood), Heathkit do-it-yourself electronic kits (Vol. 11:7), electronic gunfire control equipment and other military & commercial items. Daystrom sales for fiscal 1954 were \$62,473,000; Weston's 1954 sales were \$28,672,800.

Collins Radio Co. is called "one of electronics industry's fastest growing firms" in March 15 *Forbes Magazine*, which states it claims to supply about 75% of all communications & navigation equipment used by U. S. airlines. At 45, Arthur Collins, ex-"ham" who with his family owns about 50% of firm, has built firm up from red only 4 years ago to \$90,300,000 gross, \$6.83 per share net earnings in fiscal year ending last July 31 and \$3.01 in first 6 months of its current year (Vol. 11:13). Govt. accounts for about 80% of Collins' business.

Financial & Trade Notes: ABC div. of American Broadcasting-Paramount Theatres increased gross operating income to \$70,424,000 in 1954 from \$54,758,000 in 1953, but it showed "slightly larger" loss than in 1953, year of merger with UPT. Increased loss was due to higher TV operating and programming costs in last half of year, principally the NCAA telecasts.

Annual AB-PT report released this week does not break down ABC profit-&-loss, but it reveals increasing importance of telecasting-broadcasting operations in the big theatre-owning organization. Total AB-PT income was \$188,796,000 last year (\$115,916,000 from theatres) vs. \$172,196,000 in 1953 (\$114,926,000 from theatres). Consolidated net profit in 1954 was \$4,932,000, including \$4,722,000 (\$1.06) from operations, \$210,000 (5¢) from capital gains. This compares with profit of \$8,996,000 in 1953, including \$4,480,000 (\$1) from operations, \$4,516,000 (\$1.14) from capital gains—latter principally from \$6,000,000 sale to CBS of WBKB, Chicago.

Pres. Leonard Goldenson said ABC div. made "substantial progress in 1954, gaining greater recognition as a major network by audience and sponsors." He said radio operations and network's 5 TV-radio stations showed a profit, which was more than offset by higher network TV costs. Earnings for first quarter 1955 are estimated to be "substantially higher" than earnings for first 1954 quarter.

"The slightly increased loss in 1954 over 1953 is not itself representative of a trend in the ABC division," said Goldenson. "Rather, it is a reflection of the expenditures which must be made during the period of development of the TV network from a secondary to a competitive place. Substantial progress has been made toward forming a strong foundation for a successful operation. The improved position of the division is evident in increased viewing, better programs and greater revenue. From this point on, each sponsored program should have a beneficial effect upon the earnings of the division." He added that with new shows being readied for coming year, including Disney's *Mickey Mouse Club* (Mon.-thru-Fri. 5-6 p.m.), "we feel that ABC is on its way toward realizing its true potential as a profitable division of the company."

AB-PT had whole or partial interest in 639 theatres at year's end, down 30 from end of 1953. It's required to divest itself of net of 42 theatres by Sept. 3, 1955. Goldenson noted greater stability in theatre business in 1954, though TV had adversely affected business earlier in the year in new TV markets.

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Hoffman Electronics Corp., which on Jan. 10 was listed on the N. Y. & Los Angeles stock exchanges, reports consolidated 1954 sales were \$42,647,008 compared with \$50,415,146 in 1953. But net profit after provision of \$1,717,000 for Federal income taxes was \$1,485,513 or \$2.08 per share on 713,192 shares outstanding, an increase of 24% over 1953 net profit of \$1,199,655 after taxes of \$1,869,000, or \$1.68 a share on 578,394 shares. At midyear company increased capital by about \$4,250,000 by 15-year loan from Metropolitan Life and through sale of 130,000 shares of common stock, and with fortified resources entered new areas of electronics. It developed radiometric devices, acquired exclusive rights to Nordsieck integrator, is currently producing Geiger counter-scaler with field assay attachments. TV-radio distribution has expanded nationally, and complete manufacturing operations in Kansas City will be ready within a few months to handle volume expected from new distributors east of Mississippi. Pres. H. Leslie Hoffman predicts in annual report that volume should be considerably larger in 1955, most of increase in second half. By fall of 1956, he states, color "should be an important phase of our business."

Distributors Group Inc., 63 Wall St., N. Y., sponsor of the 21 mutual funds of Group Securities Inc., notes "outstanding growth" in earnings and dividends in the post-war era shown by group of leading electronics & electrical equipment shares—and forecasts "new peaks" in the production of electronic equipment. Its own group of electronic and electrical equipment shares, it estimates, will show 1955 earnings average of \$5 per share, compared with estimated \$4.50 for 1954 and \$1.10 for 1946; their average dividends are estimated at \$2 for 1955, \$1.97 for 1954, 85¢ for 1946. The electronics & electrical equipment shares in its "family" of mutual funds were listed in these proportions as of Jan. 1, 1955: Admiral, 3.72%; Allis-Chalmers, 6.05%; Bendix Aviation, 6.14%; CBS "A", 7.14%; Cornell-Dubilier, 5.62%; Cutler-Hammer Inc., 3%; DuMont, 1.78%; Elliott Co., 3.24%; GE, 3.42%; IT&T, 4.67%; McGraw Electric Co., 2.15%; Motorola, 3.65%; Philco, 6.49%; RCA, 5.66%; Raytheon, 4.88%; Sperry, 6.52%; Square D, 5.55%; Sylvania, 6.18%; Westinghouse, 3.93%; Zenith, 6.55%; net current balance, 3.66%.

Radio Condenser Co., Camden, N. J., which claims it supplies more than 50% of the tuners used in auto radios and 70% of the condensers in home radios, will show lower sales and net income in 1955 report due shortly, according to pres. Russell E. Cramer. Last year, it enjoyed record \$21,465,247 gross, \$384,002 net. Decline is attributed to delay in construction for \$1,000,000 expansion program and failure of expected big market for uhf tuners for which it had geared heavily.

Standard Coil Products Inc. had consolidated net income of \$2,871,290 (\$1.95 a share) on sales of \$72,862,113 in 1954, compared to \$2,972,481 (\$2.02) on record \$89,270,964 in 1953. Pres. Glen E. Swanson attributed declines to TV industry's concentration on lower-priced models, requiring development of more economical series of tuners. He stated growth of uhf, strong replacement market for TV receivers, eventual mass production of color and development of foreign TV create favorable outlook.

Wells-Gardner & Co. sales fell to \$21,200,318 in 1954 from \$22,572,069 in 1953 but net income in 1954 was \$911,340, up 18% from \$772,939 in 1953. Annual report states that civilian sales, mainly private-label TVs, were off last year but that defense sales were higher and that 1955 business should approximate that of preceding 2 years. Consolidated earned surplus at beginning of year was \$3,997,572.

IT&T reports consolidated net income of \$20,068,525 (\$2.80 per share) on record sales of \$372,638,805 in 1954, compared to \$22,377,611 (\$3.12) on \$362,199,214 in 1953. Profit decline was attributed to net loss of \$2,400,000 from sale of Coolerator div. assets last year to McGraw Electric.

RCA's music synthesizer (Vol. 11:6) will have its major use "in the production of music for sale in the form of phonograph records," according to developers Harry F. Olson & Herbert Belar. In paper prepared for IRE convention, they said that listeners were asked to distinguish between renditions of piano selections performed by the synthesizer and by famous pianists — and they concluded that "it can be said with 70% certainty that only 1 of 4 persons can tell which is which." Most recent production with synthesizer was creation of a few spoken sentences that no voice had ever uttered—"to show the versatility of the synthesizer."

New guided missile for air defense, hinted as possible replacement for Nike, reportedly will be developed by RCA and American Machine & Foundry, with RCA the prime contractor. The initial contract amount is said to be about \$20,000,000.

STORER BROADCASTING Co.'s huge upsurge in revenues and profits since its advent into TV (via WSPD-TV, Toledo, which it founded in July 1948) is detailed in March 29 prospectus covering public offering of 262,750 shares of common stock to be registered April 4 with certain priorities to present stockholders. Proceeds of approximately \$4,590,000 will be applied to debt reduction and redemption of company's 15,000 shares of 7% cumulative preferred stock (at \$107 per share).

Over period of 10 years to end of 1954, Storer company's operating revenues rose from \$3,093,255 (all from radio) to \$17,736,531 (preponderantly from TV); profits rose from \$306,930 in 1945 to \$3,680,779 in 1954. Company owns 7 TV stations, 2 of them uhf, and 7 radio stations, 6 with FM adjuncts.

Last year, TV revenue came 43.2% from national spot, 28.4% network, 28.4% local. In same period, radio revenue came 50.1% from local, 38.1% national spot, 11.8% network.

Total assets of company, which also publishes *Miami Beach Sun* and owns approximately 46.5% of voting stock of Standard Tube Co., as well as Empire Coil Co. plant recently acquired along with Herbert Mayer TV stations in \$10,000,000 deal (Vol. 10:2, 44) were \$27,872,629 as of Dec. 31, 1954. Consolidated earned surplus was \$8,123,978, long-term debt \$10,446,960.

Jefferson Standard Life Insurance Co., Greensboro, N. C., is shown as owner of 14,500 shares of the preferred stock (96.67%). Of 525,500 shares of common stock outstanding, Mr. Storer owns 14,160 (2.69%). Of 1,686,500 shares of Class B common, he owns 1,280,250 (75.91%) while Detroit Trust Co. as trustee holds 206,250 (12.23%). Remunerations paid in 1954 to officers-directors included: Mr. Storer, \$75,175; J. Harold Ryan, senior v.p., \$33,750; Lee B. Wailes, exec. v.p., \$60,164; Stanton P. Kettler, v.p. for southern district, \$51,292; William E. Rine, v.p. for northern district, \$42,020.

Directors and officers as a group own 105,516 shares of the common (20.1%) and 1,380,250 of Class B (81.84%). Among these, secy. John E. McCoy, who is house counsel, is shown as beneficial owner of 5400 shares of common.

Year Ended Dec. 31	Total Operating Revenues	Gross TV Revenues	Gross Radio Revenues	Net Profit
1945	\$ 3,093,255	-----	\$3,093,255	\$ 306,930
1946	3,351,805	-----	3,351,805	740,581
1947	3,748,337	-----	3,748,337	514,721
1948	3,904,034	\$ 31,539	3,872,495	478,808
1949	4,749,049	577,011	4,172,038	539,620
1950	6,657,114	2,024,153	4,632,963	926,475
1951	9,560,086	4,816,490	4,743,596	1,464,776
1952	11,475,618	6,865,194	4,610,424	1,594,956
1953	14,901,079	10,214,813	4,686,266	2,186,415
1954	17,736,531	13,391,027	4,345,504	3,680,779

Both FM listening and set sales are up, according to Elliott M. Sanger, exec. v.p. of *New York Times'* pioneer WQXR-FM, New York. Citing Pulse survey, he said FM homes in New York have risen from 130,000 in 1948 to more than 2,000,000 today. Though WQXR is "primarily an AM station," and is increasing power from 10-kw to 50-kw, Sanger said, "we recognize that FM supplies something which AM cannot. That is why more than 400,000 families listen to WQXR on FM in addition to the large AM audience."

A. C. Nielsen & Co., 2101 Howard St., Chicago, is making available without charge 144-p. book titled *Television Audience Research for Great Britain*, which exec. v.p. C. G. Shaw states is "packed with facts, figures, charts and photographs of real interest and educational value to anyone concerned with broadcasting or broadcast advertising—in any country."

Urging industry self-policing in speech before Tennessee Assn. of Broadcasters in Nashville March 28, FCC Comr. Robert E. Lee stressed 3 points: (1) Better programming, rather than more commercials, is answer to greater income. "You have no solution," he said, "when you cram more and more commercials down the throats of fewer and fewer listeners." (2) Bait and switch commercials are "primarily the jurisdiction of the FTC, and they are doing yeoman work in this regard. The FCC, however, cannot ignore this type of advertising, and, as one member of the Commission, I must condemn it." (3) In trying to discourage bad-taste programming, he said, "I do not know where public interest leaves off and censorship begins, but if I ever have to make the decision I would probably take a calculated risk and refuse to censor, since I am well aware of the dangers to the American way of life that such a step could lead. It is for this reason that I devoutly hope and pray that this industry will police itself and thus not encourage those who would take the power of self-policing away from you."

FCC invited comments on AT&T's proposal to provide "utility-grade" off-the-air networking service at rates sometimes running as low as or lower than half the price of its current "gold-plated" interconnection service. FCC's notice (55-389) is one result of earlier proposal to ease restrictions on station-owned microwave links (Vol. 10:51). It was in response to the earlier proposal that AT&T filed its plan for the new off-the-air service. In AT&T memo attached to FCC notice, it is stressed that proposed new service would not be "intended to provide channels of the quality or reliability of directly connected facilities." They could be used for receiving only, would not be monitored or supervised, would be available for both color and monochrome. As to rates, AT&T says interconnection of 2 TV stations 100-125 mi. apart would probably average about 50% as much as the charges for current AT&T service. "In individual cases the differences may vary substantially from this average—in general they tend to be larger for shorter distances." Comments on proposal are due April 29.

NCAA's national football package has been awarded to NBC-TV, which reportedly will pay minimum of \$1,500,000 for 7 Saturday games and one on Thanksgiving Day. Only CBS & NBC submitted bids, ABC having been singled on the NCAA package last year, with loss reputedly approaching \$2,000,000. At week's end, NBC hadn't reached terms with a sponsor, though 3 advertisers were said to be interested. Network hopes to sell whole series to single sponsor. NBC's TV rights apply only to the 8-game national package. Colleges will negotiate on their own with networks, stations and/or sponsors for rights to the 5-game regional schedule permitted this year by NCAA (Vol. 11:12-13).

Defense Dept. petitioned to intervene in April 11 hearings on applications of KSWs-TV, Roswell, N. M. and KGEO-TV, Enid, Okla. for towers over 1000-ft. Both applications were opposed by military representatives on Washington Airspace Subcommittee, favored by civilian representatives (Vol. 11:11-12). Pentagon said it wants to call witnesses to show the towers are aviation menace and can't be adequately marked and lighted. Also opposing Enid application is uhf KTVQ, Oklahoma City.

Sale of WTAP, Parkersburg, W. Va. (Ch. 15) to *Zanesville Times-Recorder* and *Signal* for \$124,609 (Vol. 11:10) by Frank Baer-Howard Chernoff group was approved this week by FCC. Zanesville Publishing Co. owns 63% of WHIZ-TV, Zanesville, O. (Ch. 18) & WHIZ.

NARTB lists 1916 members as of March 31—comprising 265 TV stations, 4 TV networks, 1201 AM stations, 326 FM, 3 radio networks, 117 associate members.

Full Text of Brief

RCA Reply to Dept. of Justice Civil Action on Patent Pool

Filed in United States Court for Southern District of New York, March 29, 1955

(Full Text of Complaint, Dated Nov. 19, 1954, Published as Special Report with *Television Digest*, Vol. 10:47)

United States District Court

SOUTHERN DISTRICT OF NEW YORK.

UNITED STATES OF AMERICA, <i>Plaintiff,</i> <i>against</i> RADIO CORPORATION OF AMERICA, <i>Defendant.</i>	}	Civil No. 97-38
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ANSWER OF RADIO CORPORATION OF AMERICA

Radio Corporation of America, hereinafter referred to as RCA, answers the complaint herein as follows. Numbered paragraphs of this answer refer to correspondingly numbered paragraphs of the complaint and all allegations not hereinafter admitted are denied.

I

Jurisdiction and Venue

1. RCA admits the complaint is filed and these proceedings instituted under Section 4 of the Sherman Act.

RCA denies it has violated Sections 1 or 2 or any other section of the Sherman Act, and further denies any allegation contained in any paragraph of the complaint which charges RCA with violation of the Sherman Act.

RCA was formed in 1919 at the urgent request of the United States Government in order to free American communications from foreign domination and to create a new American radio company. In order that this might be accomplished, various patent cross-licenses were necessary. Because of intolerable patent deadlocks, no one could legally manufacture or use the necessary electronic equipment without the patents of Marconi Wireless Telegraph Company of America, General Electric Company, the American Telephone and Telegraph Company, and later Westinghouse Electric & Manufacturing Company.

The purpose and effect of these cross-licenses were to free the industry. Without them the industry would have been paralyzed by conflicting patent holdings and endless patent litigation. With these cross-licenses the industry was freed and enabled to develop rapidly.

The situation created by these cross-licenses was the subject of a proceeding instituted by the Federal Trade Commission in 1924. This proceeding was thoroughly tried, briefed and argued, and was dismissed by the Commission in 1928.

The situation was also the subject of a Government proceeding in 1930 which resulted in the consent decree of November 21, 1932, and the industry has continued to develop with intense and active competition between an ever-increasing number of manufacturers and research organizations.

In 1942 this consent decree and the agreements it approved were brought before the courts and were reaffirmed. As recently as 1954, on a motion to construe the decree, the court reasserted the fact that the cross-license agreements were approved by the consent decree.

That the cross-license agreements approved by the consent decree have had the effect intended and expected by the Government is fully borne out by the dynamic growth of the industry.

These agreements expired by their terms on December 31, 1954 so far as new inventions are concerned. Yet the complaint, filed only six weeks before this expiration, is an attack on these very agreements which were recommended and stated to be in the public interest by the Government in 1932.

RCA rests on the record that these agreements and RCA's conduct have resulted in the most intensely competitive industry in the United States today.

RCA asserts and is proud of the fact that it has been in the forefront of all major industry advances, from the beginning of sound radio and broadcasting, through black and white television, and now color television.

RCA's leadership, the leadership of a ten percent factor in the industry, has been leadership by example, not by control in any way, shape or form.

If RCA's leadership has been followed, it is because RCA's courage, vision and foresight have been right and RCA has acted in the best interests of the industry and the public, and not through any dominance, restraint or control.

Allegations that RCA has in any way restrained the electronics industry, including the radio-television industry, ignore the facts. On the contrary, RCA has pioneered and been responsible for the creation and expansion of much of this industry.

RCA points to the fact that this industry is the fastest-

growing and most dynamic industry in the world, and asserts that its policies have been one of the most substantial factors in the growth and active competition which exists in this industry today.

Sales in the electronics industry, including the radio-television industry, following the termination of wartime restrictions demonstrate its vitality, rapid growth and freedom from the monopoly and restraint alleged.

Year	Total Electronics Industry Sales	RCA	RCA Percent
1946	\$1,653,000,000	\$221,097,000	13.4
1947	2,486,900,000	300,156,000	12.1
1948	2,761,500,000	343,454,000	12.4
1949	2,903,000,000	383,103,000	13.2
1950	4,445,000,000	570,554,000	12.8
1951	5,128,000,000	580,700,000	11.3
1952	6,567,000,000	675,696,000	10.3
1953	7,940,000,000	834,155,000	10.5
1954	9,230,000,000	921,463,000	10.0

Sales of radio and television receivers during the period from 1932 to 1953 show the signal growth of the radio-television industry. Sales of radio and television receivers increased from \$54,400,000 in 1932 to \$1,470,000,000 in 1953, a percentage increase of over two and one half thousand percent.*

Year	Radio Receiver Sales	Television Receiver Sales	Total Sales	RCA Percent of Sales
1932	\$ 54,400,000		\$ 54,400,000	15.8
1933	70,300,000		70,300,000	13.7
1934	94,900,000		94,900,000	15.6
1935	128,400,000		128,400,000	12.2
1936	169,400,000		169,400,000	12.3
1937	165,400,000		165,400,000	13.7
1938	112,300,000		112,300,000	16.3
1939	153,400,000		153,400,000	15.2
1940	177,100,000		177,100,000	15.6
1941	233,600,000		233,600,000	11.7
1942	102,700,000		102,700,000	6.7
1946	410,900,000	\$ 1,300,000	412,200,000(a)	6.5
1947	703,600,000	51,400,000	755,000,000	9.7
1948	531,400,000	226,000,000	757,400,000	12.9
1949	292,800,000	574,200,000	867,000,000	14.5
1950	359,700,000	1,397,500,000	1,757,200,000	13.2
1951	311,700,000	944,000,000	1,255,700,000	13.1
1952	249,800,000	1,063,600,000	1,313,400,000	11.6
1953	299,800,000	1,170,200,000	1,470,000,000	12.6

(a) Civilian production terminated on April 22, 1942 by order of WPB (7 F. R. 1794), which order was revoked on August 20, 1945 (10 F. R. 10180).

* Official 1954 industry figures are not yet available.

From the mere handful of companies and the relatively small amount of capital which made up the electronics industry in the early days, the industry has continuously expanded. Today there are literally thousands of companies in which billions of dollars have been invested engaged in this industry.

No industry in which there existed the restraints alleged in the Government complaint could have advanced at such a dynamic pace. On the contrary, the rapid growth of the electronics industry, including the radio-television industry, and the continual emergence of new and improved electronic products, affirmatively demonstrate that there have been no restraints as alleged.

2. 3. RCA admits that it transacts business and that

its principal offices are within the Southern District of New York.

II

Description of RCA

4. RCA admits that it is the defendant herein, that it is a corporation organized and existing under the laws of the State of Delaware and that it maintains its principal offices at 30 Rockefeller Plaza, New York, New York.

5. RCA admits that it is an operating, holding and service corporation composed of a number of corporate subsidiaries and divisions which serve the public in many branches of electronics, including research and development, manufacturing, broadcasting, international message communication, service and sales.

6. RCA admits that its business includes granting patent licenses to competitors and others on reasonable and non-discriminatory terms and without restriction. RCA also admits that it is engaged in the manufacture and sale of equipment for the transmission and reception of radio and television signals through its manufacturing and service divisions, and the broadcasting of radio and television signals and network broadcasting through its subsidiary, National Broadcasting Company, Inc., hereinafter referred to as NBC.

7. RCA admits that the RCA Laboratories conducts research and development in many phases of commercial and military electronics, that the RCA Laboratories and Commercial Department discharge various patent functions as alleged, and that the RCA Laboratories maintains facilities at Princeton, New Jersey; New York, New York; Newark, New Jersey; Camden, New Jersey; Chicago, Illinois; Hollywood, California; and Washington, D. C.

8. RCA admits that it grants patent licenses to competitors and others on reasonable and non-discriminatory terms and without restriction, to the extent that it has the right to grant such licenses, under any one or more of approximately 10,000 United States patents. These licenses contain no restrictions as to price, quantity, territory, or anything else, require no minimum royalty, and are offered under any one or more patents and for any apparatus as may be desired by any prospective licensee.

RCA denies any allegation contained in any paragraph of the complaint which charges RCA with "package licensing", or compelling any prospective licensee to accept a license under more patents than he wants.

RCA admits that during the year 1951 RCA's royalty income from patent licenses was as alleged, but avers that during 1951 RCA spent on research and development a sum in excess of the amount received by it in royalty payments and that under its patent licenses it made the fruits of such research and development available to the electronics industry. In addition, RCA makes substantial payments to others for the right to use patents developed through their research and development in competition with RCA.

Many substantial competitors with large resources for research and development exist in the radio and television

industry. These include the Admiral Corporation, Columbia Broadcasting System, Inc., Allen B. Du Mont Laboratories, Inc., Emerson Radio & Phonograph Corporation, General Electric Company, International Telephone and Telegraph Corporation, Motorola, Inc., Philco Corporation, Raytheon Manufacturing Company, Sylvania Electric Products, Inc., Westinghouse Electric Corporation, Zenith Radio Corporation, and others. The published sales figures of the companies named alone, for the most recent annual period, amount to many billions of dollars. Each of these companies maintains extensive facilities for its own research and development. Each of these companies has every incentive to follow and has followed a program of intense and active research and development to produce better products in this highly competitive market, as well as to license others.

9. RCA admits that it manufactures many types of radio-television products, parts and accessories, but not all types. RCA avers that it purchases many types of products, parts and accessories each year from thousands of independent suppliers.

10. RCA admits that more people buy RCA television receivers than any other make of television receiver and that more station owners buy RCA television transmission equipment than any other make. RCA further avers that in all of the categories of radio and television equipment referred to there is intense and effective competition.

11. RCA admits that its wholly-owned subsidiary NBC broadcasts radio and television programs and furnishes other service to the public as alleged. RCA avers that NBC was formed in 1926 as America's first national broadcasting network and that other organizations since have followed RCA's example in forming national broadcasting networks with the result that a new field of commerce was created and a new business came into existence. RCA further avers that there is intense and effective competition in radio and television broadcasting and networking.

III

Description of Others

12. RCA admits the allegations as to the organization, existence and principal offices of General Electric Company, hereinafter referred to as GE, but denies knowledge or information sufficient to form a belief as to the truth of the allegation that GE is the largest manufacturer of electrical equipment in the United States.

13. RCA admits the allegations as to the organization, existence, and principal and executive offices of Westinghouse Electric Corporation, hereinafter referred to as Westinghouse, but denies knowledge or information sufficient to form a belief as to the truth of the allegation that Westinghouse is the second largest manufacturer of electrical equipment in the United States.

14. RCA admits the allegations as to the organization, existence and principal offices of the American Telephone and Telegraph Company, hereinafter referred to as AT&T, and of its business and of the business of the Bell System.

15. RCA admits the allegations as to the organization, existence and principal offices of Western Electric Company, Incorporated, hereinafter referred to as Western Electric, but denies knowledge or information sufficient to form a belief as to the truth of the allegations with respect to the percent of Western Electric stock owned by AT&T and the allegation that Western Electric is the largest manufacturer of telephone apparatus in the United States.

16. RCA admits the allegations as to the organization, existence, principal offices and research of the Bell Telephone Laboratories, Inc., hereinafter referred to as Bell Labs, but denies knowledge or information sufficient to form a belief as to the truth of the allegations with respect to the ownership of Bell Labs.

IV

Nature of Trade and Commerce

17. RCA admits the allegations as to the nature of the trade and commerce involved herein, and avers that it is engaged in research relating to the invention, development and improvement of radio and television products and devices, but not in the acquisition of patents. RCA also avers that licenses under such patents as issue to it on inventions resulting from RCA's research and development are offered by it to its competitors and others on reasonable and non-discriminatory terms and without restriction, and that RCA's licensing policy has been a major factor in the spectacular growth of the electronics industry, including the radio-television industry, and the pre-eminence of the United States in that industry.

18. RCA admits the allegations and avers that research activities play an important part in the development of radio and television products as alleged.

RCA has been a pioneer in the research and development incident to radio receivers, black and white television receivers, color television receivers and various other radio and television products and devices, including products which have vital significance for the national defense. No organization has contributed as much to the research and development of these products and devices as RCA, and RCA's patent licensing policies have enabled its competitors and others to enjoy the fruits of RCA's research and development on reasonable and non-discriminatory terms and without restriction.

19. RCA admits that it expends millions of dollars annually on research and development which it conducts in its laboratories in Princeton, Newark and Camden, New Jersey; New York, New York; Chicago, Illinois; Hollywood, California; and other places, and that such research and development employs materials, parts and other supplies purchased by RCA from thousands of sources located throughout the United States and abroad.

According to a report of the Bureau of Labor Statistics of the United States Department of Labor in January 1952, 639 companies were qualified to do work in electronics research, 277 of such companies gave electronics research as their major research specialty, and these 277 companies reported that their cost of research and development in

1951 was \$531,600,000. In 1951 RCA expended about \$39,000,000 for research and development in electronics.

The tremendous expansion of research and development in all phases of the electronics industry is forcefully demonstrated by the fact that many companies, not formerly in electronics, with large and powerful research and development facilities are now devoting their efforts to intensive research in electronics. These companies include aircraft manufacturers, such as the Boeing Airplane Company, Douglas Aircraft Company, Inc., Hughes Aircraft and United Aircraft Corporation; automobile manufacturers, such as the General Motors Corporation and Willys Motors, Inc.; business machine manufacturers, such as the Burroughs Corporation, International Business Machines Corporation, The National Cash Register Company and Remington Rand, Inc.; manufacturers of industrial control equipment, such as the Maxson Corporation, Minneapolis-Honeywell Regulator Company and the Otis Elevator Company; manufacturers of automation equipment, such as General Mills Inc. and the United Shoe Machinery Corporation; companies engaged in the development of atomic energy applications, such as General Dynamics Corporation; and companies engaged in the motion picture industry, such as the Bell & Howell Co. and Paramount Pictures Corporation. The assets of these companies alone total many billions of dollars and their research facilities far exceed those of RCA. A substantial part of the electronics research and development work of these companies has direct application to the radio-television industry.

20. RCA admits that substantially all radio-television manufacturers located in many of the states and territories of the United States and the District of Columbia are licensed by RCA.

RCA's policy of licensing patents to its competitors and others on reasonable and non-discriminatory terms and without restriction has contributed substantially to the ever increasing number of radio and television receivers in the hands of the American public, and to a continual lowering of the price of such receivers. The freedom to manufacture and sell and the absence of restraint in the radio-television industry is illustrated by the following figures of radio and television set ownership in America:

Year (as of January 1)	Radio Receivers	TV Receivers
1932	20,450,000	
1933	21,950,000	
1934	23,950,000	
1935	26,006,000	
1936	30,519,000	
1937	33,800,000	
1938	37,617,000	
1939	40,800,000	
1940	45,000,000	
1941	50,600,000	
1942	57,800,000	
1943	59,850,000	
1944	60,000,000	
1945	59,000,000	
1946	57,750,000	10,000
1947	66,000,000	16,500
1948	75,000,000	189,900

1949	80,000,000	1,000,000
1950	85,200,000	3,950,000
1951	96,000,000	10,550,000
1952	105,300,000	15,777,000
1953	110,000,000	21,234,000
1954	125,500,000	27,812,000
1955	128,900,000	33,816,000

21. RCA admits that it has various forms of patent license agreements, including those referred to in the complaint, under which it makes patents available to its competitors and others on reasonable and non-discriminatory terms and without restriction. In addition to its various standard forms of license agreements, it is RCA's policy to license and RCA does license anyone under any patent or group of patents for any apparatus to the extent to which RCA has the right to grant such licenses and under such patent or patents and for such apparatus as the prospective licensee may desire.

22. RCA admits that it grants licenses under as many or as few of the United States patents alleged as the prospective licensee may desire, and avers that although RCA has obtained its important patents principally through its own research, in some instances RCA has obtained rights to patents of others to avoid patent deadlock for itself or for its licensees, all of which said patents it licenses to its competitors and others on reasonable and non-discriminatory terms and without restriction, to the extent to which it has such rights, and without additional charge. RCA admits that its royalty income is as alleged, but avers that it has spent on research and development in the years alleged a sum in excess of the amounts received by it as royalty income and that the results of such research and development are made available to its competitors and others on reasonable and non-discriminatory terms and without restriction or additional charge.

23. RCA admits that its patent licensing is nation-wide and international in character due to RCA's policy to license anyone under any patent or patents for any apparatus, and admits the other allegations.

24. RCA admits that its licensees vary in size and in the products they manufacture, and avers that it does not discriminate against any licensee because of its size or the product it manufactures. RCA also admits that it is a licensed manufacturer which manufactures many types of electronic products, including radio-television products, in all of which types intense and effective competition exists.

25. RCA admits that the largest number of its licensees are engaged in the manufacture of radio and television receivers and that the public has invested over \$10,000,000,000 for more than 33,000,000 black and white and color television receivers.

Each of these receivers utilizes one or more inventions developed by RCA, which inventions were made available by RCA to the manufacturers of these receivers on reasonable and non-discriminatory terms and without restriction.

26. RCA admits that in 1953 there had been such dynamic growth in the highly competitive radio and tele-

vision industry that the output for all products of all manufacturers at factory values substantially exceeded the figure alleged. This dynamic growth of an industry which did not exist when RCA was formed illustrates the absence of the alleged restraints in such industry.

27. RCA admits that radio and television products, including its own, are manufactured throughout the United States and sold and shipped in interstate and foreign commerce as alleged.

28. RCA admits the importance of research and development in radio and television and the other allegations.

V

Background

A. The Industry from 1919 to 1930.

29. RCA admits it was incorporated by GE in Delaware on October 17, 1919, that GE then held a majority of RCA's common stock, that RCA then acquired the assets of Marconi Wireless Telegraph Company of America (American Marconi), including valuable patents and patent rights, and admits that thereafter it received licenses from GE, to which it begs leave to refer for a full and accurate statement of their terms.

The creation of RCA by GE and the acquisition by it of the assets of American Marconi resulted from appeals to do so made to GE by responsible officials of the Federal Government in Washington.

Prior to World War I reliable apparatus for radio communications did not exist. International communications were dependent on mail and on cables controlled by British interests. The development of the American radio industry was blocked by patent deadlocks and paralyzed by patent conflicts and litigation.

During World War I the United States Government commandeered all radio communications facilities and radio patents. To stimulate manufacture of radio equipment, the Government temporarily guaranteed to hold manufacturers harmless against patent infringement suits on Government apparatus. As a result new apparatus, vastly superior to that previously available, was developed.

During World War I the Government became keenly aware of the great importance of radio communications. At the conclusion of the war it was realized by Government officials that this was a critical time in the development of radio communications and our Government was determined that the United States should have its own system of world-wide radio communications.

GE had developed the Alexanderson alternator, then the best transoceanic radio transmitter in the world. GE was about to enter into contracts to supply the British-owned Marconi companies throughout the world with this equipment when the Navy Department, acting through Franklin D. Roosevelt, Assistant Secretary of the Navy, and others intervened.

The Navy Department asked GE not to sell the alternators to foreign interests but to set up a new American company strong enough to develop radio and to conduct a

world-wide system of radio communications. As a result of this appeal, RCA was formed by GE and acquired the assets of American Marconi, including its patent rights.

30. RCA admits that during the years 1920 and 1921 GE entered into certain patent cross-licensing agreements with AT&T, Western Electric and Westinghouse, to which it begs leave to refer for a full and accurate statement of their terms.

The AT&T Cross-License Agreements. In 1920 RCA, with only its licenses from GE, was unable to manufacture or use the improved equipment used by the Government during the war. Some of the patents which blocked RCA were owned or controlled by AT&T. Almost immediately after the organization of RCA, the Navy Department wrote to GE and AT&T bringing this patent situation to the attention of the two companies and appealing to them as "a public necessity" to make arrangements without further delay between the patent holders so that improved radio apparatus could be manufactured without being blocked by patent conflict.

As a result of this appeal negotiations were entered into and cross-licenses between GE, AT&T and RCA were prepared. Before these cross-licenses were executed they were submitted to the Attorney General by representatives of the three companies. The Attorney General indicated no disapproval and thereafter the cross-licenses were signed as of July 1, 1920.

The Westinghouse Cross-License Agreements. The cross-licenses between GE, AT&T and RCA did not end the patent deadlock because there were certain other patents owned by Westinghouse which were vital to any effective system of radio communications. The Westinghouse patents were of such importance that GE and RCA could not go forward with their development of the new and more efficient apparatus until the patent conflicts were resolved. Similarly, Westinghouse was unable to manufacture efficient radio apparatus under its patents without licenses under the patents of GE, RCA and AT&T. As a result, negotiations were commenced for cross-licenses between GE, RCA, AT&T and Westinghouse to end this patent deadlock. License agreements were drafted and were submitted to the Attorney General by representatives of the companies. The Attorney General indicated no disapproval and thereafter the cross-licenses were signed as of July 30, 1921.

On January 12, 1920 the Navy Department sent a letter to President Woodrow Wilson recommending that Admiral Bullard, Director of Naval Communications, be appointed to sit with the Board of Directors of RCA and to present to and discuss with them the Government's views and interests concerning matters pertaining to radio and communications coming before RCA directors and stockholders.

On January 14, 1920 President Wilson approved the Navy Department recommendation and thereafter Admiral Bullard attended meetings of the RCA Board of Directors, and participated in the discussions which led to the Board approval and execution of the cross-licenses entered into with AT&T and Westinghouse.

31. RCA admits that for a number of years after the

above-mentioned cross-licenses were entered into RCA did not manufacture radio apparatus but sold such apparatus manufactured for it by GE and Westinghouse, and operated a marine and transoceanic radio communications system. RCA also admits that in 1926 it organized the National Broadcasting Company, Inc., America's first broadcasting network.

32. RCA admits that during the year 1927 it began licensing others to manufacture and sell radio apparatus, and avers that in 1929 RCA itself began such manufacture.

33. RCA admits that during the period from 1919 to 1930 it entered into the aforesaid and certain other supplementary agreements with GE, Westinghouse, AT&T and Western Electric, and begs leave to refer to said agreements for a full and accurate statement of their terms.

34. RCA admits that during the period from 1919 to 1930 it entered into agreements to use United States patents of various foreign manufacturers of radio equipment. These agreements were made in furtherance of the program originally urged on RCA by the Government for establishing an American world-wide radio communications system. RCA begs leave to refer to said agreements for a full and accurate statement of their terms.

B. Antitrust Proceedings of 1930.

35. RCA admits that on May 13, 1930 the United States instituted a civil action against it, GE, Westinghouse, AT&T, Western Electric and others in the District Court of Delaware, which action was terminated by the entry of consent decrees, and RCA begs leave to refer to the proceedings and to the decrees in that action for a full and accurate statement of their terms and provisions.

As a result of discussions with representatives of the Attorney General, new cross-licenses were negotiated and entered into between AT&T, Western Electric, GE, Westinghouse and RCA. It was stipulated by representatives of the Attorney General that the arrangements so entered into would "provide suitable relief concerning all matters charged in the Petition and not reserved for later determination, * * * The petitioner, by its Department of Justice, has examined all of the Agreements attached hereto, and also the above-mentioned Substitute License Agreement (B2) and agreements Relating Thereto, and finds no objection to them."

This stipulation was submitted to the District Court in Delaware, together with the modified cross-license agreements between AT&T, Western Electric, GE, Westinghouse and RCA, and a consent decree was entered thereon on November 21, 1932.

In the course of the proceedings in which the decree was entered, Judge Warren J. Olney, appearing for the Government at the request of John Lord O'Brian, stated with respect to Substitute License Agreement (B2), which reflects the same principles involved in the other agreements approved by the decree, that:

"Under the new contract between these parties only nonexclusive licenses are exchanged so that with one very minor exception, which the Government deems of no substantial importance, so that

there is no restraint imposed upon any party to the contract. Each is free to use its own patents as it wishes and to grant licenses thereunder and the only effect of the contract is that each side extends to the other the right to use its patents and to that extent breaks down the monopoly which the law attaches to the ownership of a patent. The new contract, in other words, is one that is manifestly in the public interest and not opposed to it."

These are the very agreements attacked in the present suit by representatives of the Attorney General.

This decree was intended to, and did, put at rest all issues in that litigation, and by such decree those issues became *res judicata*.

The stipulation and decree reserved issues relating to license and traffic agreements between RCA and foreign companies. The reserved issue as to foreign licenses was disposed of by a supplemental decree dated May 25, 1934. Prior to this supplemental decree the licenses from foreign companies were modified by RCA, the supplemental decree held that this modification met the objections of the Government, and the case was dismissed with respect to such licenses, leaving the licenses as modified in effect. The reserved issue as to foreign traffic agreements was settled by a second supplemental amendment to the consent decree dated July 2, 1935, which modified such agreements but left the agreements as modified in effect.

At the entry of the second supplemental decree counsel for the Government represented to the court that "This manner of disposing of the final issues in the case, is satisfactory to the Government, * * * this Decree then finally consummates the case, as between the Government and the Radio Corporation of America and R. C. A. Communications, Inc."

36. RCA admits that Substitute License Agreement (B2) between GE and AT&T, to which RCA was made a party by an extension agreement, was entered into as of July 1, 1932, and begs leave to refer to such agreement for a full and accurate statement of its terms and provisions. This agreement was drawn and entered into as part of the negotiations with the Government prior to the consent decree in such manner as to meet the requirements laid down by the Government, as averred in paragraph 35 of this answer. Agreement B2 granted RCA certain non-exclusive licenses and non-exclusive rights to license others under patents of AT&T and Western Electric.

37. RCA admits that Agreement A-1 was entered into November 21, 1932, the date of the entry of the first consent decree, and begs leave to refer to such agreement for a full and accurate statement of its terms and conditions. Agreement A-1 was drawn, for the purpose of modifying the provisions in the license agreements between GE, Westinghouse and RCA as part of the negotiations with the Government prior to the consent decree, in such manner as to meet the requirements laid down by the Government, as averred in paragraph 35 of this answer. Agreement A-1 gave RCA certain non-exclusive licenses and non-exclusive rights to license others under patents of GE and Westinghouse. Agreement A-1 was attached to

the stipulation filed with the court on which the consent decree was based, and counsel for the Government stated to the court that this cross-license agreement was in full conformity with the law.

38. RCA admits that Agreements A-1 and B2, as modified and supplemented, are presently in effect in respect of inventions prior to December 31, 1954, and begs leave to refer to the agreements and supplements themselves for a full and complete statement of their terms and provisions.

39. RCA admits that on July 31, 1942 an Assistant Attorney General moved in the District Court of Delaware to vacate the aforesaid consent decrees, and begs leave to refer to the Government's motion for a complete and accurate statement of its grounds. The Government's motion was denied by Circuit Judge Maris, sitting as a Judge in the District Court. Judge Maris stated: "Since these consent decrees are based upon an agreement made by the Attorney General which is binding upon the Government the defendants are entitled to set them up as a bar to any attempt by the Government to relitigate the issues raised in the suit * * *." (46 F. Supp. 654, 656) Judge Maris thus held that the consent decree of 1932 is a three-party contract between the Government, the court, and the defendants.

The Government appealed to the Supreme Court from this decision of Judge Maris, but before the case was heard the appeal was dismissed upon motion of the Solicitor General, now Circuit Judge Charles Fahey, and the decision of Judge Maris stands *res judicata*.

On January 11, 1954 in his decision, reported at 117 F. Supp. 449, on a motion to construe the consent decree of 1932, Judge Maris again referred to Agreement A-1 as having been "approved" by the consent decree of 1932.

V I

Charges

40. RCA denies each and every allegation that it has attempted to monopolize or has monopolized or unreasonably restrained the interstate trade referred to, and denies each and every other allegation in paragraph 40 of the complaint.

RCA avers that the Government cannot attack a consent decree to which it is a party by charging RCA with violating the law—beginning the very day after the decree was entered—because it has conformed to the provisions of the decree. The consent decree of 1932, and the cross-license agreements approved thereby, represent the considered and correct judgment of the Government and the court, as well of the defendants, that this was the best way to achieve the objectives of the Government's petition, namely, the continued growth of a competitive radio-television industry free from restraint. The correctness of this judgment and the intensely competitive industry which has resulted from the policies and practices of RCA under and pursuant to this decree is shown by the soaring sales of radio and television receivers since 1932, as set forth in paragraph 1 of this answer.

RCA's policy of licensing its competitors and others on reasonable and non-discriminatory terms and without restriction has been a major factor in the rapid growth of the electronics industry, including the radio-television industry.

41. RCA denies each and every allegation contained in paragraph 41 of the complaint.

42. RCA admits that, in accordance with Paragraph V of the consent decree of November 21, 1932, it acquired non-exclusive rights under various patents pursuant to the seventeen specified agreements, and avers that in each instance the licensor reserved and retained complete freedom to compete with RCA in the granting of licenses under such patents. RCA further avers that in respect of nine of the seventeen non-exclusive licenses obtained, RCA did not acquire any rights to grant licenses to others. RCA denies that the effectiveness of the right of any of these companies to license others has ever in any way been destroyed by RCA during the period from November 21, 1932 to the present, or that RCA during that period had a monopoly either of patents or of patent licensing. RCA denies each and every other allegation in paragraph 42 of the complaint.

43. RCA admits that, during the period alleged, in accordance with Paragraph V of the consent decree of November 21, 1932, it acquired the right to use and to grant licenses to others under the United States patents and patent applications of nineteen of the twenty-nine companies named, and avers that in each such instance such licenses were made non-exclusive and the company concerned reserved the right to grant licenses to others in competition with RCA. RCA further avers that of the nineteen companies named as having granted RCA non-exclusive licenses under United States patents with the right to license others, four of these companies are small RCA foreign subsidiaries, seven of these companies no longer grant RCA such rights to license others, and one of these companies is an optical company granting RCA the right to license others under a single patent and a single application relating to an optical device. RCA further avers that of the seven companies remaining, two are, in fact, subsidiaries of a single company, and two are, respectively, a company and a subsidiary. The companies granting such non-exclusive licenses to RCA are, therefore, more properly considered as five companies rather than twenty-nine as alleged, and these five companies do not include, as alleged, "most of the principal manufacturers of radio and television industry equipment located throughout the world". RCA denies each and every other allegation in paragraph 43 of the complaint.

44. RCA admits that, in accordance with the consent decree of November 21, 1932, it has entered into various non-exclusive agreements with domestic and foreign patent holders to receive rights, including the right to grant licenses to others, and avers that it has made these rights available to its competitors and others on reasonable and non-discriminatory terms and without restriction. The effect of these agreements has been to resolve patent blocks and to increase competition in, and to increase the

manufacture and sale of, electronic apparatus, including radio and television apparatus. RCA begs leave to refer to the agreements themselves for a full and accurate statement of their terms.

45. RCA admits that it acquired certain United States patent rights relative to black and white television from Henroteau, Loewe and Farnsworth, and begs leave to refer to the agreements under which such rights were granted for a full and accurate statement of their terms. RCA denies each and every other allegation in paragraph 45 of the complaint, and avers that it made such rights available to its competitors and others on reasonable and non-discriminatory terms and without restriction. RCA also avers that its own research was the most substantial factor in bringing black and white television to a stage of development at which it was ready to become a service to the American public. RCA spent more than 50 million dollars on the development, research and promotion of black and white television before it realized any profit from such expenditures. RCA pioneered the introduction of black and white television to the American public and furnished its competitors with complete information regarding the manufacture and servicing of black and white television receivers in order to encourage its competitors to enter the television market.

46. RCA admits that it acquired non-exclusive licenses, including a non-exclusive right to license others, under one patent of Lorenzen, one patent of Toulon and five claims of one patent of Geer, and begs leave to refer to the terms of the agreements under which such rights were granted for a full and accurate statement of their terms. RCA avers that it made such rights available to its competitors and others on reasonable and non-discriminatory terms and without restriction.

RCA also avers that it publicly opposed adoption by the Federal Communications Commission of standards for an incompatible and inferior system of color television which would have rendered "blind" millions of receivers in the hands of the American public.

RCA has spent more than 50 million dollars on the development, research and promotion of a compatible system of color television which operates on standards since approved by the Federal Communications Commission and which preserves the value of millions of black and white sets in American homes. Color television activities are still being pioneered by RCA at a substantial loss.

RCA did not manufacture color television receivers using the incompatible standards adopted by the Federal Communications Commission in 1950 because it believed such receivers worthless and that it would be unfair to offer and sell such receivers to the American public. A number of other manufacturers made and tried to sell incompatible color television receivers, all of which receivers are now worthless.

On December 17, 1953 the Federal Communications Commission, on the recommendation of RCA and scientists and engineers representing virtually the entire radio-television industry, adopted compatible color television standards used by the RCA color television system.

RCA has and is continuing to pioneer the introduction of color television to the American public and has furnished its competitors and others with complete information regarding the manufacture and servicing of compatible color television receivers in order to encourage its competitors to enter the color television market.

RCA denies each and every other allegation in paragraph 46 of the complaint.

47. RCA denies each and every allegation in paragraph 47 of the complaint.

48. RCA denies each and every allegation in paragraph 48 of the complaint.

49. RCA admits that, during the period from November 21, 1932 to the present, it has offered to its competitors and others patent licenses under RCA's patent rights on reasonable and non-discriminatory terms and without restriction, to the extent to which it has the right to grant such licenses. RCA avers that many of its competitors and others have desired licenses under various RCA patent rights to manufacture, use and sell various types of electronic apparatus, including radio-television apparatus, and have obtained licenses from RCA under such rights and for such apparatus as they desired. RCA denies each and every other allegation in paragraph 49 of the complaint.

50. RCA admits that it has granted many licenses on standard forms, including the forms alleged, and avers that all such licenses have been granted on reasonable and non-discriminatory terms and without restriction. RCA further avers that, to the extent to which it has such right, it has granted licenses under any patent or group of patents its prospective licensees have desired, and for any apparatus or types of apparatus for which its prospective licensees have desired a license. RCA begs leave to refer to such license agreements for a full and accurate statement of their terms, and denies each and every other allegation in paragraph 50 of the complaint.

51. RCA admits that it grants licenses to its competitors and others and avers that it is RCA's policy to license and that RCA will license anyone under any patent or group of patents for any apparatus the prospective licensee may desire, and RCA will specify for the prospective licensee the patents which may be used in any apparatus.

RCA denies that it compels any prospective licensee to accept a license under more patents than he wants, and denies any allegation contained in any paragraph of the complaint which charges RCA with "package licensing". RCA's licenses contain no restrictions as to price, quantity, territory, or anything else, and are offered under any one or more patents and for any apparatus as may be desired by any prospective licensee.

RCA denies each and every other allegation contained in paragraph 51 of the complaint.

52. RCA admits that it has granted licenses to its competitors and others for such apparatus and for such purposes as its prospective licensees have desired, and begs leave to refer to the license agreements themselves for a full and accurate statement of their terms. The effect of RCA's license agreements has been to increase competition

in and to increase the manufacture and sale of electronic apparatus, including radio and television apparatus, and RCA's license agreements are granted to its competitors and others on reasonable and non-discriminatory terms and without restriction, to the extent to which RCA has the right to grant such licenses. There is active and intense competition between RCA and its licensees in the electronics industry, including the radio-television industry. RCA's licensing policies encourage and assist small manufacturers to enter and compete in the electronics industry, including the radio-television industry. A very large number of independent companies are now manufacturing and selling television receivers and all of these companies are in open and active competition with RCA and with one another. RCA denies each and every other allegation in paragraph 52 of the complaint.

53. RCA admits that in 1940 it changed its method of computing royalties on licensed receiving sets to provide that the base for computation of royalties henceforth would be the licensee's genuine selling price at which its customers are billed in the usual course of business as packed for shipment to customers. This revised royalty base was adopted at the request of RCA's licensees because previous RCA license agreements, which included higher royalty rates and diminution of the royalty base through allowance of various deductions for cabinets and other items, resulted in accounting and other difficulties and expenses to licensees. It was, among other reasons, for the purpose of simplification and the avoidance of complex accounting problems and expense to licensees that the royalty base presently provided in RCA receiver license agreements was adopted. RCA lowered its royalty rates at that time to make allowance for inclusion in the receiver royalty base of various items as alleged. RCA's present royalty rates are further reduced, now being only $\frac{1}{2}$ of 1 percent for radio broadcast receivers using tubes, $\frac{1}{8}$ percent for radio broadcast receivers using transistors, $\frac{1}{4}$ percent for black and white television receivers, $\frac{1}{4}$ percent for color television receivers, $\frac{1}{4}$ percent for electron tubes other than color tubes, $\frac{1}{4}$ percent for color tubes, 2 percent for color television commercial apparatus except government apparatus, $\frac{1}{2}$ percent for other commercial apparatus except government apparatus, and 1 percent for all commercial apparatus manufactured for government use.

All RCA license agreements provide for various deductions which make the actual rates even lower. Moreover, RCA royalty rates are based on the manufacturer's selling price. Applied to retail selling prices to the public, these royalty rates are substantially cut in half.

The fact that RCA's royalty rates compare most favorably with those of other licensors in this or any other industry is beyond dispute.

In return for these reasonable royalty rates, licensees have the privilege of obtaining a license under, or using, any one or more patents under which RCA has the right to grant licenses. This licensing policy has resulted in licensees of RCA having complete freedom to manufacture apparatus in competition with RCA under any and all patents available to RCA, to the extent to which RCA has

the right to grant such licenses. No royalties are payable on any apparatus under any license agreement granted by RCA unless the apparatus uses patents licensed by RCA. RCA begs leave to refer to its license agreements for a full and accurate statement of their terms, and denies each and every other allegation contained in paragraph 53 of the complaint.

54. RCA admits that it offers licenses to its competitors and others on reasonable and non-discriminatory terms and without restriction for any patent or patents under which its prospective licensees may desire freedom to manufacture, use, sell or lease any apparatus. RCA's policy of making any or all of its rights available upon request has been a substantial factor in maintaining and increasing intense and effective competition in the electronics industry, including the radio-television industry, and has been a substantial factor in enabling small companies to compete with RCA and others. RCA denies each and every other allegation in paragraph 54 of the complaint.

55. RCA denies each and every allegation in paragraph 55 of the complaint.

56. RCA denies each and every allegation in paragraph 56 of the complaint.

57. RCA admits that years ago its license agreements contained a provision under which RCA had the right to require its licensees to grant RCA non-exclusive licenses on reasonable terms under any new inventions made by them within the scope of the RCA license. This right was never exercised by RCA and in 1949 RCA formally waived such right and removed this provision from its license agreements. RCA begs leave to refer to its license agreements for a full and accurate statement of their terms, and denies each and every other allegation in paragraph 57 of the complaint.

58. RCA denies each and every allegation in paragraph 58 of the complaint.

(a) RCA avers that among its competitors and others who have granted licenses to others are Major Edwin H. Armstrong, Columbia Broadcasting System, Inc., Allen B. Du Mont Laboratories, Inc., Eitel-McCullough, Inc., General Electric Company, Hazeltine Research Inc., International Telephone and Telegraph Corporation, Philco Corporation, The Sperry Corporation, Sylvania Electric Products, Inc., Western Electric Company, Incorporated, Westinghouse Electric Corporation, Zenith Radio Corporation, and others.

(b) RCA avers that in 1951 it expended about \$39,000,000 for research and development in electronics and that, according to a report of the Bureau of Labor Statistics of the United States Department of Labor covering the same period, \$531,600,000 was spent by 277 companies which gave electronics research as their major research specialty. During the period covered by the complaint, there has been active and increasing competition in research and development in the electronics industry, including the radio-television industry. In addition to the amounts which RCA spends on its own research and development activities, RCA

also pays substantial amounts to its competitors in the radio-television industry, and to others in the electronics industry, for licenses under the inventions resulting from their research and development activities.

(c) RCA avers that, to protect its patent rights and avoid discrimination in its dealings with its competitors and others in the electronics industry, including the radio-television industry, it has brought suits for infringement to enjoin others from using without payment patent rights licensed by RCA to others and paid for by them. With but two exceptions hereinafter referred to, all patent infringement actions commenced by RCA were commenced prior to 1940 and were commenced at a time when one or more patents licensed by RCA had been adjudicated as valid by final judgments of United States courts. Since 1940 RCA has brought only two patent infringement actions, one of these a suit which was settled before trial, and the other a pending suit against Zenith Radio Corporation and its subsidiary, The Rauland Corporation, following commencement of a prior action by Zenith Radio Corporation against RCA for a declaratory judgment challenging the validity of RCA patents.

59. RCA avers that (a) inventions of GE, Westinghouse, AT&T, Western Electric and Bell Labs have been licensed by GE, Westinghouse, AT&T and Western Electric in active competition with licenses granted by RCA under patents of such companies; (b) GE, Westinghouse, AT&T, Western Electric and Bell Labs have engaged and are engaging in substantial radio-television research, development and patent licensing in active competition with RCA, and (c) RCA has been and is in active competition in patent licensing, research and development in the electronics industry, including the radio-television industry, with such companies. RCA further avers that its licensing activities under patents of GE, Westinghouse, AT&T, Western Electric and Bell Labs have been and are in conformity with the terms of the consent decrees hereinabove referred to and that the legality of such activities are *res judicata*. RCA denies each and every other allegation in paragraph 59 of the complaint.

60. RCA avers that GE, Westinghouse and AT&T are licensed by RCA under various agreements, and RCA begs leave to refer to said agreements for a full and accurate statement of their terms. RCA further avers that the terms and provisions of the license agreements under which RCA has the right to grant licenses under the patents of GE, Westinghouse and AT&T were approved by the afore-said consent decrees and have been characterized by the Department of Justice as being in the public interest. RCA denies each and every other allegation in paragraph 60 of the complaint.

61. RCA avers that in April 1953 it entered into an agreement relative to certain sublicensing rights under patents of AT&T and Western Electric granted to RCA by Agreement B2, and avers that said agreement of April 1953 reduced certain rights to grant sublicenses granted to RCA by Agreement B2 and did not, as alleged, extend

the life of such sublicensing rights. RCA begs leave to refer to Agreement B2 and the agreement of April 1953 for a full and accurate statement of their terms, and denies each and every other allegation in paragraph 61 of the complaint.

62. RCA admits that the effect of Agreements A-1 and B2 is, in part, as alleged, and begs leave to refer to the agreements for a full and accurate statement of their terms. RCA further admits that on January 11, 1954 Circuit Judge Albert B. Maris, sitting as Judge in the District Court for the District of Delaware, upheld the construction of Agreement A-1 advanced by RCA, and avers that in the same proceeding the court rejected the contention of the Antitrust Division of the Department of Justice that RCA's construction of the A-1 Agreement was not in the public interest. In his opinion upholding RCA's construction of this agreement, Judge Maris stated in part "It is clearly in the public interest for this court to settle this question with respect to the operation and effect of the agreement [A-1] approved by its [consent] decree [of 1932]." RCA further admits that on March 5, 1954 it entered into an agreement with GE, the effect of which is to reduce the term of RCA's right to grant licenses to others under patents of GE on inventions made prior to December 31, 1954. RCA begs leave to refer to the agreement for a full and accurate statement of its terms, and denies each and every other allegation in paragraph 62 of the complaint.

VII

Effects

63. RCA denies each and every allegation as to the effects of the acts referred to in the complaint.

RCA avers that its policy of licensing its competitors and others on reasonable and non-discriminatory terms and its policy of granting licenses to prospective licensees under any patent or patents and for any apparatus for which such prospective licensees desire a license, has contributed substantially to the dynamic growth and development of the electronics industry, including the radio-television industry. These policies have encouraged and increased competition in radio-television research and development, patents, patent licensing, patent rights, manufacturing, sale, distribution, and the introduction of new developments in the public interest.

RCA's policies have encouraged the development and expansion of the electronic art in innumerable directions and with tremendous vitality and dynamic energy. No industry in this country has progressed so far in so short a time.

The rapid and continuous emergence of new and improved electronic products for industry, for the home, and for national defense, rendering obsolete existing products, which is characteristic of this industry, completely refutes the existence of any monopolistic control, domination or restraint as alleged in the complaint.

When RCA was formed at the request of the Government in 1919, only the most courageous and far-sighted could have foreseen the tremendous vistas which would be

opened to American industry and the American public through the encouragement and development of the electronic art. The research and development activities which at one time were engaged in by only a very few have for many years been pursued by substantially all members of the electronics industry, including the radio-television industry.

Today aircraft manufacturers, automobile manufacturers, business machine manufacturers and many other areas of American industry, and universities as well, are actively conducting research and development in electronics and are producing electronic equipment.

This chain reaction of research and development in the electronics industry was initiated with the formation of RCA, and is attributable in large part to RCA's policy of making inventions available to others.

The relief prayed for in the complaint is unreasonable, unnecessary, contrary to the public interest, and barred by the doctrine of *res judicata*.

First Defense

The complaint fails to state a claim against RCA upon which relief can be granted.

Affirmative Defense

Each and every claim for relief purported to be set forth in the complaint is barred by the doctrine of *res judicata* as hereinabove alleged.

WHEREFORE, RCA prays that the complaint herein be dismissed with costs.

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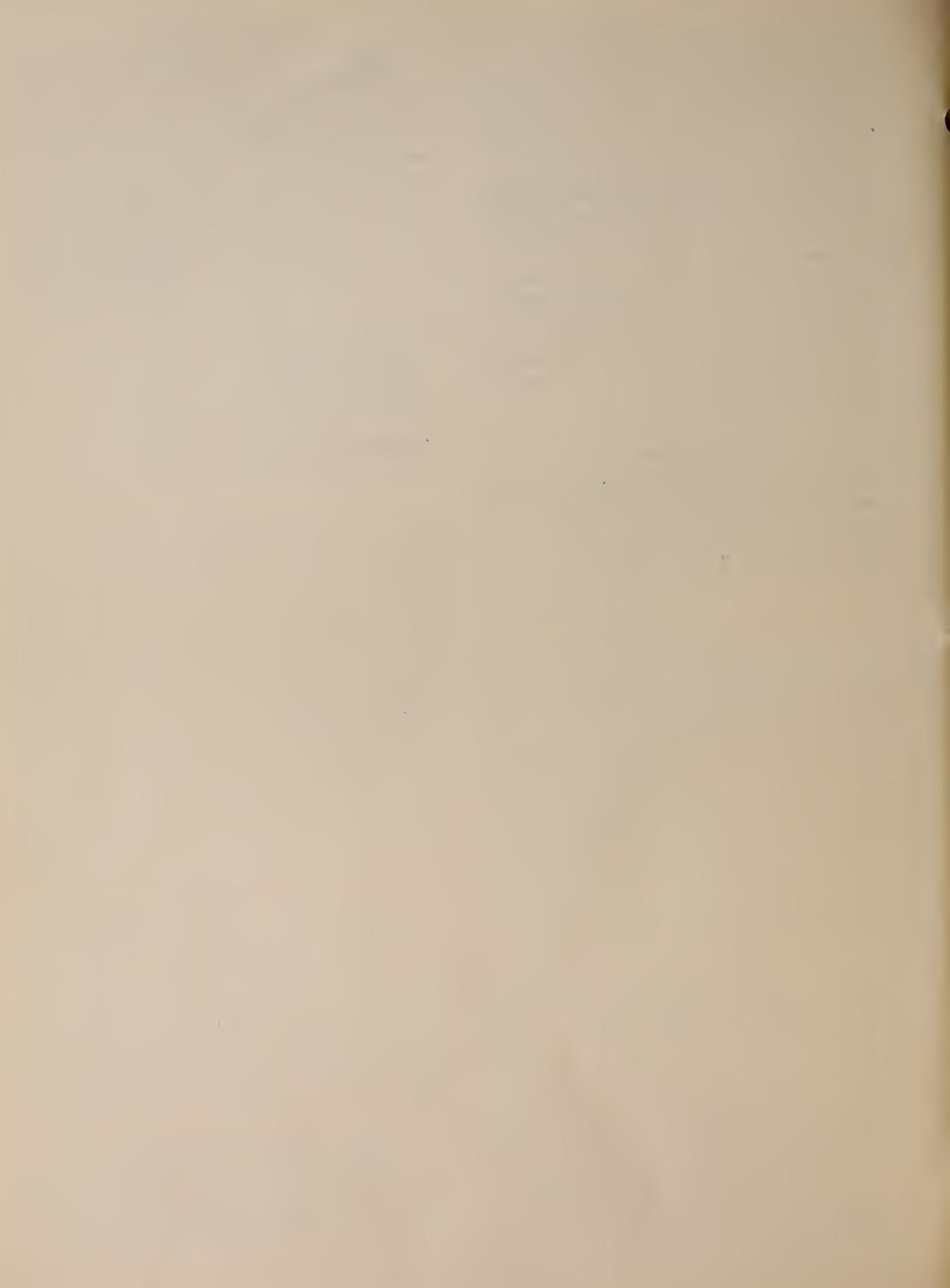
JERROLD G. VAN CISE

JOHN W. NIELDS

RODOLFO A. CORREA

Dated: March 29, 1955.

(4673)



MARTIN CODEL'S

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

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Television Digest

with **ELECTRONICS REPORTS**

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

HYPOS FOR SAGGING NETWORK RADIO sought; NBC "Monitor" plan offers 40 hours around-clock weekends with partic. spots as in "Today" (pp. 1 & 6).

FCC'S FILES ON PAY TV show vox populi equally divided; Zenith gains spotlight when CBS rejects proposed pro-subscription commercial for Omnibus (pp. 1 & 7).

ADVERTISING EXPENDITURES ON TV ran 9.9% of national ad budget last year, totaling \$809,100,000, should go to \$1 billion or more this year (p. 3).

SMALL-MARKET STATIONS, vhf & uhf, getting benefits of new NBC & CBS programming plans; NBC to add more programs, more outlets to Program Service Plan (p. 3).

INITIAL DECISIONS favor KIRO, Seattle; WPDQ, Jacksonville; Omaha World-Herald; deintermixture proposals stir requests for more of some (p. 5).

JUVENILE DELINQUENCY AND TV probed again by Senators in public hearing—experts disagreeing as usual on whether there is relationship (p. 8).

RADIO TRADE IN COMEBACK, output and retail sales each up 50% over first quarter of 1954, inventories of all levels down by 200,000 sets (p. 10).

REPEAL OF FAIR TRADE LAWS backed by big stores and discount houses; Sparkman committee to hold hearings on anti-trust report (p. 10).

1954 COMPENSATIONS TO OFFICERS as reported by Admiral, Emerson, DuMont, Hazeltine, Philco, RCA, Zenith and other companies (p. 11).

TIME-SHARING WTCN-TV & WMIN-TV, Minneapolis-St. Paul, merger approved; 2 more uhf may quit; reports on equipment and new stations (p. 9).

DuMONT'S "ELECTRONICAM"—combined TV & film camera which may provide clue to DuMont network's future—to be demonstrated next week for first time (p. 16).

NETWORK TV BILLINGS HOLD UP in Feb., running well ahead of last year; PIB figures show network radio down, running about one-third TV (p. 16).

NETWORK RADIO PATTERNS FOR SURVIVAL: Beset by dwindling billings and the loss of listeners as fast as TV can claim them for viewers, network radio is fighting back with new program formats, rate slashes, special discount deals, heavy promotions -- all designed to pull it out of the economic quicksand into which it has been sinking during the last few years.

Most exciting of the new program formats designed to hypo network billings was unveiled this week by NBC. It's called "Monitor" and is projected to start in June as an around-the-clock weekend service providing continuous flow of entertainment and information from 8 a.m. Sat. to midnight Sun., including pickups of audio excerpts from favorite TV shows. (For details of plan, see p. 6.)

Other networks have also taken steps to improve their lot, principally via drastic rate cuts and bigger discounts. CBS, for example, offers frequency discounts ranging from 15% to 26%, depending on number of stations used, and has reoriented evening program schedule heavily to music. MBS has included in its rate card a \$1600 charge for one-min., which NBC now proposes to beat in its new segmentation plan. ABC was always so low, compared to CBS and NBC, that it has not had as far to fall -- but its radio revenues have been consistently declining, nevertheless, and it has had to make cuts in rates apace with the others.

Note: Evidencing network radio decline are monthly PIB figures (see p. 16); also the fact that, whereas nearly all the other media showed gains in advertising last year, the preliminary 1954 Printers' Ink index showed radio down 3.3% from 1953, its first downward year -- network slipping 13.2% & spot 5%, local up 2%.

PAY-AS-YOU-LOOK TV AROUSES VOX POPULI: Fascinating documents at FCC are the comments received so far on subscription TV. Though Commission set May 9 as date for filing formal comments on the rule-making proceeding which started Feb. 10 -- and the big guns won't be fired until then -- 360 letters & postcards have been received since Feb. 10. Few FCC matters have brought so much mail in so short a time.

Correspondence is wonderful grist for publicity mills of both pro and con elements of the pay-TV picture. Right after FCC's announcement Feb. 10, most comments

were obviously from the man-in-the-street, inspired by news stories which said that FCC's rule-making was for purpose of getting public opinion. During last month, there has been a heavy interlarding of distributor-dealer and theatre reaction.

In first month after Feb. 10, 107 letters denounced fee-TV idea, 60 favored it. In second month, 69 were against, 125 for -- a clear reversal of trend, whatever that may betoken -- and reaction is now almost exactly even-Stephen.

Most of the distributor-dealer response comes from those handling Zenith line -- and they're decidedly pro. Theatres are just as definitely con -- many of them using a mimeographed form letter.

There are some VIPs in the fast-growing Docket 11279. Someone has obviously done a good lobbying job on the Nevada solons. Gov. Charles H. Russell and Sen. George W. Malone (R) of Reno are vigorous proponents. Dozen or so other Senators and Congressmen, without expressing any opinion, forwarded letters from constituents.

Medical groups have also been sold -- American Medical Assn., Assn. of American Medical Colleges and American Academy of General Practice taking a favorable stand. Also among those urging pay-TV approval is Arthur J. Rooney, pres. of the Pittsburgh Steelers football team, and representatives of several legitimate theatre groups.

Few station operators have commented as yet. KSAN-TV, San Francisco (Ch. 32) urged that toll TV be authorized for uhf only. KCEB, Tulsa (Ch. 23), now off air, recommended it be limited to uhf and non-network stations. KONA, Honolulu, said stations should be permitted to air it part time. Radio WBBB, Burlington, N.C. is for it, but KGFF, Shawnee, Okla. is against it.

Feelings of public can be summed up about like this: For -- "We're tired or disgusted with present TV fare and want better programs." Against -- "We've paid for our sets and don't intend to pay for the programs, too."

Those favoring subscription TV frequently write on good paper with letter-heads, employ good English. Those opposing, more often than not, use cheaper paper, ungrammatical sentences, poorer handwriting. There are many exceptions, however.

To give you more of the flavor and arguments in the comments, we've quoted from some of the letters on p. 7.

Major opponents and proponents are gearing for May 9, meanwhile. No one has asked for delays -- and FCC isn't likely to grant them if requested. It feels that the 90 days it gave is ample time for preparation.

* * * *

Zenith's shrewd pres. Eugene F. McDonald again showed his mastery of public relations this week -- accomplishing the remarkable feat of getting more impact by cancelling commercials than others achieve by buying them. With only a week left in current Omnibus series, sponsored by Zenith and 3 others, Zenith v.p.-counsel Joseph S. Wright abruptly wrote CBS pres. Frank Stanton, saying Zenith was cancelling its sponsorship because of CBS's "arbitrary and unwarranted censorship" in rejecting proposed Zenith commercial extolling subscription TV. Wright also said that the Omnibus program on subscription TV March 27 (Vol. 11:14) had been unfairly slanted against pay-as-you-look TV.

CBS v.p. Richard S. Salant shot back a biting reply stating that Zenith knew full well that its contract provided for commercials on "goods and services," not on "controversial issues" such as fee TV. Furthermore, he reminded, both he and Stanton had previously advised Wright about CBS policy on commercials -- to which Wright had not objected. As for the Omnibus program being "slanted," Salant told Wright: "You are outrageously and knowingly wrong" and that "if the program was unfair at all it was unfair to opponents" of fee TV because audio portion of George Storer's statements -- against subscription TV -- was technically inferior.

Though Zenith placed no commercials on either April 3 or 10 Omnibus telecasts, Salant told Wright CBS expects payment for them.

Attesting to success of Zenith maneuver is fact that newspapers and trade press are making big to-do about it -- N.Y. Times even carrying full text of the commercial that CBS rejected. It was an all-out pitch for subscription TV, stating that it could bring first-run movies, heavyweight championship bouts, etc. to the home and urging people to write to FCC.

TV ADVERTISING COSTS NEAR \$1 BILLION: TV didn't quite hit 10% of last year's total national advertising budget -- the preliminary estimate is 9.9% -- nor did it climb as high as the \$930,000,000 which NBC Research predicted (Vol. 10:34) or \$900,000,000 we guesstimated (Vol. 10:48). But it should easily rise to \$1 billion this year.

The actual 1954 figure won't be known until FCC's annual audit of station and network revenues, due in June or July, to which industry statisticians can add fairly realistic estimates of other costs such as talent, programs, production, commissions, etc. to arrive at a grand total.

McCann-Erickson research dept., whose annual figures on advertising investment released through Printers' Ink are generally recognized as authoritative, has made a preliminary estimate of \$809,100,000 as TV's 1954 take out of total advertising expenditures of \$8,145,100,000. That's 9.9%, and it places TV in third place after newspapers' \$2,670,900,000 (32.8%) and direct mail's \$1,165,000,000 (14.3%).

Radio's \$608,100,000 (7.4%) puts it behind magazines' \$674,100,000 (8.3%), and for the first time TV jumps ahead of its parent radio broadcasting industry.

These figures are subject to revision later in the year. But it's reasonable to assume that TV, having ended 1954 with 426 stations on the air as against 356 at the end of 1953, and likely to have 450-to-475 stations on the air by end of this year -- and with rates and costs up generally -- will go beyond \$1 billion in 1955.

Quite a fabulous record for an industry that had only 10 stations and less than 10,000 sets in 1946! It means that in 10 years, telecasting has leaped from nothing to 9-figure status -- and not to serious detriment of most other media, for the advance figures show all of them save radio are on the upgrade. Radio slipped 3.3% in 1954 below 1953, and apparently is still slipping somewhat.

According to Standard & Poor's, the advertising industry as a whole should go up a minimum of 5% this year over last. Certainly TV, which jumped 33.5% from \$606,200,000 in 1953 to \$809,100,000 in 1954, can be expected to do much better than 5%. It's the advertising industry's lustiest and fastest-growing infant.

It's noteworthy that the preliminary figures published by Printers' Ink break down 1954 TV ad expenditures as \$444,200,000 network, \$189,000,000 spot, \$341,000,000 local -- with network running 38.8% ahead of 1953, spot 30% ahead, local 25% ahead. Network is still going up, as evident in PIB figures for Jan. & Feb. (see p. 16) -- and it's common knowledge that spot and local are well on the upgrade, too.

Note: Over the longer term, there's still the prediction of CBS's Frank Stanton that TV expenditures of U.S. advertisers will run "in the order of \$1.25 billion in 1957 or 1958"; there are the further projections of NBC Research, which it is likely to prune down now: \$1.3 billion in 1955; \$1.9 billion in 1956; and there's the figure of \$1.9 billion in 1959 guesstimated by DuMont's Ted Bergmann. Several weeks ago, speaking to security analysts on 10-year potential of the electronics industry as a whole, Sylvania finance v.p. W. Benton Harrison said combined TV-radio broadcasting revenues, i.e., exclusive of talent, production, etc., added up to about \$1,140,000,000 last year, should show a slight increase this year; by 1958-60, he stated, figure should be \$3 billion and by 1964 should top \$5 billion (Vol. 11:11).

NETWORK AID TO SMALL-MARKET STATIONS: Top network programs for small-market stations -- that's key to current network effort to break the vicious circle of "no programs, no viewers; no viewers, no sponsors; no sponsors, no programs." Aiming to build up a stronger nationwide TV service, NBC-TV and CBS-TV -- each in a different way -- have undertaken to fill the programming void on less-demanded TV stations.

This week, NBC let it be known that it is so encouraged by results of its so-called Program Service Plan, now bolstering program schedules of 74 stations, that it's working out ways to extend it to include more programs on more stations. NBC's thesis is: "Give them the programs first, if necessary -- then sell the advertiser."

CBS-TV's Extended Market Plan, more widely publicized (Vol. 10:49-51), is based on conviction pump can best be primed by selling advertisers first, via substantial price inducements. Under EMP, it sells selected group of small stations (now numbering 21) to network advertisers at extremely attractive rates. It already has 30 sponsors offering EMP affiliates 40 hours of choice programming weekly.

The NBC plan makes network programs available to affiliates which the sponsor

does not order, permits stations to delete network commercials and sell commercials on their own on a local or a spot basis. NBC revealed this week that these unorderd stations are already picking up total of more than \$8000 monthly in local revenue this way. But even more significant is fact that increasing number of network advertisers have been adding the small-market "optional" stations which began by carrying the network programs minus the commercials.

Program Service Plan gives NBC-TV's optional affiliates 3 opportunities to gain: (1) Added programming. (2) Sale of local sponsorships and participations in network-originated programs. (3) Foot-in-door with possible network sponsors.

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Plan had its experimental beginnings in Jan. 1954, when early-morning Today show was offered without network commercials. In October of last year, Howdy Doody, Home & Imogene Coca Show were added. Last month, NBC threw in its high-rated George Gobel and Sid Caesar shows. Adding more shows is a real problem, because NBC owns complete rights to only a minority of programs, most being tied up in one way or another by agencies, sponsors, packagers, talent, etc.

To accomplish the mechanics of commercial-deletion, NBC "had to invent a machine." It's a cueing device which places a rectangular spot in upper right corner of picture, signaling imminence of a network commercial. This cues local station's technician to make breakaway for local commercial or announcement.

Total of 74 stations not ordered by network sponsors -- 26 of them uhf -- are now participating in Program Service Plan by carrying some or all of the 19½ hours being offered weekly. While these unorderd stations are carrying the de-commercialized shows, a special NBC sales unit under Richard Soule is concentrating on selling sponsors the idea of adding these optional stations to their lineups of required basic outlets -- at the stations' regular network rates.

These figures show how regular network sponsors have been persuaded to put their commercials on optional stations since plan began: On Home show, 5939 orders for participations on individual stations have been taken; on Today, 1215 orders; Howdy Doody, 127 fifteen-min. segments; Imogene Coca, 48 orders.

NBC's "optional" plan so far has been limited largely to interconnected outlets "on the line," which can pick up live programs at little or no added cost. Non-interconnected stations and outlets off the main line can get kine versions by paying regular kine charges. Fact that many can't afford this service is one dilemma which NBC topkicks are trying to solve.

Personal Notes: Edward T. Ingle, ex-NBC, who for 7 years was TV-radio director of Republican National Committee, named chief of radio-TV branch, Office of Public Information, Dept. of Defense, reporting to Herschel Schooley, director of information . . . Charles Oppenheim, CBS-TV director of press information, gets new title of director of information services; Michael J. Foster, publicity mgr., becomes mgr. of press relations, Hank Warner continues as operations mgr. . . . Robert Elliott, ex-CBS-TV and Ruthrauff & Ryan, named adv. director of both General Teleradio film div. & MBS, replacing late James S. Tyler and reporting to Robert A. Schmid, General Teleradio adv. & promotion v.p. . . . Andrew G. Haley, Washington counsel for TV-radio stations, last year's pres. of American Rocket Society and past v.p. of International Astronautical Federation, and Mrs. Haley were hosts to Rev. Walter J. Miller, Papal astronomer here on visit from Vatican, at reception April 9 in Washington's Mayflower Hotel . . . Michael A. Renault promoted to gen. mgr. of ABC's WABC, N. Y. . . . George Townsend, chief engineer of WWLP, Springfield, Mass., elected a v.p.; Howard S. Keefe promoted to asst. mgr.; Wallace I. Green named program director . . . Frank B. Willis resigns as sales mgr. of WJTV, Jackson, Miss. to join midwestern sales force of MCA-TV . . . Lee Curran, ex-KDKA, Pittsburgh, named promotion mgr. of KTRK-TV, Houston . . . Frank Beazley, ex-sales mgr., KBAK-TV, Bakersfield, Cal., joins KNXT,

Los Angeles . . . Wm. G. Grainger, ex-NBC film div., resigns to become pres. of National TV Distributors Inc. . . . James C. Douglass, TV-radio director, elected a v.p. of Ted Bates & Co. . . . Donald E. Tomkins, ex-TV-radio director of Grant Adv., named gen. sales mgr. of Owen Murphy Productions Inc., N. Y. . . . James C. Zeder Jr., ex-McCann-Erickson & Grant Adv., named TV-radio adv. mgr., Chrysler Corp. . . . Marcell Smith, ex-WCBS, named asst. TV-radio production supervisor, Weiss & Geller, N. Y. . . . James Morgan, v.p. of Raymond R. Morgan Co., Los Angeles, joining Don Fedderson Productions, now producing *The Millionaire* and *Liberace* and planning new series *Do You Trust Your Wife?* . . . Paul Mowrey, first ABC mgr. of TV, recently in consulting practice, has been retained by Zenith Radio in connection with its promotion of Phonevision . . . Gordon Hellman has resigned as CBS-TV director of sales presentations, to become sales promotion director, TV Bureau of Advertising . . . Bernie Harrison, TV-radio editor of *Washington News*, shifts to *Washington Star* May 1 in same capacity.

Robert R. Sloane, 42, TV-radio producer-director-actor, died of heart attack April 3 at his Los Angeles home. He was producer of filmed *Treasury Men in Action*.

Joseph M. Creamer, 42, former TV-radio promotion & research director of WOR, N. Y., recently with Kudner Agency, died April 5 after brief illness.

THREE INITIAL DECISIONS of major importance and one CP were focus of FCC activity this week. CP was for Ch. 3, Florence, S. D., granted to Hills Bestg. Co. (KELO-TV, Sioux Falls) after KWAT, Watertown, had dismissed. New station is to be satellite of KELO-TV. In the initial decisions, examiners recommended grants to KIRO, Seattle (Ch. 7); WPDQ, Jacksonville (Ch. 12); *Omaha World-Herald*, Omaha (Ch. 7).

Examiner Thomas H. Donahue's selection of KIRO, Seattle, over KXA and KVI, was made, he said, because "its vast superiority of past operation over both applicants is far and away its most telling point." In Donahue's opinion, this outweighed the "one stain" on pres. Saul Haas' record. He said testimony showed Haas guilty of "peddling influence" when he was U. S. Collector of Customs in 1933-45, by telling owner of KIRO (then KPCB) he'd help him with Federal tax problem in return for stock in station at nominal price. He obtained 500 of station's 2500 shares for \$500. "Man is not perfect," Donahue said, excusing "this single instance of wrong-doing."

Interesting angle of Seattle case is that Sen. Magnuson (D-Wash.), chairman of Senate Interstate & Foreign Commerce Committee, is 3.24% stockholder in KIRO.

Sole reason for examiner Chas. J. Frederick's choice of WPDQ, Jacksonville, over city-owned WJAX and Florida-Georgia TV Co. was ownership-management integration. He held that applicants were about equal in all respects except that WPDQ's pres. James R. Stockton (60%) and exec. v.p. Robert R. Feagin (20%) would be active in day-to-day operations, giving "greater assurance of the station's operation in the interest of the public." Ownership of Florida-Georgia includes George H. Hodges, contractor (26%); Harold S. Cohn (19%), owner of WRHC; Mitchell Wolfson (voting 20%), owner of WTVJ, Miami and pres. of Wolfson-Meyer Theatres (31 theatres).

Criteria used by examiner Isadore A. Honig in selecting *Omaha World-Herald* over KFAB were: greater local ownership, superior civic participation, more varied business interests of principals, better program planning, business practices of KFAB's newspaper affiliates (*Lincoln Journal-Star*)—and diversification. Honig said "great weight" was given to last factor because *World-Herald* has no other media interests, whereas KFAB is related, through complicated stockholdings, to some dozen newspapers, 3 AM-FM stations and "at least 2 TV stations."

FCC refused Edward Lamb's request to drop one issue in the Lamb communist-charge hearings. The issue concerns charge made by Lamb in court suit against FCC last summer, that FCC investigators tried to induce people to testify falsely against him; that they said publicly that they were "going to get Lamb and take WICU away from him," and that they offered at least one bribe for false testimony. In refusing to drop issue, FCC in April 7 decision said inquiry into the basis for them is "relevant to a determination" of whether Lamb's license for WICU, Erie, should be renewed. In 2 days on stand last week, Lamb denied all charges (Vol. 11:14), insisting he was "victim of a horrible frame-up." Hearings were recessed until April 18, when Lamb returns for more questioning.

Sale of KJAY, Topeka, Kan. (5-kw, 1440 kc) for \$105,000 by S. H. Patterson, owner of KSAN-TV, San Francisco (Ch. 32) and KSAN (Vol. 11:12) was approved by FCC last week. New owner, KOA salesman Robert Rohrs, moves from Denver to Topeka to take over as gen. mgr. Also approved was 90% sale of WETZ, New Martinsville, W. Va. (1-kw, 1330 kc) to Sesac representative Harry B. Bright for \$20,400 (Vol. 11:12). J. Patrick Beacom retains 10% of WETZ, also owns 25% of WJPB-TV, Fairmont, W. Va. (Ch. 35), now off air (Vol. 11:9).

FCC's deintermixture proposals of last week (Vol. 11:14) encouraged more uhf stations to petition for more of the same. WNAO-TV, Raleigh (Ch. 28) renewed request that Raleigh's Ch. 5 and Durham's Ch. 11 be given to educators. KVDO-TV, Corpus Christi (Ch. 22) again urged that Ch. 6 & 10 be moved elsewhere. KJEO, Fresno (Ch. 47) asked that city's Ch. 12 be designated educational. On other hand, off-air WJPB-TV, Fairmont, W. Va. (Ch. 35) petitioned to get Weston's Ch. 5 transferred from educational to commercial.

In final actions, FCC: (1) Granted WMGT, Adams, Mass., CP for change from Ch. 74 to Ch. 19. (2) Opened way for WKNY-TV, Kingston, N. Y. to shift to Poughkeepsie and use Ch. 21, by substituting Ch. 75 for Ch. 27 in Concord, N. H., Ch. 27 for Ch. 21 in Hanover, N. H.

FCC turned down 2 attempts by uhf operations to get lower channels. WHUM-TV, Reading, Pa., seeking to shift from Ch. 61 to Ch. 15 while off-air WLBR-TV, Lebanon, would be moved to Ch. 61, was denied because WLBR-TV was said to be making effort to get back on air. Grantee KCOR-TV, San Antonio (Ch. 41), asking for shift of Ch. 14 from Seguin, Tex., was turned down because Seguin groups have shown interest in channel, though no one has applied, and because FCC believes Ch. 41 is a pretty good channel from standpoint of transmitter-receiver development—being in "relatively lower part of the uhf band."

* * * *

Three more comments were filed on FCC's proposed "5-mile" rule, designed to keep transmitters within 5 mi. of principal city. American Farm Bureau registered disapproval, saying rule would reduce rural coverage. WSJS-TV, Winston-Salem (Ch. 12) asked that rule, if adopted, not be made retroactive. Sarkes Tarzian, owner of WTTV, Bloomington, Ind. (Ch. 4) said cities would get better service if all powerful stations were 15-20 mi. from town—to avoid blanketing and ghosting.

CBS filed a statement on proposed low-power satellite rules, called them "promising" but warned that networks have rebroadcast rights which would not necessarily be granted to satellites automatically—because of overlap, etc.

Cease-&desist hearings on illegal boosters in 3 Washington towns May 9 & 12 (Vol. 11:14) have been shifted from Seattle to Wenatchee.

Approval of \$50,000 sale of WEW, St. Louis (1-kw, 770-kc) was asked in application filed this week by St. Louis U, seeking to dispose of outlet—which began in 1921—because of competition from 10 fulltime AMs and desire to participate in local educational KETC (Ch. 9). University also holds 60% of application for commercial Ch. 11 in St. Louis. Buying WEW is Aubrey D. Reid (performer Bruce Barrington), who has resigned as mgr. of St. Louis' KXOK.

KVOR, Colorado Springs, Colo. (1-kw, 1300 kc, CBS) has been sold by James D. Russell for \$120,000, subject to FCC approval. Russell retains 50% interest in Colorado Springs' KKTU (Ch. 11) and holds 20% of radio WHIR, Danville, Ky. KVOR purchases are John S. Riggs, pres. & 27% owner of WELM, Elmira, N. Y. & pres. & 50% owner of WAIR, Winston-Salem, in partnership with Robert Greene, Lakeview, N. Y. Allen Kander negotiated sale.

Application to transfer 50% of WKAI, Macomb, Ill. (250-watts, 1510 kc) & KLIL, Estherville, Ia. (100-watts, 1340 kc, ABC) to A. G. Bush, Minnesota Mining & Mfg. Co. executive and board member of St. Paul's KSTP-TV, was filed with FCC this week. Deal involves cancellation of \$40,000 loan by Bush, with Wm. Schons dropping out and Edward Schons retaining 50% interest in both stations.

Station Accounts: New and unusual local features: *FurnituRama* on WSBT-TV, South Bend, Ind., with 6 home furnishing dealers sponsoring 10-11 p.m. furniture displays, etc.; *Do It Yourself* on WGLV, Easton, Pa., with local supply company using station's scene shop as originating point; *How Food Becomes You*, course in foods & nutrition on WOI-TV, Ames, Ia., thrice weekly at 1 p.m., with Iowa State College prof conducting; prospecting for uranium, on WOAI-TV, San Antonio, collaborating with St. Mary's U, Sun. course by mining experts, started because of interest in nearby uranium finds; *A Man's World*, new for-men-only show on WOR-TV, N. Y., Fri. 7-7:30 p.m., featuring men's fashions, activities, etc., sponsored by Gallo Wine & Skycoach Airlines . . . Darling Stores, big chain of juvenile retailers, buys demonstrations on *Merry Mailman* on WOR-TV, Mon.-thru-Fri. 6-6:45 p.m., thru Getschal Co., N. Y., with partic. by Sealy for its Posture-Pedic mattress for children and 13 manufacturers of toys & novelties sold thru the stores . . . Tafon (reducing aid) to sponsor CBS-TV's pre-game *Baseball Preview* on KNXT, Los Angeles, immediately preceding *Game of the Week*, which Tafon co-sponsors (with Harbor Lincoln Mercury), starting April 2, thru Frank Miller Adv., Los Angeles . . . Florists Telegraph Delivery Assn., having used spot TV-radio for Easter, plans campaign also for Mother's Day, May 8, thru Grant Adv., N. Y. . . . Among other advertisers currently reported using or preparing to use TV: Bonne Bell Inc., Cleveland (cosmetics), thru Wyse Adv., Cleveland; Blue Jay Products, Chicago (foot medications), thru Leo Burnett Co., Chicago; Standard Brands Inc., N. Y. (Fleischmann's dry yeast), thru J. Walter Thompson, N. Y.; Cities Service Co., N. Y., thru Ellington & Co., N. Y.; Frederick E. Lowenfels & Son, N. Y. (Hotel Bar butter), thru Co-Ordinated Adv. Co., N. Y.; Krylon Inc., Philadelphia (Krylon acrylic & windshield Sealzit compounds), thru J. Robert Mendte, Philadelphia.

Network Accounts: ABC-TV got first sponsors this week for its *Warner Brothers Presents* starting in fall, tentatively Tue. 8-9 p.m. (Vol. 11:12). Liggett & Myers bought 30 min. each week, thru Cunningham & Walsh, and GE bought 30 min. alt. weeks, thru BBDO . . . Procter & Gamble to sponsor 36 MCA-TV films starring Jane Wyman next fall as replacement for *Fireside Theatre* on NBC-TV, Tue. 9-9:30 p.m., thru Compton Adv. . . . GE to be alt. sponsor (with Campbell Soup) of *Dear Phoebe* on NBC-TV starting April 8, Fri. 9:30-10 p.m., thru BBDO . . . Hazel Bishop to sponsor *Place the Face* on NBC-TV during summer, Tue. 8-8:30 p.m., thru Raymond Spector Co. . . . General Foods and Procter & Gamble to sponsor *Those Whiting Girls* as summer replacement for *I Love Lucy* on CBS-TV starting July 4, Mon. 9-9:30 p.m., thru Foote, Cone & Belding and Biow-Beirn-Toigo . . . Summer re-runs of *I Love Lucy* on CBS-TV starting April 17 Sun. 6-6:30 p.m., sponsored by Dorothy Gray Cosmetics thru McCann-Erickson, will be under title of *The Sunday Lucy Show* . . . Lettuce Inc., group of growers & shippers in Salinas-Watsonville, Cal. area, buys 10 partic. on *Today*, *Home & Tonight*, thru John Cohan Adv., Salinas; Helene Curtis (shampoo) buys 52 partic. on *Tonight*, thru Earle Ludgin Co.; E. L. Bruce Co. (wax) buys 14 partic. on *Today*, thru Christiansen Adv., Chicago.

CBS-TV increases network rates of 3 o-&o and 6 affiliated stations May 1. WCBS-TV highest hour goes from \$5500 to \$6250; WBBM-TV, Chicago, \$3000 to \$3300; KNXT, Los Angeles, \$2700 to \$3200. Affiliates: WCAU-TV, Philadelphia, from \$2700 to \$3100; WSPD-TV, Toledo, \$800 to \$875; WMBR-TV, Jacksonville, \$600 to \$700; WSBT-TV, South Bend, \$300 to \$350; WRDW-TV, Augusta, \$200 to \$250; KIMA-TV, Yakima, \$150 to \$200.

NBC's NEW CONCEPT of network radio programming, called *Monitor* and planned as a round-the-clock weekend service from 8 a.m. Sat. to midnight Sun., amounts to this—as described by pres. Pat Weaver. exec. v.p. Robert Sarnoff and producer James Fleming at April 7 press conference in N. Y.:

To be launched with one-hour simulcast June 12, it envisions—stripped of press agency and Weaver's fanciful verbiage (“kaleidoscopic phantasmagoria”)—a continuous flow of entertainment and information, with sponsors buying 1-min., 30-sec. or 6-sec. announcements, in what is basically a large-scale application to radio of NBC-TV's “magazine concept.”

Masters of ceremonies, called “communicators,” working in 4-hour shifts, will tie the show together—as Dave Garroway does in *Today*. The various “hunks” of programming—as Weaver described them—won't be hampered by time restrictions, will vary in length from less than a minute to 20 min. or even an hour or more for a special presentation.

Monitor will feature every conceivable kind of fare, and “will promote every other medium—TV, movies, magazines, newspapers, theatre, books.” It will present news & sports, capsule entertainment, live pickups, even excerpts from the audio of popular TV shows. As on *Today*, there will be 5-min. break-ins at half-hour for local news, weather, etc. Show will originate “all over the world,” controlled in N. Y. from “NBC Radio Central” now being constructed at cost of \$150,000 on 5th floor of RCA Bldg.

Press heard impressive tape-recorded sample of *Monitor* (Dave Garroway acting as communicator) at press conference, with features coming in this order: time signal, news summary, pickup from Paris with Art Buchwald reporting on tourist trade, pickup from BBC broadcast of cricket match (which, incidentally, was hilarious), recorded quip by Groucho Marx, music played by orchestra in Munich, taped pickup of part of floor show of Paris' Club Lido, portion of soundtrack from film *Blackboard Jungle*, Ogden Nash reciting one of his poems, historic description of winning of Santa Anita by Seabiscuit as recorded on-the-spot by Clem McCarthy, broadcast from a jet plane, “live” pickup of warm-up session for George Gobel's TV show.

Aim is to “bring back the excitement of the radio era,” with its sense of immediacy, mobility and vitality of material. Weaver is shooting for 60-70 rating on a “cumulative basis”—that is, 60-70% of radio audience tuning in on program sometime during week-end. A sponsor buying enough participations, it was said, thus could get his message across to majority of American homes—“something no sponsor could afford to do on TV.”

Gross prices for commercials, subject to frequency discounts, are: 1-min., \$1000; 30 sec., to be sold in minimum package of 4 announcements per weekend, \$3000 for the 4; 6 sec. “billboards,” to be sold in minimum group of 10 per weekend, \$3000 for the 10. Weekly discounts are provided up to 10% for at least 10 min. of announcements per weekend, annual discounts up to 20% for 250 or more announcements per year. In addition, advertiser ordering at least 20 min. of announcements before Oct. 1 will receive one announcement free for every 2 ordered.

Compensation rate to stations was not officially disclosed, but network spokesman said they will be paid at usual rate for the amount of time they take, based on current clock-hour system.

Serving under Fleming will be project officer Everard Meade, ex-TV-radio v.p. of Young & Rubicam & onetime asst. to pres. of American Tobacco Co.

Humble Oil has signed as first regional sponsor of NCAA football next fall (on NBC-TV nationally), buying Southwest Conference games, thru Kenyon & Eckhardt.

SUBSCRIPTION TV mail received at FCC (see p. 1) covers just about every shade of opinion on the subject. Volume is equal between pro and con—but major pay-as-you-look proponents and opponents are sure to tell FCC that the letters are not at all indicative of “real” public opinion.

It's evident that many letters are “inspired” by Zenith and theatre interests. It's apparent, too, that newspaper TV columnists are talking it up, urging readers to write to FCC and Congress. Mail comes from whole U. S., but there's heavy concentration from Chicago, Zenith's headquarters. This week, Zenith sent letter to all stockholders, urging them to write to FCC before May 9 in support of subscription TV and suggesting they also contact Senators and Congressmen. Here are excerpts from some of the comments:

Gov. Charles H. Russell, Nevada—“It is my sincere hope that your Commission will act favorably upon this proposal which will mean much to the State of Nevada. . . . It would make available to persons who might otherwise never have the opportunity of this splendid means of information, education and entertainment.”

Mt. Vernon, N. Y. housewife—“This criminal scheme must have come from Moscow.”

J. Edwin Foster, director of Medical Audio-Visual Institute, Assn. of American Medical Colleges—“The potential value of subscription TV for communicating professional knowledge and techniques to practicing physicians is tremendous indeed.”

Quincy, Ill. physician—“While I can afford this, there are many who cannot. It is all they can do to afford a small family set. Let's keep it on an advertising basis.”

Stuart Louchheim, Zenith distributor, Philadelphia—“At present, thousands of TV set owners in many key cities have expressed their desire for this new public TV service and I urge you and your fellow members . . . to render the public an early favorable decision.”

Sen. George W. Malone (R-Nev.)—“As this will benefit greatly my state of Nevada, I am writing to urge you to consider this favorably.”

Portland, Ore. businessman—“Low income groups may just as well relegate their TV sets to the trash cans, for the big-moneyed, subscription groups could monopolize all the best talent and the ‘free’ shows wouldn't be worth viewing.” (Accompanied by 52 signatures on petition).

Gilbert Miller, veteran theatrical producer—“If subscription TV can provide the boxoffice support necessary to

go beyond the limited adaptations now sponsored by advertisers, I believe we could then have a great revival of the theatre, not alone on the Broadways of our larger cities, but in millions of living-room TV theatres throughout the land. Moreover, I believe the practical application of this electronic-age home boxoffice would be equally effective in releasing some of the theatre's sister arts—the opera, symphonies and other cultural presentations—from the financial bonds which now constrict their artistic and esthetic contributions to our culture.”

From Elmwood Park, Ill.—“Let the people decide. I'm sure it will go over a 100%.”

Fred E. O'Brien, city engineer, Watertown, N. Y.—“It would be exceedingly expensive for the ordinary citizen.”

Arthur J. Rooney, pres., Pittsburgh Steelers—“We know that the receipts from TV gradually have become the life-blood of professional football and almost every other sport. It is an open secret that without TV receipts, most of the clubs in the National Football League would have operated in the deficit column during the past 3 or 4 seasons. TV and sports should have a long marriage, providing production costs can be kept in line or some method, such as subscription TV, can be put into operation. We find that with increasing costs, it becomes exceedingly difficult to interest prospective sponsors . . . We feel the only answer eventually will be some form of subscription TV.”

Mimeographed form letter, sent by several theatre owners in New England, mostly Maine—“It is the writer's considered opinion that such special interest shows and sporting events, as would normally be presented over this type of service, would find their best outlet in theatres and public places. Such enterprise can best afford, through admission charges, equipment capable of presenting such events in a manner worthy of paid viewing. It further seems that home presentation of such programs would tend to syphon off the best of available material from free broadcasts, leaving only such material as to make these broadcasts hardly worth watching. It also seems that ‘pay-as-you-view’ TV would tend to encourage monopolistic practices by the organizations owning the coaxial cable network.”

New Orleans attorney—“Strong approval . . . I own no stock in Zenith.”

An irate citizen—“What's the matter with you birds? Where do you think the average guy is going to get the dough?”

Trend to TV programs as theatrical fare is subject of survey by *Billboard's* Jack Singer, who concludes “TV film producers, in their own way, are quietly but firmly invading the theatrical film field [and] much talked about marriage between the feature film and TV industries, it seems, is in reality a 2-way street.” Citing example of *Dragnet*, *Gangbusters & Marty*, he sees accelerating use of TV properties by the movies. Among TV film series listed as “being groomed” for conversion into theatrical features: *Treasury Men in Action*, *I Led Three Lives*, *Racket Squad*, *Big Story*, *Secret File U.S.A.*, *Private Secretary*, *Ozzie & Harriet*, *Lone Ranger*, *Sherlock Holmes*, *Waterfront*, *Ramar of the Jungle*, *Dangerous Assignment*, *Margie*. Single TV shows, both live and film, being tapped for the movies: Kraft's *Patterns*, Elgin's *Crime in the Street*, U. S. Steel's *Fearful Decision* and *The Last Notch*, Philco's *Middle of the Night*, Westinghouse Studio One's *Twelve Angry Men*, and 4 TV Reader's Digest episodes: *Mrs. Robert Louis Stevenson*, *I Picked More Daisies*, *Honeymoon in Mexico*, *France's Greatest Detective*. Several patterns are being followed in transforming TV films into theatrical features: (1) Tying together TV episodes into feature length, a la *Davy Crockett*, *Secret File U.S.A.*,

Sherlock Holmes. (2) Using TV property and TV buildup as basis for brand new film script, as in case of *Big Story*, *Treasury Men*, *Foreign Intrigue*. (3) Producing both feature film and TV series at same time but from different scripts, as was done by Thetis Films with *Three Musketeers*, syndicated by Official Films, by Joseph Kaufman with *Long John Silver*, which he made in Australia. Desilu Productions plans feature films entirely apart from TV (Vol. 11:14), as does Sheldon Reynolds of *Foreign Intrigue* fame—both capitalizing on their TV shooting experience and their knowledge of what public wants.

Rate increases: WBRC-TV, Birmingham, April 15 adds new Class AA hour (7-9:30 p.m. daily), at \$750, min. at \$185, Class A hour remaining \$650. WHP-TV, Harrisburg, Pa. has raised base hour from \$250 to \$325, min. \$50 to \$65; CHSJ-TV, St. John, N.B. from \$200 to \$250 & \$45 to \$55; XETV, Tijuana-San Diego from 400 to \$500 & \$80 to \$100.

Times are good for both TV and radio, reports NBC v.p. Carleton D. Smith, gen. mgr. of network's WRC-TV & WRC, Washington. Net TV time sales for first quarter were 32.3% higher than same period last year, for radio 6% ahead.

Telecasting Notes: Republic Pictures, which for last few years has made more money from TV than from movies, may discontinue production for theatres and concentrate on TV film. This announcement by pres. Herbert J. Yates at annual stockholders meeting this week touched off battle which was won, at least temporarily, by stockholders favoring his administration. Yates said he personally favored abandoning the movies, and had notified theatre operators that final decision would be made in 60-90 days. The only thing that could prevent it, he added, would be "higher rentals and longer play periods for the company's films" . . . Considered a "major" in the Hollywood film producing hierarchy, Republic in last 2 years has sold about \$7,000,000 worth of old product to TV (Vol. 10:50 & 11:13), has received \$1,000,000 advance from MCA on old Gene Autry & Roy Rogers films; got \$700,000 last year from leasing space for TV filming; has one of largest film processing labs, serving many other TV film producers . . . Republic's own TV films include successful *Stories of the Century*, Yates reported, and it's now preparing 3 new series: *Fu Manchu*, *Village Doctor*, *Behind the Scenes* . . . Jack Warner Jr., 39, heads Sunset Productions, new TV film subsidiary set up by Warner Bros.; first project will be aviation series *Men of the Sky*, written by Vincent B. Evans . . . Warner Bros. announces TV's *Our Miss Brooks* will be made into feature-length movie starring Eve Arden . . . MGM's E. J. Mannix, in Hollywood, confirmed that it's surveying telefilm field; TV-radio chief Les Peterson has conferred with MCA, Jack Chertok Productions, Desilu Productions, ABC v.p. Earl Hudson—and it's now confirmed that Pontiac Motors & Armstrong Cork will alternate new NBC-TV show by MGM, Tue. 9:30-10:30 p.m. . . . Accent on films at networks, too, indicated in NBC film div. national sales meeting at Hotel Warwick, N. Y., April 13-15, to be attended by pres. Pat Weaver and his top executives, along with entire film sales force; newest offering will be *Steve Donovan, Western Marshal* . . . CBS plans permanent telefilm production base costing \$1,000,000 in Honolulu, reports *Hollywood Daily Variety*, but it's unconfirmed; CBS-TV film shows now in various stages of production in Hollywood, according to v.p. Harry S. Ackerman, who recently returned from Hawaii, include *Hart of Honolulu*, *Aldrich Family*, *Townspeople*, *Gunsmoke*, *Cupid*, *No Way Out*, *Miss Pepperdine*—and of course Bing Crosby series, on which shooting starts in June . . . Either because they haven't clicked or sponsors have dropped them, mortality rate of TV films is very high, observes *Hollywood Daily Variety*, pointing to these that folded in last year: *Duffy's Tavern* and the Joan Davis, Paul Hartman, Hank McCune & Dennis Day shows; also no longer in production: *Ellery Queen*, *Mr. & Mrs. North*, *Cowboy G-Men*, *Donald O'Connor Show*.

■

Nine sponsors have signed so far for "14-50" discount plan of WRCA-TV, N. Y., whereby an advertiser who buys fourteen 10 or 20-sec. station breaks in a Sun.-thru-Sat. week receives a 50% discount on those breaks in D or C time (Vol. 11:7). The sponsors: Keebler Weil Baking Co., thru McKee & Albright, Philadelphia; Chadbourn Sales Corp. (hosiery), thru Harold M. Mitchell Inc., N. Y.; R. B. Davis Co., div. of Penick & Ford (molasses), thru BBDO; Church & Dwight Inc. (Arm & Hammer baking soda), thru J. Walter Thompson; Nedick's Inc., thru Weiss & Geller; Buitoni Food Corp., thru Albert Frank-Guenther Law; Ringling Bros.; Gimbel's; Swanee Paper Co.

A. J. Armstrong Co. Inc., 60 E. 42nd St., N. Y., commercial financing firm, planning further expansion of its TV film financing activities, engages Melvin L. Hirsch as mgr. of motion picture & TV financing dept.

JUVENILE DELINQUENCY hearings of Senate Judiciary subcommittee headed by Sen. Kefauver (D-Tenn.) were devoted to TV this week in windup of TV study started last year when Sen. Hendrickson (R-N. J.) headed subcommittee (Vol. 10:40-43, 49). Witnesses came up with the same sort of "yes-&-no" answers that have characterized all such investigations. Some psychologists and sociologists were certain TV had very harmful effects; other felt it had minor effects, if any. Telecasters said there was little evidence to convict TV, while citing efforts to exercise closer supervision of programs.

NARTB pres. Harold Fellows told of various surveys by psychiatrists, majority of whom felt that TV is not responsible for juvenile delinquency. Only a few, he said, had "suspicions." NARTB code director Edward Bronson testified that NARTB monitors some 280 hours of programs a month, reporting results to stations involved. A special monitoring program is now in progress, covering 22 stations in 9 cities.

NBC v.p. Joseph Heffernan noted that there is no scientific data linking TV and juvenile delinquency; that programs including crime and violence "are a proper and legitimate part of the broadcast schedule"; that Govt. should stay out of program censorship; that NBC has formed a Children's Program Review Committee comprising Dr. Frances Horwich (*Ding Dong School*), Mrs. Douglas Horton (RCA director and former WAVES commander) and Dr. Robert F. Goldenson, psychologist.

Dr. Ralph S. Banay, Columbia U psychiatrist and consultant to Federal Bureau of Prisons, stated emphatically that TV is harmful. "If a prison is called a 'College for Crime,'" he said, "then viewing of violent TV programs by young, emotionally disturbed children is perhaps a 'School for Delinquency.'"

Dr. Eleanor E. Maccoby, Harvard U child psychologist, tended to disagree. She felt that TV violence was frequently a good emotional outlet. "It's not a basic cause of delinquency," she said, "but it sometimes provides ammunition for some children."

Wm. A. Wood, mgr. of educational WQED, Pittsburgh, reported that station's non-violent programs frequently attract extremely large audiences. Dr. Paul F. Lazarsfeld, Columbia U sociologist noted for many media studies, said that there's much more to be learned about TV's impact; that any problems raised by TV should be handled individually with child involved; that more good programs should be offered as alternatives to bad.

FCC Comr. Frieda Henneck said Commission should start immediate investigation and refuse license renewals to stations which carry an "unbalanced fare of violence, brutality, crime and horror from which there is little escape under present programming."

United Press decided to canvass rest of FCC commissioners for their views on TV-radio programs, said this is their composite verdict: "Pretty good but plenty of room for improvement—especially in commercials." Chairman McConnaughey said that crime shows "give me concern" but doubted that anyone can show how much juvenile delinquency may be attributed to them. Comrs. Lee and Doerfer stated they've seen no conclusive showing on juvenile delinquency aspects, with latter commenting that *Macbeth* was most "blood-curdling" show he's seen so far.

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Television System of Mexico is name of now-merged Emilio Azcarraga-Romulo O'Farrill Sr. TV interests (Vol. 11:9), operating all Mexico City stations and virtually all in Mexico. Azcarraga is pres., O'Farrill v.p., with sons Emilio Azcarraga Jr. as sales v.p. and Romulo O'Farrill Jr. as administrative v.p. For list of their stations and CPs, see *TV Factbook No. 20*, p. 237.

FCC APPROVED sale of Ch. 11 time-sharing WTCN-TV, Minneapolis & WMIN-TV, St. Paul for \$3,135,000 this week to Bitner's Consolidated TV & Radio Broadcasters Inc. (Vol. 11:5)—and combined operation will henceforth be called WTCN-TV. That means one less station on roster of those operating, bringing total down to 430 since there were no new starters this week. Only time-sharers left on air, each counted as a separate entity, are Ch. 10, WHEC-TV & WVET-TV, Rochester, N. Y.

Expected to begin operation April 11 is KMAU, Maui, Hawaii (Ch. 3), second satellite of KGMB-TV, Honolulu (Ch. 9); on March 25, KHBC-TV, Hilo (Ch. 9) started as first satellite. Expected to suspend shortly is WFMZ-TV, Allentown, Pa. (Ch. 67), which began last Dec. 4; it hopes to return to air in Sept. Also contemplating cessation—unless FCC acts favorably on petition for interim use of now-unapplied-for educational Ch. 11—is KGTU, Des Moines (Ch. 17) in view of upcoming KRNT-TV (Ch. 8), expected to start by next Aug. 1 (Vol. 11:14).

Bitners paid \$1,900,000 for WTCN-TV with WTCN, controlled by Robert Butler, ex-diplomat; \$1,235,000 for WMIN-TV, owned by N. L. Bentson group which previously had sold radio WMIN for \$75,000 to Wm. F. Johns family. Bitner firm, also operating WFBM-TV, Indianapolis (Ch. 6) and WOOD-TV, Grand Rapids (Ch. 8), will retain ABC affiliation, using WTCN-TV studios, Foshay Tower transmitter. Miller Robertson, WTCN-TV asst. gen. mgr., ex-KSTP, moves up to gen. mgr.; Joseph Kahnke becomes chief engineer; Wm. E. Daley remains as radio mgr. Sales staffs of all stations are retained, and Katz is slated to become rep in lieu of Blair-TV whose contract runs until next Sept.

* * * *

GE reports order for 5-kw transmitter, 3-bay antenna & film chain for shipment in 90 days to upcoming KLEW-TV, Lewiston, Ida. (Ch. 3), which hasn't reported target yet; GE this week shipped 12-kw amplifier to KQTV, Fort Dodge, Ia. (Ch. 21). RCA shipped 25-kw amplifier April 4 to KFSD-TV, San Diego (Ch. 10), and 12½-kw amplifier to WITV, Ft. Lauderdale, Fla. (Ch. 17). Canadian GE this week reported order for 35-kw amplifier to be delivered early next summer to CHSJ-TV, St. John, N.B. (Ch. 4).

Third Canadian TV application added to agenda of April 15 CBC board meeting is that of radio CKNX, Wingham, Ont., for Ch. 8 with 20-kw visual; earlier applicants were CFCY, Charlottetown, P.E.I. for Ch. 13 and Lethbridge (Alta.) TV Ltd. for Ch. 9. Wingham is some 65 mi. due north of London, Ont., near eastern shore of Lake Huron.

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

WCBI-TV, Columbus, Miss. (Ch. 4), plans to ask for modification of CP in order to locate TV station at site of new plant of radio WCBI, soon to start operation with 1-kw on 550 kc. Gen. mgr. Bob McRaney hopes for "late summer or early fall" test patterns. RCA 5-kw transmitter and 5-bay antenna are stored in Columbus, with studio equipment due for delivery as soon as TV addition to radio building is ready. It will use 500-ft. Andrews tower. Owner Birney Imes Jr. also operates Mississippi AMS WELO, Tupelo; WNAG, Grenada; WMOX, Meridian. TV station mgr. will be Joe Carson, ex-mgr. of WMOX. CBS & NBC affiliations have been signed, but rates not yet established. Rep will be McGillvra.

KNOX-TV, Grand Forks, N. D. (Ch. 10), granted in March 1954, "will be built this year," writes office mgr. Don DeKrey. It plans to ask for modification of CP to 316-kw with 1100-ft. tower. Make of equipment not reported. Rep not chosen.

WBIQ, Birmingham (Ch. 10, educational), call letters changed from WEDB, now plans May 1 start, reports Raymond D. Hurlbert, pres. of Alabama Educational TV Commission. Work has begun on conversion of WBRC-TV's 5-kw RCA transmitter, and new station will rent old WBRC-TV facilities from Storer for \$1 a year, including use of transmitter house, loan of 5-kw transmitter and 150-ft. tower with 6-bay antenna. Alabama Commission, whose consultant is ex-broadcaster-telecaster Thad Holt, already has WTIQ, Munford (Ch. 7)—call changed from WEDM—in operation with 10 hours of programming weekly. Both outlets will share Birmingham studios with WBIQ, duplicating "about 50% or more" of Munford programs. Commission also holds CP for WAIQ, Andalusia (Ch. 2).

WDBJ-TV, Roanoke, Va. (Ch. 7), granted last week, hasn't ordered equipment or begun construction, but hopes to start "sometime this fall," according to mgr. Roy P. Jordan. Grantee Times-World Corp., publisher of *Roanoke Times* and *World-News*, is owned by estate of Junius B. Fishburn, who died April 1 (Vol. 11:14). Rep not chosen.

KSTF, Scottsbluff, Neb. (Ch. 10), has set June 1 programming target, reports Wm. C. Grove, gen. mgr. of parent KFBC-TV, Cheyenne, Wyo. (Ch. 5), 79 mi. northwest of Scottsbluff. It plans to rebroadcast KFBC-TV programs, also will have some film originations. It has RCA transmitter and 6-bay superturnstile antenna on order. KFBC-TV chief engineer, R. C. Pfannenschmidt will be in charge of 4-man Scottsbluff operation. Time will be sold only in combination with KFBC-TV. Rep for both is Hollingbery.

WFLB-TV, Fayetteville, N. C. (Ch. 18), construction now under way, has GPL transmitter ordered for delivery in 30 days. July is target for test patterns, Aug. 1 for CBS & NBC programming, writes exec. v.p.-gen. mgr. L. W. Allen. Nearest station is WNAO-TV, Raleigh (Ch. 28), 53 mi. away, other TV cities less than 100 mi. distant being Wilmington, 78 mi., Greensboro & Greenville, both 87 mi. Wm. B. Belche is being promoted from radio to commercial mgr., with Richard Madson adding TV to duties as chief radio engineer. Rates and rep not set yet.

WNLC-TV, New London, Conn. (Ch. 26), is now "planning to start telecasting late in 1955, pending the outcome of the current Congressional investigation of the uhf and TV monopoly problems," reports mgr. Gerald J. Morey. It has order with RCA for equipment, but delivery date hasn't been set. Rep will be Headley-Reed.

WNDU-TV, Notre Dame-South Bend, Ind. (Ch. 46), now under construction, plans July 1 test patterns, July 15 start as primary NBC, reports v.p.-gen. mgr. Bernard C. Barth. CP is held by University of Notre Dame, which last year acquired radio WHOT, South Bend, from owners of WISH-TV, Indianapolis (Vol. 10:36). TV studios will be on campus, and 12½-kw RCA transmitter with 500-ft. Ideco tower & RCA antenna will be 5 mi. due south of South Bend. It will be area's third station—WSBT-TV (Ch. 34), having begun in Dec. 1952; WSJV, Elkhart (Ch. 52) in March 1954. Base rate will be \$500. Rep will be Meeker.

KTVI, St. Louis (Ch. 36), notified FCC April 6 that it was on the air with test patterns, preparatory to programming start over Easter weekend. Until ready to switch, it continues programming on Ch. 54 from nearby Belleville, Ill., turning in that CP after change is made. Station began as WTVI, last month got permission to shift to channel and facilities of KSTM-TV (Vol. 11:11) which left air last Aug. (Vol. 10:32). It has unique deal with GE whereby Belleville transmitter is to be reconverted so that use in combination with former KSTM equipment will give station 25-kw unit, KTVI having filed for 416-kw.

RADIO OUTPUT & SALES IN SPIRITED COMEBACK: The radio trade story for first quarter of 1955 makes good reading on all counts: Production and retail sales each up by about 50% over first 3 months of 1954, inventories at all levels reduced by about 200,000 receivers since the beginning of 1955.

It's evidence once again that radio can flourish side-by-side with TV, whose estimated first-quarter production of 2,100,000 and retail sales of 1,800,000 were a little higher than first 1954 quarter -- despite normal tail-off in March. TV output for week ended April 1, last week of quarter, was 163,746.

Radio production totaled 3,700,000 (1,950,000 auto), compared to 2,500,000 (1,095,000 auto) in first 3 months year ago. For week ended April 1, production was 287,740 (144,597 auto). Retail sales were about 3,250,000 vs. 2,100,000 in first quarter of 1954. Perhaps the most heartening feature of the entire radio picture, however, is the decline in inventories from 3,000,000 to 2,800,000 for 3 months.

Spurt in auto & clock set sales, low prices, strong promotions, increase in consumer purchasing power -- all are reasons cited by trade experts for radio's good start, which has some predicting that full 1955 sales may approach 1953's 13,000,000. At any rate, they confidently forecast year's sales well in excess of the 10,300,000 of 1954, which was still considered a good year. (For preceding years' totals of radio production & sales, plus factory values, see TV Factbook No. 20, p. 388.)

DEALERS DIVIDED ON FAIR TRADE LAW REPEAL: First intra-trade reactions to proposed repeal of fair trade laws, as recommended last week by top-flight 60-man National Committee to Study the Anti-Trust Laws (Vol. 11:14), indicate that dept. stores, large independent dealers & discount houses generally are ranged on side of repeal, while the small retailer generally wants to keep some form of fair trade.

The committee's 392-p. report will be submitted April 14 to the Senate Small Business Committee, headed by Sen. Sparkman (D-Ala.), which will hold hearings on fair trade and discount house operations shortly thereafter. The committee, in its annual report, warned that small, independent appliance stores will have hard time surviving competition of discount houses.

Those favoring repeal contend the laws, which are on books in 45 states, have proven ineffective because of lax enforcement. Those opposing repeal argue that they need some protection against price-cutting, and that some law is better than none.

NARDA takes no stand as an organization, but managing director A.W. Bernsohn said majority of its members, if a canvass were made, would probably favor keeping some form of fair trade, though not necessarily by legislation.

NARDA chairman Mort Farr, speaking only for himself as an Upper Darby, Pa. retailer, said repeal of fair trade laws "is in our best interests." He added that laws which haven't been enforced are worse than no laws at all. "I think it is high time we either repeal them and allow things to find their own economic level, or else set about making fair trade laws work," he said. "In going about the country, I have noticed in many cases that business is less chaotic in non-fair trade communities."

Stephen Masters, pres. of Masters Inc., N.Y., one of biggest discount houses in country, claiming \$20,000,000 annual volume, said he also welcomed repeal of fair trade laws. Speaking to Harvard Business School Club in N.Y., he said price fixing is a "crutch for the high-cost merchant," giving no incentive for improving service.

Masters vigorously defended "legitimate" discount houses against criticism, saying "the public sees little justification for paying full list on a growing number of overpriced, overmargined, underserviced lines." He said his firm's operating cost is \$11.20 for every \$100 of sales, compared with average of \$32.90 for member stores of National Retail Dry Goods Assn., which assailed discounters last week (Vol. 11:14).

"Perhaps the reason for this," he said, "is that we do not have fancy serv-

ices, charge accounts, high-priced legal staffs, non-productive departments or non-productive store executives." He asserted that no manufacturer suffers any impairment of his brand when it's sold in original factory carton, but noted that 98% of his merchandise comes from distributors, not manufacturers. He estimated 10,000 discount houses now in nation, 1000 of them in New York.

Trade Personals: Walter A. Weiss named gen. mgr. of Sylvania radio tube div., Emporium, Pa., succeeding Matthew D. Burns, now operations v.p.; Weiss is succeeded by Herbert A. Ehlers as gen. manufacturing mgr. of radio tube div. . . . H. S. Gwynne, mgr. of RCA tube market plans & analysis, appointed mgr. of tube industry sales section, heading sales of tubes, tube parts & manufacturing machinery to industry . . . F. E. Howell, ex-Nash-Kelvinator, named v.p. & gen. mgr. of Crosley-Bendix appliances, succeeding Parker H. Ericksen, now exec. v.p. . . . Roy H. Olson, from Phoenix research lab, named engineering director of Motorola communications & electronics div.; Robert L. Borchardt promoted to asst. mgr. of communications div. technical information center . . . Frank H. Uriell, on leave of absence from Chicago law firm of Pope & Ballard for last 4 years to set up and head Admiral's legal dept., has returned to the law firm but continues as Admiral v.p., gen. counsel & director; house counsel are William S. Baltz & Norman E. Johnson . . . Mannie Sacks, RCA v.p. & gen. mgr. of its record div., guest of honor April 5 at testimonial dinner by B'nai B'rith in home town of Philadelphia, attended by RCA chairman David Sarnoff, pres. Frank Folsom and other top executives . . . Pat Kennedy, RCA Victor mgr. of copyright contracts, promoted to mgr. of record merchandise development, RCA International; Warren C. Ling is successor . . . Lee H. D. Baker, Admiral appliances v.p., has retired on reaching statutory retirement age, continues as special consultant on product design . . . Leo J. Jacobson named chief engineer of International Resistance Co.'s Philadelphia plant; George Williams named group leader, product engineering; Benjamin F. Gerding mgr. of manufacturing engineering; Carl Smith, mgr. quality control . . . R. F. Willett, ex-GE and F. W. Sickles Co., recently plant mgr. of Essex Electronics, named gen. mgr. of Empire Coil Co., New Rochelle, N. Y., recently acquired from Herbert Mayer by Storer Bestg. Co. . . . Oakley Cohan, ex-Stewart-Warner Chicago factory branch, named asst. sales mgr., Radio Craftsmen Inc., Chicago, replacing Larry Herman, resigned . . . Roy O'Sullivan, ex-Philco, named Magnavox Philadelphia area sales mgr.; Eugene P. Feeney named sales mgr. of Syracuse-Buffalo area . . . Stanley Graham, Stromberg-Carlson southeastern district mgr., transferred to Chicago as midwest mgr. . . . Edmond Sherman, ex-Tele King & Hazeltine, named chief engineer of Transiron Inc., 154 Spring St., N. Y. (govt. electronics equipment).

Rear Adm. Stanford C. Hooper, 70, USN Ret., who in 1912 was Navy's first fleet wireless officer and rose to director of naval communications, 1928-34, died April 6 at his home in Miami Beach. One of Navy's radio pioneers, he was associated with the late Adm. W. H. G. Bullard, later first chairman of Federal Radio Commission, in setting up an American company to take over British Marconi operations here in 1919—company which became RCA. He was "borrowed" from Navy in 1927-28 to act as first chief engineer of old Radio Commission. He held Marconi Medal of Merit and many other honors. He was a 1905 graduate of Annapolis. Surviving are his widow and a daughter, Elizabeth.

Homer Oxley Sams, 61, elder brother of Howard W. Sams and sales research director of Howard W. Sams & Co., Indianapolis, died April 6 after a short illness. Surviving are his wife, 2 daughters, a son, 4 grandchildren.

COMPENSATIONS paid in 1954 to officers-directors of TV-radio-electronics companies whose financial reports have been summarized in this column during recent weeks; these are as reported in proxy statements (figures in parentheses indicating number of shares of common stock held):

RCA—David Sarnoff, chairman, \$200,000 (30,000); Frank M. Folsom, pres., \$186,434 (13,000); Elmer W. Engstrom, exec. v.p., research & engineering, \$87,250 (500); Charles B. Jolliffe, v.p. & technical director, \$79,718 (600); Lindsey W. Teegarden, distribution v.p., \$135,000 (none); Walter A. Buck, v.p., operating services, corporate staff, \$61,492 (none); John T. Cahill, gen. counsel, \$3700 (500), out of \$425,000 legal fees paid to firm of Cahill, Gordon, Reindel & Ohl, of which Cahill is senior partner. In addition, directors receiving compensation and holding stock were Harry C. Hagerty, \$9200 (100); John Hays Hammond Jr., \$900 (100), out of \$48,000 paid for research laboratory services to Hammond Research Corp., Gloucester, Mass. and Radio Engineering Co., N. Y., of which Hammond is pres.; George L. Harrison, \$5850 (1000); Mrs. Douglas Horton, \$3950 (200); Harry C. Ingles, \$14,910 (100); Edward F. McGrady, \$19,630 (200); Wm. E. Robinson, \$15,000 (100), out of \$19,055 paid for public relations services to firm of Robinson-Hannagan Assoc. Inc., of which Robinson was chairman until Feb. 7, 1955, when he was elected pres. of Coca-Cola Co.; Walter Bedell Smith, \$100 (100).

Philco—Wm. Balderston, chairman, \$118,250 (5353); James H. Carmine, pres., \$106,250 (31,719); James T. Buckley, retired chairman, \$41,667 (15,752); John M. Otter, exec. v.p., \$73,167 (5577); Harold W. Butler, v.p., \$51,000 (7353); Wm. H. Chaffee, v.p., \$43,000 (946); Raymond B. George, v.p., \$45,100 (257); Joseph H. Gillies, v.p., \$75,750 (6827); Larry F. Hardy, v.p., \$72,500 (7474); Robert F. Herr, v.p., \$64,300 (24,707); Frederick D. Ogilby, v.p., \$70,000 (149); Courtney Pitt, v.p., \$52,000 (1100); Samuel N. Regenstrief, v.p., \$50,000 (22,122); Raymond A. Rich, v.p., \$59,000 (525); David B. Smith, v.p., \$53,200 (2817); Leslie J. Woods, v.p., \$68,750 (7893). In addition, Larry E. Gubb, director, received \$30,000 and held 29,843 shares.

Admiral—Ross D. Siragusa, chairman-pres., \$125,250 (249,156); John B. Huarisa, exec. v.p. & treas., \$125,200 (101,731); Wallace C. Johnson, v.p., \$57,600 (2200); Frank H. Uriell, v.p. & gen. counsel, \$52,750 (1500); Lynn C. Park, retired treas., \$33,500 (none). In addition, Siragusa's wife, Irene O. Siragusa, owns 432,920 personally and together they own 240,480 as trustees for their 4 children (totaling about 40% of stock outstanding). Huarisa's wife, Wanda Huarisa, owns 13,294 personally, and 7200 together as trust for their daughter; Johnson's wife, Iona V. Johnson, owns 120; Uriell's wife, Georgia Uriell, owns 210.

Emerson—Benjamin Abrams, pres., \$60,008 (219,800); Dorman D. Israel, exec. v.p., \$43,980 (1364); Max Abrams, secy.-treas., \$39,936 (80,400). In addition, Benjamin Abrams holds 26,469 shares as trustee under various trusts for members of his family, his wife owns 6470 shares, and aggregate of 63,170 shares are owned by 3 charitable membership corporations of which Mr. & Mrs. Benjamin Abrams and Mr. & Mrs. Max Abrams are members. Max Abrams also holds 6530 shares as trustee for members of his family, his wife holds 1804 shares, his son 25,814.

Olympic Radio—Morris Sobin, pres. (2520 shares owned by Mrs. Ruth Sobin), \$38,999. Note: On Jan. 26, 1955, Mr. Sobin was granted option to buy 8000 shares at \$5, in effect until Jan. 31, 1958, which by virtue of recent stock dividend was increased to 8400 shares at \$4.76; other officers were given options on 7350 shares. On March 31, chairman Adolphe A. Juviler (salary: \$12,000), already owner of 7828 shares, was given option to purchase 15,000 shares at \$6.42 until March 31, 1958.

Indiana Steel Products Co.—Robert F. Smith, pres., \$45,333 (1500); John H. Bouwmeester, manufacturing v.p., \$34,666 (200); Charles A. Maynard, v.p., \$32,666. In addition, wife of Mr. Smith owns 150 shares. Paul R. Doelz, director (pres. of Kalman & Co., Minneapolis, investment bankers), owns 10,760 shares plus 4600 as trustee while his daughter Nancy D. Curtin owns 6160 shares.

DuMont—Allen B. DuMont, pres., \$68,339 (39,800 common, 200 preferred); Wm. H. Kelley, v.p. marketing, \$48,555 (none); Irving G. Rosenberg, v.p. tubes, govt. & communications products, \$40,000 (none). Dr. DuMont also holds 8000 shares of Class A common and 2000 shares of preferred in irrevocable trust for benefit of son Allen B. DuMont Jr.

International Resistance Co.—Charles Weyl, pres., \$51,671 (94,300); Jesse Marsten, v.p., \$35,837 (8500); Harry A. Ehle, v.p., \$35,837 (17,000); Oliver J. Greenway, v.p., \$32,337 (7850); Edward A. Stevens, v.p., \$30,237 (7040).

Sylvania—Max F. Balcom, ex-chairman, now consultant, \$36,000 (3900); Don G. Mitchell, chairman (now also pres.), \$130,242 (2450); H. Ward Zimmer, pres. (deceased), \$130,242 (stockholdings not listed); Arthur L. Chapman, v.p., \$48,623 (none).

Hazeltine—Jack Binns, chairman, \$60,984 (4000); W. A. MacDonald, pres., \$60,859 (2000); J. B. Dow, exec. v.p., \$36,935 (600); L. B. Dodds, v.p., \$49,860 (100); F. Robinson, pres. of subsidiary Hazeltine Electronics, \$43,138 (none).

Zenith—E. F. McDonald Jr., pres., \$183,296 (41,893); Hugh Robertson, exec. v.p., \$173,296 (1388); H. C. Bonfig, v.p. & director of sales, \$96,763 (none); Joseph S. Wright, gen. counsel, \$43,125 (10).

CBS Inc.—(See Special Section, Vol. 11:13.)

Brig. Gen. W. Preston Corderman, chief of research & development div., Office of Chief Signal Officer, becomes Deputy Chief Signal Officer May 1 when Maj. Gen. James D. O'Connell advances from Deputy to Chief Signal Officer, succeeding Maj. Gen. George I. Back.

Topics & Trends of TV Trade: Four-vhf Washington, one of best markets for receivers since TV's earliest days, now more than four-fifths saturated, is subject of TV consumer survey as part of 1955 *Consumer Analysis* just released by *Washington Star*. With 322,611 family units (81.6%) owning a TV set in metropolitan area as of last Dec., up from 290,163 (76%) at end of 1953 and 260,571 (72.5%) at end of 1952, survey finds that RCA brand is owned by 21.7% of TV families; Admiral, 14%; Philco, 10.7%; Motorola, 9.9%; Emerson, 9.7%; Muntz, 5.3%; GE, 4.3%; Zenith, 3%; Westinghouse, 2.4%; Silvertone, 2.2%; DuMont, 2.1%; Magnavox, 2.1%; Capehart-Farnsworth, 1.8%; Hallicrafters, 1.5%; Crosley, 1.3%; miscellaneous, 8.5%.

Of the set owners, 14.3% bought set new in 1954, 20.1% in 1953, 31.3% in 1952. Among those planning to buy TVs in 1955, these are brand preferences given: RCA, 26.8%; Philco, 11.6%; Admiral, 10.9%; Emerson, 5.7%; Motorola, 4.8%; Zenith, 4.6%; GE, 3%; Magnavox, 2.4%; Muntz, 1.5%; DuMont, 1.1%; Westinghouse, 1.1%; miscellaneous, 3.3%. Some 24.8% indicated they didn't know which brand they would buy.

The *Star* is one of group of 20 newspapers which conducted similar surveys in their markets. Others: *Milwaukee Journal*, *Portland (Me.) Press Herald and Evening Express*, *Columbus Dispatch* and *Ohio State Journal*, *Cincinnati Times-Star*, *Indianapolis Star and News*, *Duluth Herald and News-Tribune*, *St. Paul Dispatch* and *Pioneer Press*, *Omaha World-Herald*, *Salt Lake Tribune & Deseret News*, *Seattle Times*, *San Jose Mercury and News*, *Sacramento Bee*, *Fresno Bee*, *Modesto Bee*, *Long Beach Press-Telegram*, *Honolulu Star-Bulletin*, *Phoenix Republic and Gazette*, *Oregon Journal*, *Newark News*. Copies are available free on request to any of those papers.

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Chicago tube & set manufacturer Ulysses A. Sanabria (American Television Inc.) this week disclosed a 17-in. plywood table model, containing 9 tubes and operating without a transformer, which retails for \$77. Called "Ohm," the set also comes in "de luxe" version with aluminized tube for \$88, costs the dealer about \$67. Sanabria gave us this explanation for this lowest-cost-yet set, at a time when TV industry is complaining about high costs and low profits on TVs:

"First of all, we've cut our production expenses to the bone. We produce in our own plant virtually everything that goes into the set—tubes, cabinet, and so forth. Then we have no distributor cost because we sell direct to dealers, and to exclusive dealers at that." He said he expects to make \$10 profit on each set.

The lightweight set (under 50 lbs.) will be sold to dealers on consignment, with factory and dealer sharing advertising cost. Currently, Sanabria is looking for exclusive dealerships in key cities to handle not only his "Ohm," but also his "Universal" series, which starts with a 21-in. table model at \$99, and his DeForest line, ranging from \$170 to \$800. Current TV production is about 1000 a week, though plant has capacity for 1000 a day, he said. Company has own retail outlets in Chicago, Detroit, Los Angeles, St. Louis & Oklahoma City.

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Picture tube sales in first 2 months of 1955 totaled 1,726,485, valued at \$34,780,586, compared to 1,203,396 worth \$26,090,478 in first 2 months of 1954, reports RETMA. Feb. sales were 859,529 at \$17,119,568 vs. 866,956 at \$17,661,018 in Jan. and 645,715 at \$13,916,478 in Feb. 1954. Receiving tube sales in first 2 months totaled 76,476,558 valued at \$54,984,643, compared to 47,322,147 worth \$34,731,819 in first 2 months of 1954. Feb. sales were 38,526,796 at \$28,107,186 vs. 37,949,762 at \$26,877,457 in Jan. and 25,189,147 at \$18,319,819 in Feb. 1954.

DISTRIBUTOR NOTES: Raytheon discloses appointment of 21 new TV distributors during last few months: Mid-Atlantic Appliances Inc., Washington; L&P Electric Co., Brooklyn; Phillips Distributing Co., Baltimore; Universal Distributors, Kansas City, Kan.; Dunn & Menely Co., Oklahoma City; McCutcheon Distributing Co., Pittsburgh; Wholesale Appliance Co., Little Rock; Major Appliance Co., Dallas; Joyce Appliances Inc., Indianapolis; S.&E. Distributing Corp., St. Paul; H. W. Sinclair Distributing Corp., Houston; Lentz Enterprises, Phoenix; Reliable Brands Inc., Dayton; Cameron Co., Rock Island; Charles Ifeld Co. Inc., Albuquerque; Health Wholesale Co., Lubbock, Tex.; Radio Distributing Co., South Bend; Max Supply Co., LaCrosse, Wis.; Harris Radio Inc., Fond du Lac, Wis.; Superior Distributing Co., Sault Ste. Marie, Mich.; Oakman Electronic Supply Co. Inc., Rutland, Vt. . . CBS-Columbia establishes 6th factory branch, CBS-Columbia of Western New York, 165 Georgia St., Buffalo (Richard J. Levi, gen. mgr.); other branches are in N. Y., Boston, Detroit, Philadelphia & Dallas . . . CBS-Columbia appoints Midland Electric Co., 2125 Superior Ave., Cleveland; Electric Sales & Appliances Inc., 340 NE 75th St., Miami; Sacks Electrical Supply Co., 605 S. Main St., Akron; Long's Distributors Inc., 70 State St., Binghamton, N. Y.; Hills Gas & Appliance Co., 7th & Philadelphia St., Rapid City, S. D.; Grossman Distributors Inc., 185 Joseph Ave., Rochester, N. Y. . . Standard Electric Supply Co., Milwaukee (CBS-Columbia) promotes Erwin J. Merar to v.p. of major appliance div.; A. K. Sutton Inc., Charlotte (CBS-Columbia) appoints David F. Sigmon as operations mgr. . . Philco appoints J. H. Burke Co., Boston, replacing J. F. Leahy Co. . . DuMont appoints Harold N. Lieberman Co., 257 Plymouth Ave., N. Minneapolis (Harold Lieberman, pres.), which names B. F. Mondale as sales mgr. . . Admiral transfers Stuart P. LaBonde from Los Angeles div. to Anchorage as gen. mgr. of Alaska div. . . DuMont-Florida names Samuel Wagman sales mgr.

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What makes people buy TV sets? Question may be answered by Advertising Research Foundation, 11 W. 42nd St., N. Y., which is considering a survey to determine the motivations for purchase of a long list of consumer goods, including TV. ARF managing director Alcuin Lehman emphasized it's only an idea right now, being explored by an ARF motivation research committee headed by Dr. W. H. Wulfeck, Wm. Esty Co. Dr. Wulfeck told a meeting of the N. Y. chapter of American Marketing Assn. recently that his committee inherited the project from a group of men's magazines, which started and then dropped the plan. He stated: "The study will attempt to find out how consumers actually make purchasing decisions, who makes them, and how quickly. This is not a measure of advertising effectiveness, although advertising, of course, is one of the elements which goes into the making of buying decisions." He said he was encouraged by results of pilot studies in 6 or 7 markets designed to set up framework for questionnaire to be used in survey. ARF is a top-flight research organization with representatives of all media.

Raytheon TV-radio div. has started construction on new 203,874-ft. plant at North & First Ave., Melrose Park, Chicago, due for Sept. completion, which at outset will house all metalworking, painting & cabinet facilities, employing about 200. Plant doubles production capacity, will include automation techniques, will be operated in addition to offices and main TV-radio production facilities at 5921 W. Dickens Ave., about 3½ mi. distant.

With move of Emerson headquarters & plant to Jersey City (Vol. 11:14), subsidiary Emerson Radio Export Corp. (Max Abrams, pres.) and public relations dept. (Michael Ames, director) are now located at Plaza Hotel, 5th Ave. & 59th St., N. Y. (phone Plaza 9-3456).

Electronics Reports: "Golden Jubilee of Electronics" in 1956, industry-sponsored, to mark 50th anniversary of Dr. Lee DeForest's invention of the audion, will be considered by RETMA board at spring meetings April 12-14 at New York's Roosevelt Hotel. Proposed by Rear Adm. Ellery W. Stone, USN (Ret.), pres. of American Cable & Radio Co. (IT&T) and of "DeForest Pioneers," idea has backing of Gen. David Sarnoff, RCA chairman, as well as other key RETMA members.

Details haven't been worked out yet, but celebration basically would be similar to electrical industry's "Diamond Jubilee of Light" last year, which marked 75th anniversary of Edison's invention of incandescent lamp. It's also expected it would involve at least one big industry-sponsored show on TV and radio.

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Continuing trend toward diversification into electronics by non-electronic companies is exemplified by recent purchases by Textron American Inc. (formed by merger of Textron, American Woolen & Robbins Mills). The textile company's first expansion into electronics was purchase of Dalmo Victor Co., San Francisco manufacturers of radar and other military electronic gear. This week, Textron American purchased Ryan Industries Inc., Detroit manufacturer of airborne electronic equipment, whose 1954 sales totaled more than \$6,000,000.

United Shoe Machinery Corp., Boston, reports that TV-radio manufacturers have used its components inserting machines with more than 400,000 printed wiring boards in commercial receivers. It's now developing units capable of inserting 1-watt & 2-watt resistors; mica, tubular & disc capacitors; jumper wires; tube sockets; IF transformers. It claims equipment is highly flexible and reliability is better than 99.5%.

Freed Electronics & Control Corp., offshoot of old Freed Radio Corp., has been acquired by Fairchild Camera & Instrument Corp., which will operate it as subsidiary. Fairchild pres. John H. Clough said acquisition would give his firm "background position in ultrasonic display and storage and recording techniques as applied to radar photography and mapping."

Electronically controlled milling machine is being developed by Convair div., General Dynamics Corp. on \$1,128,000 Air Force contract. When completed in about 18 months, magnetic tape-directed mill is expected to save as much as 85% of the time now spent on some aircraft parts. It will be capable of producing aircraft dies or parts from engineering data fed into its computer "brain" on tape.

New long-range aircraft navigation aid, called "Navarho," revealed by Air Force this week, will be accurate within 10 mi. over vast area covering Azores to U. S. west coast and Arctic Ocean to Gulf of Mexico. It was developed at Rome, N. Y. Air Development Center, will be built at Camden, N. Y., near Lake Oneida.

American Bosch Arma Corp. personnel changes: Clifton T. Foss named v.p.-gen. mgr., Edmund D. Gittens v.p.-chief engineer, Clarence H. Hopper v.p.-manufacturing, all of Arma div., Garden City, N. Y.; Kenneth F. Leaman appointed v.p.-manufacturing, American Bosch div., Springfield, Mass.

Handbook on Defense Materials System (DMS), *The Defense Materials System in Our American Industry*, has just been published by Commerce Dept.'s Business & Defense Services Administration. It's on sale at Govt. Printing Office and Commerce Dept. field offices, 25¢.

Closed-circuit industrial and commercial TV installations now total 1200-1500, GPL district mgr. Robert H. Johnston told American Power Conference in Chicago this week.

General Precision Equipment Corp., reporting sales of movie equipment and supplies last year were highest in history and announcing quantity production of "most advanced system of automatic airborne navigation known to exist," reports 1954 net sales of \$123,332,634 compared to \$87,763,000 in 1953. Net profit last year was \$5,488,090, or \$6.49 a share on 934,174 shares of common outstanding, as against \$3,436,349 (\$5.09 on av. of 797,121 shares) in 1953. General Precision subsidiaries are: Ampro Corp., Chicago; Askania Regulator Co., Chicago; Bizelle Cinema Supply Corp., N. Y.; General Precision Laboratory Inc., Pleasantville, N. Y. (with Pleasantville Instrument Co.); Gricom-Russell Co., Massillon, O.; Hertner Electric Co., Cleveland; International Projector Corp., Bloomfield, N. J. (with Seco-matic Corp.); Kearfott Co., Little Falls, N. J. (with Kearfott Mfg. Co., Newark); Librascope Inc., Glendale, Cal. (with Minnesota Electronics Corp., St. Paul, Minn.); Link Aviation Inc., Binghamton, N. Y.; J. E. McAuley Mfg. Co., Chicago; National-Simplex-Bludworth Inc., N. Y.; Precision Technology Inc., Livermore, Cal.; Society for Visual Education Inc., Chicago; Strong Electric Corp., Toledo; Theatre Equipment Contracts Corp., N. Y.

Reeves Soundcraft Corp. and wholly-owned subsidiary, Bergen Wire Rope Co., had record consolidated net sales of \$3,747,810 in 1954 and net income after taxes of \$89,385. This compares with \$3,566,054 & \$284,301 in 1953. Licensees of its Magna-Stripe process for making Cinema-Scope release prints, pres. Hazard E. Reeves reported, now number 7—Columbia Pictures, Universal Pictures and Pathe Laboratories having been added last year. Fire at Bergen Wire Rope Co. in early 1954 hit sales. Year ended with earned surplus of \$470,258 as against \$380,737 at end of 1953. Bergen has constructed several radio towers, plans to make parts for TV, radio and microwave towers. Company retains 431,849 shares of common stock of Cinema Inc., which operates 18 theatres now, plans 8 more this year. It also is reported to be small stockholder in Saft Corp. of America, manufacturer of new type of sealed sintered nickel cadmium battery.

William B. Still, who in 1945 held experimental TV license for W2ZJT on Ch. 13 (then 230-236 mc) in Jamaica, L. I., where he made custom-built TVs, is now operating as Still Electronics Co., 4367 Papineau, Montreal (picture tubes); he claims to have developed TV set for autos that automatically won't operate unless vehicle is standing still with brakes applied.

New data processing center will be established by Sylvania on 30-acre site in Camillus, N. Y., near Syracuse. The center will gather, record, compute & classify variety of company-wide information on volume, sales, billings and other business data. Univac electronic computing system, leased from Remington Rand, will be used.

Latest TV gadget: Match-sized switch which turns TV or radio volume down 50% when telephone is in use, reported by an unnamed "Sunday inventor" to Minneapolis Honeywell's Micro Switch div., which annually conducts "idea exchange," seeking new uses for tiny switches.

L. W. Klein, exec. v.p. of Gabriel Co., named sales & adv. v.p. in coordination of all divisions, including antenna makers Ward Products & Gabriel Electronics, under 3-man exec. staff headed by Gabriel pres. John H. Briggs; Pat Leone named operations v.p., A. P. McDiarmid finance v.p.

Rear Adm. Malcolm F. Schoeffel, USN Ret., ex-chief of Navy's Bureau of Ordnance, joins General Precision Equipment Corp. as director of weapons planning, headquartered in Washington.

Robert Pappas, ex-Schaible Co., joins Ampex Corp., Redwood City, Cal., as quality control mgr.; John V. Zuckerman named mgr. of personnel & plant services.

Financial & Trade Notes: Among officers' and directors' stock transactions reported by SEC for Feb.: John B. Huarisa sold 3600 Admiral (Dec.), holds 101,731; Wallace C. Johnson bought 100 Admiral (Jan.), holds 2200; Irving B. Babcock sold 1500 Avco, holds 6397; Percy M. Stewart bought 1000 DuMont Labs, holds 2000; Wm. H. Miller sold 1510 Gabriel Co., holds 10,000; Howard C. Briggs bought 668 Hoffman Electronics (Jan.), holds 2000; Joseph S. McGee bought 250 Hoffman Electronics, holds 250; Charles M. Hofman sold 1600 Raytheon, holds 2969; Harold C. Mattes sold 5300 Raytheon, holds 10,234; Irving I. Schachtel bought 25,000 Sonotone, holds 27,500; Don G. Mitchell bought 111 Sylvania, holds 2561; R. E. Carlson bought 500 Tung-Sol, holds 1272; Mark W. Cresap Jr. bought 402 Westinghouse, sold 239, hold 1627; A. M. Robertson sold 300 Westinghouse, holds 200; C. S. Weber bought 211 Westinghouse, holds 793.

Collins Radio has filed SEC registration covering proposed offering of 122,500 new shares of \$50 par convertible preferred to stockholders through subscription warrants. Purpose of issue, says statement, is to finance redemption of preferred stock and to raise working capital. Prior to offering, company proposes to reclassify each share of outstanding common stock into 1½ shares of Class A and 1½ shares of Class B. New preferred is to be convertible into Class B shares thru May 1, 1956 and will be entitled to an annual sinking fund thereafter. Managing underwriters of new issue are Kidder, Peabody & Co. and White, Weld & Co. Collins recently reported earnings of \$1,495,572 (\$3.01 on 490,370 common shares outstanding) on sales of \$48,214,224 in 6 months ended Jan. 31, compared to \$1,476,406 (\$3.41 on 426,409 shares) on \$37,925,586 same period of preceding fiscal year (Vol. 11:13).

Olympic Radio earnings in 1954 more than quadrupled over 1953, while sales showed 3.8% gain. Profit was \$256,836 (59¢ per share) after taxes of \$204,295 on sales of \$18,350,453, compared to \$62,157 (14¢) after taxes of \$53,600 on \$17,667,485. Pres. Morris Sobin said Olympic had concentrated on sets "unique" to TV industry, had achieved a "dominant" position in 3-way combinations, and had given added impetus to second-set market with its 14-in. \$99.95 table model. At annual meeting in company's Long Island City offices April 25, stockholders will vote on resolution to increase authorized shares of \$1 par common from 500,000 to 1,000,000. It said it had no plans for added shares, merely wanted authorization.

Muter Co. and subsidiaries had 1954 consolidated net income after taxes of \$280,436 (39¢ a share on 721,450 outstanding) on sales of \$12,175,971, compared with \$447,463 (66¢ on 681,680 shares) on sales of \$15,190,004 in 1953. In notice of annual meeting April 19, it's disclosed that pres. Leslie F. Muter owns 115,566 or 16% of the 721,450 shares outstanding; Thomas White, pres. of subsidiary Jensen Mfg. Co., 13,457 shares. Only salary listed was that of Mr. White, who drew \$37,190 in 1954.

Erie Resistor Co. and subsidiaries, including Erie Resistor Ltd. (England) and Erie Resistor of Canada Ltd., in 1954 earned \$317,767 (88¢ a share) on sales of \$14,866,836. Domestic operations alone were \$9,101,544 sales, \$17,503 profit including \$149,852 dividends from foreign subsidiaries. In 1953 domestic sales were \$12,845,735, profit \$595,511. Earned surplus as of Dec. 26, 1954 was \$3,569,074.

National Union Electric Corp., whose CR tube div. was sold in Dec. to Sylvania for \$1,314,019, reports 1954 net loss of \$1,289,264 (74¢ a share) on sales of \$6,758,799 vs. 1953 net profit of \$166,458 (10¢) on sales of \$12,158,045. According to pres. & chairman C. Russell Feldman, Dec. 31, 1954 company had \$2,766,157 in cash or assets readily convertible to cash.

Atomic Development Mutual Fund Inc., Washington, D. C., open-end diversified management investment company specializing in securities relating to atomic science, headed by Newton I. Steers Jr., ex-AEC aide and ex-member of Electronics Production Board, offers 1,250,000 common shares at \$15.04 per share in recent prospectus. Listed in Jan. 31 portfolio stockholdings are these concerns closely identified with electronics: 2100 shares Sylvania, market value as of that date \$95,287; 3500 GE, \$174,125; 1700 N. V. Philips Gloeilampenfabrieken, \$72,675; 3800 Westinghouse, \$305,425. Among companies which process radioactive materials and manufacture radiation instruments or equipment, it lists: 1700 Abbott Laboratories, \$75,862; 1200 ACF Industries Inc., \$57,900; 15,000 Atomic Instrument Co., \$136,875; 13,100 Beckman Instruments, \$316,037; 3600 Blaw-Knox, \$101,700; 10,400 Consolidated Engineering, \$296,400; 98 General Precision Equipment (\$1 common), \$5831; 3200 High Voltage Engineering, \$56,400; 3800 Ketay Instrument, \$64,125; 21,000 Nuclear Instrument & Chemical, \$144,375; 1000 Panellit Inc., \$16,500; 4400 Tracerlab Inc., \$97,900; 9000 Victoreen Instrument, \$64,125. Fund's assets are largely invested in atomic minerals, principally uranium; it has Auchincloss, Parker & Redpath as investment adviser, lists total net assets of \$19,854,643 as of March 1; 1,429,420 shares were outstanding (\$13.91 per share) as of that date.

Teleprompter Corp. chairman Irving B. Kahn, reporting volume of business rose from \$308,361 in 1953 to \$533,661 in 1954 with net profit after taxes up from \$8129 to \$38,582, states in annual report to stockholders that volume for first 8 weeks of this year was almost double and net profit before taxes treble that of same 1954 period. Firm has renewed long-term contract with CBS, and last year signed similar one with NBC; its cueing machines are used in stations all over U. S. & Canada. Expansion includes new portable stage and "automation control" for stage effects. April 12 stockholders meeting will be asked to increase capital stock from 100,000 to 250,000 shares.

Guild Films calls special meeting of stockholders April 11 at Denver's Brown Palace Hotel to vote on proposal to increase authorized shares of 10¢ par value common stock from 1,000,000 to 2,000,000 "to place the company in position to take full advantage of business opportunities that may quickly arise in our rapidly developing industry." It's also proposed to increase directors from 5 to 7; new directors would be Aaron Katz, Guild v.p.-treas., and Julian E. Keilus, v.p. of Jacques Kreisler Mfg. Corp., N. Bergen, N. J. (jewelry). First annual report, for year to Nov. 30, 1954, showed net income of \$34,250 on sales of \$2,003,543; earned surplus was \$59,505.

Avco Mfg. Corp. earnings, including Canadian subsidiaries, dropped to \$579,445 (6¢ per share) on sales of \$70,266,747 in first 1955 quarter from \$1,695,699 (18¢) on sales of \$99,136,339 in same 1954 quarter, due to highly competitive consumer markets and reduced defense contracts. However, chairman Victor Emanuel reported, backlog of defense orders is about \$185,000,000.

Webster-Chicago Corp., despite record sales of \$31,746,046 in 1954, reports decline in earnings to \$564,198 (\$1.09 on 519,750 shares) from the \$927,162 (\$1.87 on 495,000 shares) earned on sales of \$27,757,899 in 1953. Pres. Norman C. Owen told stockholders that profits were retarded by heavy investment in developing and tooling for new tape recorders and phonographs.

Dividends: Webster-Chicago, 15¢ payable April 18 to stockholders of record April 8; Emerson Radio, 10¢ regular & 5¢ extra April 15 to holders April 4; General Instrument, 12½¢ April 16 to holders April 8.

Canadian Admiral Corp. in 1954 earned \$1,671,037 on sales of \$29,977,272; comparisons unavailable.

Color Trends & Briefs: Another effort to get back into the color picture is being made by Paramount Pictures' Chromatic TV Labs. Late next month, it plans to demonstrate receivers, using the 1-gun Lawrence tube, which it says can be produced for "under \$500"—compared with \$895 and up for other color sets.

No manufacturer has committed himself to make the tube or set, Chromatic pres. Richard Hodgson stated, but he believes demonstrations will evoke strong interest. He doesn't believe tube can be produced initially for less than the \$100 RCA charges for its tube, but he says the simple circuitry required is what makes lower cost of receiver possible.

Receiver will have 24 tubes vs. the 28 RCA will have in new series of sets due soon—but Hodgson says that the major savings are in fewer components, simple assembly and lineup. Sizes will be 21 or 22-in. rectangular, depending on availability of bulbs. He reports that quality is "darn good" and that "definition is higher than before."

The "under \$500," Hodgson stated, "doesn't mean \$495. We believe it will be substantially under that."

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TV sessions of SMPTE convention in Chicago's Drake Hotel April 18-22 will be held April 20, will include: color-monochrome integration, by Philip B. Laeser, WTMJ-TV, Milwaukee; Chromacoder, by Pierre H. Boucheron, GE; 3-V 35mm color camera, by W. F. Fisher & W. R. Isom, RCA; color images on black-&-white film, by Wm. L. Hughes, Iowa State College; comparison of color TV and color photography, by Donald G. Fink, Philco; characteristics of "perfect" TV lens and system, by Otto Schade, RCA; control of light intensity in TV projectors, by B. F. Melchionni & K. Sadashige, RCA; report of SMPTE TV lighting committee, by H. M. Gurin, NBC; film problems in TV news, by Spencer M. Allen, WGN-TV, Chicago; armed forces stations, by Lt. Col. Mel Williamson & Maj. Stanley E. Rodby.

"Y" channel is what GE has dubbed new system of sharpening monochrome reception of color transmissions (Vol. 11:4). New "Y" equipment was demonstrated to industry for first time during April 4-7 TV lighting symposium at GE's Nela Park, Cleveland.

Ampli-Vision community antenna equipment has been sold to 34 new systems, in addition to those listed in *TV Factbook No. 20*, according to systems engineer V. G. Rumbellow. A division of Paramount's International Telemeter Corp., Ampli-Vision reports new systems in these towns: Mena, Ark.; Burbank & Sacramento, Cal.; Sarasota, Fla.; Avery, Burke, Grangeville, Orofino & Pinehurst, Ida.; Havre, Helena & Whitefish, Mont.; Binghamton, N. Y.; Baker, Banana Valley, Coos Bay, Coquille, Cutler City, DeLake, Fossil, Hood River, Ione, Kinzua, La Grande, Nelscott-Oceanlake, Taft, The Dalles, Wecoma & Yachets, Ore.; Gatesville, Tex.; Pullman & Wishrem, Wash.; Rice Lake, Wis.; Thermopolis, Wyo.

Regional community TV antenna association formed last week, under aegis of National Community TV Assn., is Pacific Northwest Community TV Assn., organized in The Dalles, Ore. Pres. is Harley F. Steiner, v.p.-mgr. of Pacific Northwest TV, Lewiston, Ida. Prime problem of operators in area is illegal boosters (Vol. 10:47). One method of counteracting them is to extend community systems to marginal areas by getting potential customers to share costs of extensions. NCTA exec. secy. E. Stratford Smith discussed FCC's move against illegal booster operators through the issuance of cease-and-desist orders, violations of which are punishable by fines up to \$10,000 and imprisonment up to 2 years.

Impact of color TV on movies will be felt but will be of short duration, film pioneer Louis B. Mayer told dinner meeting of American Cinema Editors in Hollywood recently. Ex-MGM chief stated: "When Technicolor first became available to us, it was a great novelty, and people bought tickets just to see almost anything that was offered in color. . . . But the novelty soon wore off, and always it was learned that nothing ever takes the place of top entertainment values no matter how you dress it up." As for impact of TV generally, he said: "Aside from big sporting events, national or international spot news, I do not regard TV as offering any greater competition to the screen than radio did."

Upcoming network color schedules: NBC-TV—April 15, *Home segment*, 11-11:15 a.m.; May 2, *Producers' Showcase*, "Darkness at Noon," with Claude Rains, 8-9:30 p.m.; May 7, *Max Liebman Presents*, "Chocolate Soldier," with Eddie Albert, 9-10:30 p.m.; May 30, *Producers' Showcase*, "The Petrified Forest," with Humphrey Bogart, Lauren Bacal & Henry Fonda, 8-9:30 p.m. CBS-TV—April 14, *Showers of Stars*, "Ethel Merman's Show Stoppers," with Ethel Merman, Red Skelton, Peter Lind Hayes, Mary Healy & Harold Lang, 8:30-9:30 p.m.; April 17, *Sunday News Special*, one time, 11-11:15 p.m.

Field-sequential color system employed in Moscow is described in March issue of *British Wireless World*. Using call letters MOSTsT (meaning, in Russian, Moscow experimental color TV station), station uses 8.4-mc video bandwidth, 150 frames, 25 fields, 525 lines on 76-88-mc channel. It has 3 cameras and a field-slide scanner. Typical receivers have picture about 5½x4-in., 23 tubes.

Article on color and TV generally, is featured in March *New Englander*, published by New England Council for Economic Development, Statler Bldg., Boston. It cites progress of area's stations and manufacturers toward increasing colorcasts and making color sets & components.

April *American Artist Magazine* carries 7-p. feature on Maurice Evans' 2-hour color production of *Macbeth* last Nov. 28. It's titled "The Art and Artists Behind the NBC-TV Production, *Macbeth*."

RCA shipped 2 live color cameras April 4 to WOAI-TV, San Antonio.

Donald W. Reynolds' purchase of KOLO, Reno & KORK, Las Vegas, as companions for his KZTV, Reno (Ch. 8) and KLRJ-TV, Henderson-Las Vegas (Ch. 2) was approved by FCC this week. He paid \$150,000 for KOLO, \$50,000 for KORK, and agreed to reimburse sellers \$40,000 for not re-entering Reno market, \$10,000 for Las Vegas (Vol. 11:11). Other AM transfers approved were: Sale of 50% of WLOW, Portsmouth, Va. to Boston adman Emyl J. Arnold and Harold Kaye (50% of WORC, Worcester, Mass.); sale of KJAY, Topeka, Kan. for \$105,000 to ex-KOA, Denver salesman Robert Rohrs (Vol. 11:12) by S. H. Patterson, owner of KSAN-TV, San Francisco (Ch. 32) & KSAN.

John T. Cahill, senior partner of Cahill, Gordon, Reindel & Ohl, counsel for RCA-NBC, was host April 1 to anti-trust law section, American Bar Assn., at party in Washington's Sheraton-Carlton Hotel attended by top govt. & private lawyers, judges, RCA-NBC executives and their wives. Entertainment included rehearsal of next night's *Hit Parade*, piped via closed-circuit in color; Jimmy Durante in takeoff on anti-trust laws; filmed satire on TV; demonstration of RCA's new music synthesizer (Vol. 11:6)—with David Garroway as m.c.

Kit for converting film chain from iconoscope to vidicon is offered by GE at \$5250, plus \$1200 for optical multiplexer.

Network TV-Radio Billings

February 1955 and January-February 1955

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

FEBRUARY network TV billings slipped somewhat from January records (Vol. 11:11) due to shorter month—but it was still one of the best months since the season began last fall and far ahead of same 1954 month. Publishers Information Bureau report shows CBS-TV billings were \$14,694,726, NBC-TV \$12,275,843, ABC-TV \$3,567,696, DuMont \$597,275, for total of \$31,135,540, which compares with \$33,462,855 in Jan. and \$22,944,158 in Feb. 1954. Jan.-Feb. combined billings of \$64,598,395 compare with \$48,000,606 in same 1954 months, auguring another record year.

Network radio, now running about one-third TV, was \$10,162,739 in Feb., down from \$10,785,181 in Jan. and from \$12,204,550 in Feb. 1954. All networks were down, and for first 2 months of this year they were more than \$4,500,000 behind same 1954 period. The Feb. PIB tables:

NETWORK TELEVISION				
	February 1955	February 1954	Jan.-Feb. 1955	Jan.-Feb. 1954
CBS	\$14,694,726	\$ 9,965,481	\$30,525,867	\$20,678,810
NBC	12,275,843	9,368,148	25,465,402	19,485,085
ABC	3,567,696	2,502,372	7,285,891	5,282,946
DuMont	597,275	1,108,157	1,321,235	2,553,765
Total	\$31,135,540	\$22,944,158	\$64,598,395	\$48,000,606

NETWORK RADIO				
	February 1955	February 1954	Jan.-Feb. 1955	Jan.-Feb. 1954
CBS	\$ 3,950,767	\$ 4,749,512	\$ 8,132,072	\$ 9,915,686
NBC	2,584,620	3,176,849	5,328,824	6,568,722
ABC *	2,335,414	2,494,737	4,822,554	5,325,391
MBS	1,291,938	1,783,452	2,664,470	3,680,377
Total	\$10,162,739	\$12,204,550	\$20,947,920	\$25,490,176

NETWORK TELEVISION—January-February 1955					
	ABC	CBS	DuMont	NBC	Total
Jan.	\$3,718,195	\$15,831,141†	\$ 723,960	\$13,189,559†	\$33,462,855†
Feb.	3,567,696	14,694,726	597,275	12,275,843	31,135,540
Tot.	\$7,285,891	\$30,525,867	\$1,321,235	\$25,465,402	\$64,598,395

NETWORK RADIO—January-February 1955					
	ABC	CBS	MBS	NBC	Total
Jan.	\$2,487,140	\$ 4,181,305	\$1,372,532	\$ 2,744,204	\$10,785,181
Feb.	2,335,414	3,950,767	1,291,938	2,584,620	10,162,739
Tot.	\$4,822,554	\$ 8,132,072	\$2,664,470	\$ 5,328,824	\$20,947,920

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

† Revised as of April 4, 1955.

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

FCC was accused of encouraging TV monopoly by Rep. Reuss (D-Wis.), in vigorous attack on Attorney General Brownell's 60-member committee which recommended anti-trust law amendments (Vol. 11:14). He accused committee of overlooking monopoly aspects of many industries, including TV, "where the Govt. itself is creating the cartels and the monopolies that the anti-trust laws are designed to prevent." He added: "In no field is monopoly more threatening today than in that of TV, where increasingly a few large networks and newspaper organizations are acquiring a stranglehold on the industry. The FCC, far from doing anything about this development, is every day doing its best to accelerate it. In TV, as elsewhere, the big get bigger and the independents go broke."

President Eisenhower has accepted invitation to address NARTB convention in Washington week of May 22. He'll greet broadcasters at 11:30 a.m. Tue. May 24, speaking informally for several minutes just after Keynote Award to *Louisville Courier-Journal* publisher Mark Etheridge, v.p. of WHAS-TV & WHAS, Louisville and onetime interim pres. of old NAB.

DuMont's "Electronicam," an electronic camera that simultaneously transmits a live TV show and records it on film (Vol. 11:6, 8, 13), will be demonstrated to newsmen for first time on Thu. April 14 at 2 p.m. in DuMont Telecentre, N. Y. With the camera, which can shoot high quality film versions of live TV shows in lieu of kinescopes, it's claimed movie scenes can be monitored immediately without waiting for rushes and TV prints can be delivered to other stations in a matter of hours. There's possibility that DuMont Network, now operating with considerably curtailed coaxial-microwave interconnections (Vol. 11:13), may evolve into a film network—although plans also include leasing the device to other networks, stations and film producers. Pending demonstration, DuMont executives will say nothing about their plans, but it's known they have been interviewing top industry figures with a view presumably to engaging one as gen. mgr. of new syndication setup. Among those interviewed was Ted Cott, recently resigned NBC v.p.

George Foster Peabody Awards for 1954, to be presented April 20 at luncheon meeting of Radio & TV Executives Society of N. Y. at Roosevelt Hotel: TV-radio news, John Daly (ABC); entertainment, George Gobel (NBC-TV); education, *Adventure* (CBS-TV); special awards, *Omnibus* (CBS-TV) & *The Search* (CBS-TV); youth, *Disneyland* (ABC-TV); national public service, NAM's *Industry on Parade*; regional public service, WJAR-TV, Providence, for coverage of "Hurricane Carol." Radio awards: entertainment, *Conversation* (NBC); education, *Man's Right to Knowledge* (CBS); contribution to international understanding, *Pauline Frederick at the U.N.* (NBC); local public service, KGAK, Gallup, N.M., for *The Navajo Hour*; music, Boris Goldovsky of Metropolitan Opera (ABC).

Nine New England TV stations—vhf & uhf—have banded together into regional "network," using off-air and microwave relays to carry 41 live telecasts of April 19-June 4 racing from Suffolk Downs. Televised weekdays will be first 2 races each day, with special stakes and handicaps on Saturdays. *Racing from Suffolk Downs* is produced by Universal Television Productions div. of Universal Research & Development Co., Boston, and directed by gen. mgr. Ted Pitman of WTAO-TV, Cambridge-Boston. Though every race won't be televised to home audience, TV monitors at the track will give spectators close-ups of all races, including those not carried by the stations.

Buffalo's WBUF-TV (Ch. 17), purchased by NBC last month in move to acquire second uhf outlet of own (Vol. 11:11), lost net of \$236,324 from its debut in Aug. 1953 to Dec. 3, 1954 and dropped \$12,196 more in Jan. 1955, according to statement filed with transfer application at FCC. NBC proposes to pay \$312,000 cash. Current assets were \$470,083 as of Dec. 31, including property & equipment worth \$40,000. Total liabilities & deferred income were \$627,354, including debts of about \$405,000. NBC states in application that it "will devote its full effort to establishing that a uhf station can survive in a market with 2 vhf."

WJIM-TV, Lansing, Mich. (Ch. 6) & WJIM now have FCC approval for change of name to Gross Telecasting Inc., permitting Harold F. Gross to proceed with plan for public stock offer (Vol. 11:13). It's first single TV station to do so, following pattern set by multiple owners Storer (Vol. 9:45) and Bitner (Vol. 10:48).

Gilmore N. Nunn, pres. of WLAP, Lexington, Ky. and head of group of radio stations and TV grantees, is representing North American broadcasters at 4th general assembly of Inter-American Assn. of Broadcasters which opened April 9 in Lima, Peru, bringing together broadcasters from 21 Latin American countries.

MARTIN CODEL'S

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

APR 18 1955

Television Digest

with **ELECTRONICS** REPORTS

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

SUBSCRIPTION TV becoming cause celebre—Paramount seeking month's delay at FCC, NARTB taking stand against it, Zenith accusing networks (pp. 1 & 9).

COLOR SET PRICE CUT expected from RCA with introduction of new 28-tube set; newsmen shown RCA tube plant poised for 21-in. production upon demand (p. 3).

DuMONT PLANS FILM NETWORK geared to new Electroni-cam, combination TV & film camera system demonstrated for first time this week (pp. 4 & 7).

ARMED FORCES TV NETWORK from Iceland to Africa now serving 60,000 viewers with U. S. program fare, plans to expand from 4 to 10 outlets this year (p. 5).

DEINTERMIXTURE PROPOSALS deluge FCC, include request of WITV and Storer's WGBS-TV to make Miami all-uhf; Sacramento's KCRA gets Ch. 3 decision (p. 7).

ON SHOW BUSINESS FRONT: John Crosby's cracks at CBS provoke puzzlement; Republic's Mr. Yates arouses ire of theatremen for statements about TV (p. 8).

BIG SECOND-SET MARKET POTENTIAL pointed up in American Research Bureau survey showing mere 3.7% multiple-set ownership; low TV profits bemoaned (p. 12).

SPURIOUS RADIATION PLAN approved by RETMA board; use of seal on set to certify compliance with engineering standards may start in summer (p. 13).

ADMIRAL SALES DECLINE in first quarter, but full year is expected to show improvement over 1954; stockholders vote increase in authorized stock (p. 15).

SECOND HAWAIIAN SATELLITE under way, relaying signals 90 & 123 mi.; 2 more uhf quit in Des Moines & Allentown; notes on upcoming stations (p. 11).

ANOTHER TV INVESTIGATION proposed by FCC as comprehensive long-term study into all aspects of broadcasting, but lawmakers appear cool to idea (p. 10).

COLOR PROGRAMMING to be stepped up by NBC-TV with 4 major series plus daily daytime strip, new filmed color show and "exciting new uses" in sports (p. 15).

CRESCENDO IN THE SUBSCRIPTION-TV DEBATE: Maneuvering in subscription TV fracas is rapidly making subject a cause celebre -- to delight of its proponents and to consternation of its opponents who have long felt that best policy was to ignore it.

Month's delay in FCC's May 9 filing deadline will be requested, meanwhile, by Paramount Pictures' International Telemeter. Next week, counsel Arnold, Fortas & Porter will request postponement because Harry Plotkin, who has been handling case, will be out some 2 months for eye operation. Skiatron has agreed to delay, while Zenith has rejected it. It's likely networks will also reject it -- to avoid accusations that they're trying to block subscription TV. Meanwhile, the pay-as-you-look subject was a major topic on many fronts:

(1) NARTB 15-man board took firm stand against pay-as-you-look -- with only Paul Raibourn, of Paramount Pictures' KTLA, Los Angeles, dissenting, and John Esau, of uhf KTVQ, Oklahoma City, abstaining. (For board membership, see Vol. 11:13.)

(2) NBC-TV offered Zenith 15-min. free time on its 5 owned-&-operated TV stations to plug pay TV -- after Zenith sought to buy 1-min. spots on them.

(3) CBS-TV planned full-blown program on subject May 1, as promised, inviting Zenith pres. E.F. McDonald to speak for fee TV, and Victor Sholis, mgr. of CBS affiliate WHAS-TV, Louisville, to oppose it.

(4) Mutual set April 17 for radio debate, with Zenith counsel Joseph Wright on pro side, theatre exhibitor Trueman Rembusch con, plus Chicago Tribune TV-radio editor Larry Wolters -- with James W. McBurney, dean of Northwestern U school of speech, acting as moderator.

(5) Congressmen revealed pressures they're feeling, during conference with FCC this week, conducted to explore Commission's current activities (see p. 10).

(6) Washington's National Press Club debate between Zenith spokesman Millard Faught and theatres' Alfred Starr brought into focus some of major arguments, got heavy news coverage. (For details of debate, see p. 9.)

Pertinent portion of NARTB's statement reads as follows: "Allocations by

the Federal Govt. have been established during the last decade of free TV's growth in the U.S. The board does not believe that the public interest is served, if the promise of free TV now should be curtailed to provide a system of 'pay-as-you-see' TV. Over 34,000,000 families have bought sets on the assumption that service would be free and full. The premise of free entertainment over broadcast facilities has been established for more than 3 decades, through the unique development of radio broadcasting in this nation. That basic pattern should not be altered at the expense of the public." Board noted that "subscription TV could be provided by other means without detriment to unlimited public reception of the present system."

Reaction of Skiatron's Arthur Levey to NARTB resolution: "Once again we hear the voice of the entrenched interests crying out for the status quo while refusing to consider the public interest."

In offering Zenith 15-min. of free time, NBC said issues are so complex that it didn't believe 1-min. spots could deal with subject adequately. NBC added that if Zenith accepts, it will offer equal time to fee-TV opponents. In view of Zenith battle with CBS over toll-TV commercial, betting is Zenith will reject offer.

CBS-TV's program May 1 will run 5:15-6 p.m. EDT. In addition to the 2 main spokesmen, CBS has invited 2 panels to question speakers. Those invited to date are James Landis, Skiatron gen. counsel (pro) and exhibitors' Starr (con) -- with others to be announced shortly. Moderator will be Dwight Cook, who handles CBS Radio's "The Leading Question." Audience will comprise members of press. CBS's announcement of the program stated:

"In the light of recent interest in the question of pay-as-you-see TV and its importance to the more than 33,000,000 TV set owners who have a \$13.5 billion investment in TV sets, the CBS public affairs dept. will present industry leaders who have views for or against subscription television in a program designed to place those views clearly before the public."

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During the FCC's session with House Commerce Committee members, Rep. Moulder (D-Mo.) showed himself clearly in favor of pay TV, stating: "Many stations won't be able to survive without subscription TV. Without subscription TV, there will be only a few, large, powerful stations left in the country." Rep. Priest (D-Tenn.) said: "I'm being asked questions about it daily, not only by constituents but by other Congressmen. While I was home on vacation last week, I received 3 telephone calls on the subject." FCC Chairman McConaughy explained the procedural factors involved, indicating that decision can't come in mere few months.

There were other skirmishes going on at same time. Zenith's McDonald, fresh from Florida vacation, demanded investigation of CBS and NBC by Congress, FCC and Justice Dept., saying they're trying to block pay-as-you-look for fear of losing their "dominance and control" of TV. He said that it was "utter nonsense" to say toll TV would hurt free TV; that it would merely replace 3-4 old movies weekly.

Opponent Leon Gorman, mgr. of WABI-TV, Bangor, Me. implemented his views (Vol. 11:11) by sparking a New England Broadcasters for Free-TV. And there were more comments filed with FCC, including one from Gene O'Fallon, operator of KFEL-TV, Denver, who said: "The American people will buy toll-TV if it's right -- if it's wrong, it will fall by the wayside." He favors opening it to all stations.

Zenith ad agency MacFarland, Aveyard & Co., through chairman Hays MacFarland, told Commission pay-TV is "inevitable," will be a "boon to TV advertising." Dean of Illinois U undergraduate school, C.C. Caveny, wrote FCC that fee system would be a great instrument for spreading education. New book, written by Ira Kamen and published by Howard W. Sams Co., is a fervent plea for subscription TV.

* * * *

Only thing everyone was agreed on: Tremendous publicity barrage unleashed by Zenith, which sparked FCC inquiry and prompted current discussion, is worth millions in free advertising to Zenith, never a major TV and/or radio sponsor by comparison with set makers that lead it. Zenith reputedly ranks 6th in share of national TV market -- after RCA, Philco, Admiral, Motorola, GE.

NO LETUP IN COLOR DRIVE, PRICE CUT SOON: Despite public apathy, despite apparent industry indifference, RCA's prodigious effort to prime the color TV pump hasn't abated one whit -- and next move, implied but not stated, will be cut in price of set from \$895 possibly to \$695 or \$750. Reduction is expected to be announced at stockholders meeting May 3, about time of emergence of first new 28-tube receivers off production lines at Bloomington, Ind. plant.

RCA's faith and investment in color is so great that it will continue probing -- with prices, production and programs -- until it finds the point at which public and industry indifference can be breached.

Never was its determination more evident than at press briefing at Lancaster, Pa. picture tube plant this week. Big plant itself is visible evidence of the millions RCA has committed to color -- and the factory represents only a fraction of the color expenditure. Portion devoted to color is now being expanded from 50,000 to 132,000 sq. ft., and plan is to discontinue making black-&-white there entirely.

That RCA will be biggest beneficiary if color clicks, not only patent-wise but in sale of tubes and receivers, to say nothing of NBC network time, goes without saying -- for fact is that most of industry is leaving to it the job of proving that color can be sold now, if not to average consumer then at least to what pres. Frank Folsom calls the "Cadillac trade." Though RCA has called upon its licensees to join its effort to promote color, only a handful have heeded; everyone agrees color must come eventually, but not as to when, and there are as many opinions about "reasons why" as there are entities in the field.

Spokesman for one of RCA's toughest competitors put it this way: "RCA won't play a team game; it hogged the ball in the all-industry NTSC work on standards, it calls color an RCA invention, and it wants to carry the ball now. Let it -- and more power to it if it can hasten the day."

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Newsmen were invited to Lancaster for same purpose that tube customers were earlier (Vol. 11:10) -- to convince them that 21-in. round metal-cone tube is "it" for the visible future. RCA's point is that other types of tubes may eventually prove to be practical but that its tube is only one ready for 1-2 years or more.

Progress to date and prospects for future were outlined by W. Walter Watts, electronic products exec. v.p. Some 10-12,000 of the 21-in. tubes have been built. Present rate is 2500 monthly, to be stepped up to 25-30,000 monthly this year through installation of automatic machinery. Though 7-8 out of 10 tubes were rejected as imperfect 6 months ago, rate of rejects is now only 2-3 out of 10 -- and during best day in Feb., 6 out of 7 were good. Standards are constantly being raised; otherwise, rejection rate would be much lower now. RCA's confidence in tube's stability is so great, Watts said, that full one-year warranty is in effect.

All Watts would say about new 28-tube set, superseding 38-tube unit, is that "an announcement...will be made in the near future. The production of this new color receiver will be geared to public demand."

Referring to set & tube makers' visits to plant, Watts said: "Because reactions of those who have heard and seen our story confirm the soundness of our program, we felt that we could now invite you with sincerity and assurance to see for yourself that the key element in color TV -- the picture tube -- is 'off the ground.' Our plans are keyed to the tube program."

As for color programming plans for stimulating public demand, Watts described NBC-TV's prospective fall schedule (see p. 15).

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Continued savings in production costs of tube are in prospect. Color tube engineering mgr. C. Price Smith pointed out, for example, that metal cone is now made of chrome iron costing 47¢ a lb., but there's possibility of using mild steel costing 6¢ a lb. -- saving of \$6 in raw material for each bulb. Bulb is being supplied by I-T-E Circuit Breaker and RCA's own engineering products dept.

Improved performance is also in the works -- though tubes demonstrated showed exceptionally good color and black-&-white. Color operations mgr. Harry Seelen

noted possibility of improving brightness up to twice present 25-30 ft. lamberts through enlarging holes of mask which now blocks 85% of electrons.

Seelen went into great detail to emphasize why RCA feels present tube is the answer to color, as far into future as engineers can see. Choice of tube "was not an eenie-meenie proposition," he said. "We tried them all." Round shape was selected, he said, because it's least expensive to make -- "tools and everything else" are more economical -- as well as strongest and most stable. Metal is used because it's airtight, contains no vapors and can be processed faster than thick glass envelopes. Aim is to get bulb cost down to the \$8-\$8.50 of black-&-white.

Emphasizing RCA's belief that no other tube is ready or will be able to catch the RCA tube, Seelen analyzed 3 other types: (1) Projections. "These never overcame their limitations in black-&-white, aren't likely to do so in color." (2) Focus-mask types, like Chromatic's Lawrence tube. "The basic problems have never been solved -- in contrast, vibration, voltage breakdown, loss of screen area, stresses in the grid, etc. We tried it, abandoned it." (3) Sensing types, like Philco's so-called "Apple". "The concept is very nice, but it's too complex. It requires photoelectric devices, servomechanisms, etc."

"The industry has reached the stage," Seelen concluded, "where volume is the answer. Industry must get together and create the demand."

Five receivers were demonstrated, showing slides in color and black-&-white. Three used 21-in. round tubes, 2 had 22-in. glass rectangulars. Images on all were excellent. Particularly noteworthy was quality of black-&-white, and it's apparent that much effort has gone into improving black-&-white -- since it's now recognized that customers insist on using color set for both color and monochrome reception, won't stand for 2 sets in the room.

Receivers were rotated to show how earth's magnetic field impairs color purity of glass rectangular tubes much more than it does that of round tubes, which are shielded by metal cone.

RCA executives conceded that price of sets must drop before color can invade the mass market. But despite persistent questioning by reporters, they would not conjecture what the price should be. Asked to look into the future and predict when a \$300 color set might be marketed, v.p.-technical director Dr. C.B. Jolliffe said, "When the industry is making 5,000,000 a year."

DuMONT'S 'ELECTRONICAM' FILM NETWORK: Geared to new low-cost film production system, DuMont Network this week insisted the American TV economy can support a strong "4th network" right now -- provided it's a film network.

Some -- but not all -- of DuMont's near-future network plans were revealed at elaborate and impressive demonstration of long-heralded "Electronicam" combination TV & film camera (Vol. 11:6,8,13), shown for first time April 14 at N.Y. Tele-Centre to sponsors, agencies and the press. Using single lens and focusing system for both cameras, Electronicam produces theatre quality film, either black-&-white or color, at same time it shoots live TV show. (For description of system, see story on p. 7).

While Electronicam has many potential uses in making possible low-cost film production for theatres, industry, education, etc. -- as DuMont spokesmen are quick to point out -- the principal reason it was developed (by programming & production mgr. James L. Caddigan and DuMont engineering staff) is to serve DuMont Network with substitute for the kinescope, with quality equal to that of the best TV films.

"An entirely new concept of networking" will be based on Electronicam, DuMont Network managing director Ted Bergmann told the press -- and he outlined why this "new concept" is needed. Of nation's top 100 markets, he said, only 14 have 4 or more TV stations, 33 have 3, another 36 have 2, and 17 have only one each.

DuMont spent nearly \$3,000,000 last year for rental of coaxial and microwave connections, he said, but because of shortage of stations in many markets, it was able to get back only \$150,000 of this investment -- or 5%. In 1954, DuMont paid for interconnection facilities totaling 2800 station-hours of live time per week, but was able to use only 125 because of clearance difficulties. On the other hand, about 250 station-hours of DuMont programming were carried on kine each week.

"Thus the DuMont Network was two-thirds kinescope and one-third live," said Bergmann, "and any advertiser approaching it knew that his ratings and audience would in large part depend upon the quality of our teletranscriptions."

DuMont has already cut down its regular live network to New York-Washington only (Vol. 11:13), and Bergmann said there will be further curtailments until cable-microwave is used only for sports, news & special events. He invited the network's current advertisers to be first to use new system, beginning in about 2 weeks. The ones we talked to were enthusiastic, wanted to change over in a hurry.

What it will mean to them is this: Their programs will go on air live in New York, and onto high-quality film for use on other stations, at very little more than kinescope cost. Important angle of DuMont's new pitch is value of residual rights -- for re-runs -- enhanced by fact that shows can be filmed in color as easily as in black-&-white, at same time as they're being televised locally in monochrome.

Beyond this, DuMont Network didn't reveal plans. But presumably it intends concentrated campaign for more advertisers to use its live-film plan, and possibly to go into TV film production-syndication on its own. Of latter possibility, DuMont executives say only that they "don't know yet."

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One intriguing possibility of Electronicam is its potential use for re-runs of color telecasts. There's no reason why system couldn't be adapted to color TV camera, Dr. DuMont told us -- making possible delayed repeats and re-runs of color shows, heretofore restricted by color kine problems.

Another suggestion is production of color shows without color TV camera, by use of Electronicam's quick and efficient method of turning out filmed shows. Using TV techniques, filmed color show can be produced with black-&-white TV cameras and color film -- with processed color film ready for telecasting the following day.

While DuMont will be making a pitch to lease, license or possibly sell its system to other networks and stations and to film producers, Electronicam's future is not completely unclouded. Similar system was demonstrated several weeks ago in Hollywood by Al Simon, production supervisor for McCadden Productions (Vol. 11:13). And RCA has promised that its color & monochrome video tape recorder -- now said to be perfected -- will be put into practical use this year. It's expected that the announcement of its first commercial use by NBC will be made shortly.

ARMED FORCES' TV 'WHISTLING POSTS': American TV's least-known network is a film "chain" that spans oceans and continents from Africa to Iceland, carries nearly all the top-rated programs and has about 200 sponsors. Moreover, it unquestionably has the world's most loyal viewers, not to mention the "lowest cost-per-thousand."

It's the new Armed Forces Television Service -- in operation just a year, but already a seasoned and proven service. Today, it has but 4 outlets. By year's end, it expects to have 10 or more. Patterned after Armed Forces Radio Service, its purpose is morale and information for U.S. troops at isolated bases.

Its morale effects have become obvious almost instantly. At bases with TV outlets, cases of AWOL and "serious incident" (accidents, fights, etc.) have decreased markedly since TV came, and cooperation with the chaplain has increased.

For programming, AFTS depends principally on U.S. networks, TV film producers-distributors, sponsors and agencies -- for kines and films of stateside shows. The guiding spirit behind AFTS is Lt. Col. M.E. (Mel) Williamson, chief of TV branch, Office of Armed Forces Information & Education, onetime top TV-radio producer and account executive (ex-radio director Russel M. Seeds Co., Chicago, ex-west coast mgr. of old Lennen & Mitchell and old Geyer, Newell & Ganger agencies) who was called back into Air Force after wartime service in order to set up the network.

The military stations are low-powered installations, radiating 10-50 watts, thus serving only the bases and immediate surrounding area. Transmitters and other equipment have been supplied by RCA, Dage (with Gates) and Electronics Research Lab, Hollywood (Joseph Leaming). Technicians to operate and service the stations are selected from qualified personnel on each post. Programs are mostly on film, though stations also have live news, chaplains' talks, information features, local shows.

Receivers are purchased from the PX for dayrooms, barracks, officers' quarters and the homes of servicemen's families.

Obtaining and distributing stateside programs has been AFTS's biggest problem. Many sponsors and agencies were reluctant at first to give permission to use their shows -- though commercials are not deleted. While resistance of most has melted, a few are still holding out -- despite fact that it costs them nothing and gives them a big "plus" viewership, virtually a captive audience, which has access to most sponsors' products at the PX, others when tour of duty is completed.

AFTS already has some 60,000 viewers -- for whom TV is the main form of recreation and entertainment -- with only 4 stations in operation. These viewers see about 160 different shows -- ranging from Howdy Doody to Omnibus, and including Lucy, Milton Berle, Dragnet and Toast of the Town.

Last week, 72 hours of film & kine programming went out from New York to the network. Nearly every week sees an increase over the preceding one.

Cooperation of networks and most film distributors has been good. AFTS borrows prints, bicycles them from one station to another, returning them to the source when they've played the entire circuit. As the network increases in size, biggest headache will be distribution. AFTS's shoestring budget won't permit it to foot the bill for additional prints -- yet it's going to be nearly impossible to make-do with one print of each program for Uncle Sam's world-wide network.

Only AFTS installation in continental U.S. is pilot station AFL-TV at Loring Air Force Base, Limestone, Me., which began operation on Xmas Eve 1953, was formally dedicated the following July 4 (Vol. 9:52 & 10:27). The base is completely isolated, far from any other TV service.

Overseas operations are now on air at Keflavik Airport, Iceland; Lajes Field, Azores; Wheelus Field, Tripoli. Next is due at Thule, Greenland, May 1. Outlet at Dharam, Saudi Arabia, will follow. In planning stage are stations at Sonderstrom Fjord & Narsassuak, Greenland, and at Okinawa, Bermuda and Puerto Rico. All AFTS stations so far have been on Ch. 8, but Puerto Rico outlet may be first uhf -- in order to avoid any possible interference problems.

Details of planning and operation of Armed Forces' low-powered TV stations will be discussed by Col. Williamson and Maj. Stanley E. Rodby April 20 at SMPTE's semi-annual convention in Chicago's Drake Hotel.

Personal Notes: Don McGannon named operations v.p. of Westinghouse Broadcasting Co., in charge of new N. Y. offices to be opened in May in Chanin Bldg., 122 E. 42nd St., to which pres. Chris J. Witting and staff will move from 40 Wall St., along with engineering director Ralph Harmon and his staff from Washington and accounting & payroll staff from Philadelphia; Joe Baudino, exec. v.p., remains in charge of Washington office, with counsel John Steen's location not yet decided . . . Gerald C. Gross, asst. secy.-gen. of International Telecommunication Union, Geneva, onetime FCC executive, returned to his post in Switzerland this week after month in U. S., during which he underwent an operation . . . Louis Hausman, CBS v.p., re-elected treas. of Brand Names Foundation Inc.; Thomas F. O'Neil, pres. of General Teleradio & MBS, elected chairman of exec. committee . . . Patrick J. Goode, pres. of WNHC-TV & WNHC, awarded 1955 Gold Medal of New Haven chapter of Advertising Federation of America for distinguished service to city . . . Stanley B. Cohen, ex-FCC attorney, recently associated with Leo Resnick, joins Washington firm of Cohn & Marks . . . Sam Sharkey, ex-*New York Times*, named NBC news editor, reporting to news director Wm. R. McAndrew; John H. Thompson, from radio KNBC, promoted to mgr. of news & special events, NBC Pacific div., Hollywood . . . Ben Lochridge named CBS Radio eastern sales mgr., replacing Jack Overall, resigned; Robert Reitzel shifts from west coast to succeed Lochridge as Detroit mgr. . . . Harold G. Ross, ex-Wage Stabilization Board labor economist, joins NARTB May 1 as asst. to

Charles H. Tower, mgr. of employer-employee relations dept. . . . F. A. Wurster, ex-WABD & BBDO, named media director, Kiesewetter, Baker, Hagedorn & Smith, N. Y. . . . Edward J. Young, ex-WDTV, Pittsburgh (now KDKA-TV), named v.p. of TV packager Advertising Syndicate of America, Keenan Bldg., Pittsburgh . . . Bruce Eells promoted to western div. v.p., Television Programs of America . . . Chester MacCracken resigns as TV-radio production v.p., Doherty, Clifford, Steers & Shenfield; he plans to teach at U of Vermont . . . Ray J. Mauer, ex-Cunningham & Walsh, named TV-radio director, Geyer Adv. . . . Lewis Wechsler, ex-Emil Mogul and Young & Rubicam, joins TV-radio dept., Benton & Bowles . . . John Henry Faulk, N. Y. TV-radio performer, named v.p. of Texas Bestg. Corp., owned by Claudia T. Johnson, wife of U. S. Sen. Lyndon Johnson; he will have charge of public affairs for its KTBC-TV & KTBC, Austin, and KANG-TV, Waco . . . Don Becker, veteran radio writer-producer & onetime asst. gen. mgr. of WLW, Cincinnati, named NBC-TV gen. programming exec. in charge of coordinating daytime programs, reporting to George F. McGarrett, mgr. of daytime operations.

Robert E. Button, serving in office of Secy. of Defense on leave from NBC, joins U. S. Information Agency as deputy asst. director for broadcasting, replacing Edward F. Lethen, who has returned to CBS.

In format of legal summons, *Broadcasting-Telecasting Magazine* has issued invitations to reception it's tendering to FCC commissioners May 22, eve of NARTB convention.

DEINTERMIXTURE PROPOSALS continued to pour in on FCC in wake of its move to reconsider deintermixture in Peoria, Madison, Evansville & Hartford (Vol. 11:14), while one CP was issued in form of final decision to KCRA, Sacramento (Ch. 3) and an initial decision was rendered favoring Columbia Amusement Co. (theatres) for Ch. 6 in Paducah, Ky.

In awarding Sacramento decision to KCRA (Ewing C. Kelly, pres., 50%) over KXOA (Lincoln Dellar, pres. 100%), Commission had novel comment: "In this case, the evaluation is a clear-cut one, oddly enough, because of the remarkable evenness of the applications. The sole significant difference between the applicants is seen to lie in their past broadcast records. . . . Ordinarily we should expect to find such a slight preference outweighed by preferences on other factors in the final evaluation. This case is unusual in that there are no other such preferences."

Examiner Wm. Butts' choice of the theatre group in Paducah was predicated on his belief that grant to opponent WKYB-Sun-Democrat would "aggravate" concentration of mass media control in area. In addition, he liked theatre group's educational plans.

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Deintermixture proposals filed with Commission included a joint petition of Geo. Storer's WGBS-TV, Miami (Ch. 23) and Mortimer Loewi's WITV, Ft. Lauderdale (Ch. 17) to make entire area uhf by deleting channels 4, 7 & 10 from Miami and moving pre-freeze WTVJ to Ch. 39. Sweeping proposal includes statement by both stations that they "will be forced to discontinue operations immediately upon termination of their NBC and ABC network affiliations, which will occur shortly after the grant of either of the new vhf stations in the area."

Other deintermixture proposals: (1) KCCC-TV, Sacramento (Ch. 40) asked that area be made all-uhf or all-vhf by either giving it educational Ch. 6 or moving KBET-TV & KTRB-TV to uhf. (2) WJHP-TV, Jacksonville, (Ch. 36) sought educational Ch. 7. (3) WAIM-TV, Anderson, S. C. (Ch. 40) had unusual parlay to keep area all-uhf by shifting WSPA-TV, Spartanburg from Ch. 7 to Ch. 17, moving Knoxville's WTSK-TV (Ch. 26) to Ch. 7

and letting Columbia's WCOS-TV (Ch. 25) and WNOK-TV (Ch. 67) share Ch. 7.

Other allocations petitions: (1) By Star Bestg. Co., Alamosa, Colo., to shift Ch. 3 from Pueblo, Colo. (2) By radio WICH, Norwich, Conn., to move Hartford's Ch. 3 to Norwich. (3) By WANE-TV, Ft. Wayne (Ch. 69) to shift it to Ch. 21, moving channel from Huntington, Ind.

Commission initiated rule-making on proposals to permit KBID-TV, Fresno to shift from Ch. 53 to Ch. 18 or 30 and on conflicting proposals to add Ch. 10 to either Bunnell or New Port Richey, Fla. It turned down second effort of off-air WTOV-TV, Norfolk (Ch. 27) to get Ch. 13 assigned to nearby Princess Anne, Va.

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More time to build was granted WJRT, Flint, (Ch. 12) over objections of WFDF, Flint, and Butterfield Theatres; grantee was also authorized to move to site 20½-mi. northwest of Flint. It's expected latter will be protested.

WHUM-TV, Reading, Pa. (Ch. 61), was given authority to move main studio to transmitter site after station said it could save \$5000 monthly by doing so.

About 50 comments were filed at April 15 deadline on FCC proposal to limit stations to sites within 5-mi. of cities—with those in favor and those opposing running about half and half. All 4 networks opposed.

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Deintermixture would be accomplished in Jackson, Miss. by merger of one of town's 2 vhf stations with its only uhf if FCC approves application by WSLI-TV (Ch. 12) for permission to sell 40% interest to WJTV (Ch. 25), owned by same interests as *Jackson Clarion Ledger* and *Daily News*. Plan is to increase WSLI-TV capital stock from 250 to 1000 shares, sell 400 to WJTV for \$176,000, remainder to be held by present WSLI-TV owners. Latter are Standard Life Insurance Co., which would hold 324 shares; T. B. Lanford & L. H. Sepaugh, who would hold 138 shares each. WSLI-TV in turn would pay \$175,000 for physical assets of WJTV, change its call to WJTV, while uhf channel would be dropped. Both stations, states application, have been operating at loss.

ELECTRONICAM, DuMont's combination TV & film camera system demonstrated for first time this week (see p. 4), has aroused the interest of at least one major Hollywood movie producer as well as TV film producers, advertisers & stations. As explained at demonstration, there are already 2 versions of the system—one for use in producing films through TV techniques, other for simultaneous telecasting and filming. Except for optical system, the units are identical.

Demonstration began with a showing of black-&-white and color film, of theatre quality, made by Electronicam—shot without retakes in the same time it took to view it. Then audience saw a scene being televised and filmed simultaneously, using the system. Though 16mm film was used, it was explained that 35mm can be used equally well.

As demonstrated, system used 3 camera chains, each with image orthicon TV camera head and film camera mounted side-by-side on same base and operating with common lens system. Light passing through lens is split into 2 parts, one to film and other to TV pickup tube. Single control focuses both TV and film camera. All 3 film cameras operate continually during the program, as do the TV cameras, and the director monitors and edits the show as it is performed, as in any live TV show.

In addition to the 3 films being exposed by the 3 cameras in system, an "editing master" is produced—merely a kinescope of the TV picture selected by the director during the shooting. This master shows which camera's

footages were chosen by director during the shooting, and it records wipes, fades, dissolves, scene shifts, etc. which appeared on the monitor. After film is processed, special editing device locks the 3 negatives from Electronicam system in synchronization with the "editing master" so that all can be run off slowly and inspected together at same time. The high-quality film then can be edited, using "master" kinescope as a guide.

System permits half-hour film to be shot in half-hour in contrast to Hollywood methods by which film may take days or even weeks to shoot. When used for film repeats of live TV shows, one advantage of system is the possibility of re-editing, using different shots from those which actually went over the air, if desired.

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Amendment to "protest" section of Communications Act designed to obviate use of section merely to delay grants, while continuing to permit interested parties to "bring to Commission's attention bona fide questions concerning grants made without hearing," was introduced by Sen. Magnuson (D-Wash.) as S-1648, at request of FCC (Vol. 11:13).

Commercial Telecast Network is new closed-circuit TV packager with headquarters in N. Y., specializing in business meetings. President is Lloyd Durant, ex-Compton and Biow agencies; v.p. is Wm. F. Hogan, head of Wm. F. Hogan Assoc., communications engineering; H. Don Reynolds is secy-treas.

Telecasting Notes: The "new criticism," wherein columnists treat TV shows like the theatre, despite their evanescent and usually non-recurring nature, took an unusual turn this week when Herald Tribune Syndicate's widely published John Crosby column lashed out at CBS's program department for allegedly losing its old imagination and daring. Excepting only the CBS public affairs dept., which he called "superb" and which turns out its news and documentaries, the acidulous Mr. Crosby made some invidious comparisons with NBC—designed to make CBS executives squirm and NBC's chortle. He accused the CBS program dept. of being "sound asleep," took it to task for "doing radio shows poorly fashioned in the image of TV" and for mediocre TV shows . . . Such an indictment of a whole structure, rather than an individual show, had the industry buzzing this week, with lineup of sentiment about what you would expect—according to affiliations and personal loyalties. CBS executives were frankly puzzled by the curious takeoff against them, naturally wouldn't dignify it with formal rebuttal, though we're sure Crosby and his readers haven't heard the end of the argument yet . . . Friends of CBS were inclined to point to its consistent leadership in both TV & radio billings, its high program ratings and the continued demand for its time (especially TV) as a substantial if not altogether complete answer to Crosby. There's also the simple fact of the parent company's fantastic sales and earnings record (Vol. 11:13), to say nothing of fact that it achieved new high on N. Y. Stock Exchange this week . . . Theatre Owners of America pres. E. D. Martin, who happens to have some TV station interests, too (*TV Factbook No. 20*, p. 58) was quick to lash back at Republic Pictures pres. Herbert Yates this week for threatening to quit theatrical film-making in favor of more profitable TV (Vol. 11:15). Martin released sharply worded letter to Yates suggesting he make "more and better films" suitable to the trade rather than "heaping abuse" upon his customers; reminding him movies built his business and movie industry is still biggest customer for Republic's very considerable film processing business; and observing that "almost all other producers and distributors of motion pictures show a tremendous improvement and very profitable operations" based on theatrical movie and not TV business . . . Mr. Yates now says "Republic's production policy has been grossly misstated and was not authorized"—but newsmen covering stockholders meeting are in agreement that he told stockholders meeting Republic may decide within 60 days whether to quit theatrical filming entirely in favor of TV and film processing business (Vol. 11:15); now he states production policy remains unchanged, with 14 features and 6 special pictures scheduled for 1955. But his management is being challenged by dissatisfied shareholders group headed by Bernard E. Smith and represented by Leon, Weill & Ma-

honey law firm . . . Ever-astute Abel Green, editor of *Variety*, editorially comments that Yates' threat may be "one of those showmanship sharp barbs to jolt exhibitors and reawaken their economic support of Rep production. Certainly the present state of the picture business is too good for any such walkout" . . . The "flirting or mating" of pictures and TV, says Green, follows pattern of show business in the past: "New values are grafted onto old traditions. And in many ways for the better" . . . It's official at Warner Bros. now: Tieup with ABC-TV is along lines of Disney's (Vol. 11:12-14), and the GE-Liggett & Myers sponsorship of *Warner Brothers Presents* next season will embrace 39 pictures, each costing around \$75,000, and each keyed to theme of old film successes *Casablanca*, *King's Row* or *Cheyenne*. There will be new treatments and casts, with some 15 min. of each hour devoted to behind-the-scenes shots and movie plugs a la *Disneyland* . . . Warner's TV subsidiary, Sunset Production, headed by Jack M. Warner, son of studio's head, will have Gary Stevens in charge of production; first syndicate series will be half hour *Men of the Sky* . . . Despite exhibitors' lingering antagonisms, the film folk are cottoning up to TV openly now—a far cry from the belittlement, sometimes invective, of not so long ago. 20th Century-Fox's Darryl F. Zanuck tells N. Y. news conference, referring to his company's upcoming show on CBS-TV (Vol. 11:14): "The important thing is that we can reach 50,000,000 who now have TV sets in their homes, and through institutional advertising sell them on the idea of movie-going" . . . Warners' distribution v.p. Ben Kalmenson said its new TV program "makes available to the motion picture theatre the benefits of the greatest advance merchandising program ever conceived by this industry" . . . What the movie producers seem to relish especially is that TV may turn out to be prime outlet for unproduced or unsuccessful story properties, aside from adaptations of old film successes and quite apart from the probable value of the long-written-off oldies still residing in their vaults . . . CBS-TV film div. buys 20th Century-Fox's projected *My Friend Flicka* series . . . One more TV show going into motion picture production: Rod Serling's *The Rack*, played April 12 on *U. S. Steel Hour*, purchased by MGM which will star Glenn Ford and retitle it *Court Martial*; it's Serling's second to be purchased for the movies, other being *Patterns*, and it's MGM's second purchase from *U. S. Steel Hour*, other being last week's *Fearful Decision*. This week, CBS-TV, which shortly takes over *U. S. Steel Hour*, signed up for first purchase rights to all of Serling's new TV plays.

Foreign-language programming on WATV, Newark, now runs 25½ hours weekly. Latest is *German-American Hour*. Third Spanish-language show, *La Revista Hispana*, brings total in that language to 3½ hours weekly.

TV's coverage of Salk polio vaccine report April 12 was highlighted by 2100-mi. live remote by Los Angeles' independent KTTV (Richard Moore, mgr.), winner of several recent awards for outstanding programming, including *Variety's* "showmanagement" plaque this week (see p. 16). KTTV exercised its option for microwave lines—including only outgoing line from Ann Arbor to Toledo, which it made available to networks and other stations on pool basis—but picked up report with own equipment flown in advance to Ann Arbor. Richfield Oil of California sponsored 4-hour program, which was also fed by KTTV to San Francisco's KGO-TV, San Diego's KFMB-TV & Sacramento's KCCC-TV. Another feature of coverage was live closed-circuit telecast from Ann Arbor same evening in 58 cities via DuMont facilities under sponsorship of Eli Lilly & Co. Some 56,000 physicians and guests watched Dr. Thomas Francis Jr., director of National Foundation for

Infantile Paralysis' evaluation unit, detail clinical tests and answer questions. Within the industry, NBC stirred tempest by breaking release time on polio report, drawing criticism from Radio-TV News Directors Assn. Official release had been scheduled for 10:20 a.m. EST, but NBC flashed it on Dave Garroway's *Today* at 9:22 (8:22 in mid-west), stating it had notified affiliates to cut in after first being informed release would be before 9 a.m. EST. Network said it had tried unsuccessfully to get earlier release time restored, then decided to break story because newspapers had been carrying accurate stories of report's results for last 3 weeks.

New \$27,000,000 Bell System construction program, proposed in applications filed with FCC this week, includes addition of 2 TV channels & 1200 phone circuits to Dallas-Los Angeles route through conversion to "L3 Carrier" system.

SUBSCRIPTION-TV DEBATE at Washington's National Press Club April 14 between Zenith's Millard Faught and Tennessee chain exhibitor Alfred Starr, past pres. of Theatre Owners of America and co-chairman of Committee Against Pay-as-You-See TV, exposed what seems destined to become the major question:

Faught argued that pay system will add great new programs to the TV schedules without disturbing present free fare. Starr foresaw toll TV producing net result of forcing public to pay for what it now gets free.

Faught reiterated fee-TV proponents' basic premises—that new system will bring to the home first-run movies, Broadway hits, opera, championship bouts; that these won't hurt exhibitors or free TV because it will stimulate them to produce better products for larger and larger audiences; that more income to TV stations will mean great expansion in number of stations; that educational stations will move into break-even column because of payments from home students.

Zenith just wants a chance to try the system, Faught said, and is willing to risk own capital—renting rather than selling necessary equipment to public. "If the bold experiment fails," he stated, "it's our shirts. If it succeeds, fine. But in either case the public will have had a no-risk opportunity for the first time in broadcasting history to decide in advance where the public interest lies with respect to a new gadget."

Starr's thesis: "Subscription TV is absolutely pre-emptive," i.e., will replace free TV rather than supplement it. It would be pre-emptive in multiple-station cities as well as one-station towns, he said, because FCC couldn't refuse to give all stations equal competitive crack at the pay-TV audience. As for fee TV merely supplementing free TV, Starr asked: "Would anything the public really wanted to see remain free if it could be sold for a higher price?" He insisted all desirable programs would end up on pay basis.

Neither speaker had much to say about first-run movies—though it's obvious that success of pay-as-you-look system would depend very largely on their availability unless existing TV programs are converted to pay basis. Broadway plays, opera, sports, education, etc. would hardly seem capable of supporting a pay system. Faught apparently isn't sure pay-TV would get the movies, and Starr is afraid it might. Up to now, no major producer has indicated he would release his first-runs—or even his oldies—to subscription TV.

In question period following debate, Faught vowed that Zenith wanted no monopoly; that it would license others to make equipment; that "Zenith has no desire to go into the entertainment business." He said he didn't know what system of pay-as-you-look is best, but contended actual operations are required to learn answers—and "Zenith is willing to pay to find out. There's plenty of risk capital available. It would come in over the transom."

Starr stated that regardless of Faught's disclaimer, "I believe that the public is going to have to pay for the gadgets." He added, parenthetically, that the coin-operated system is the only practical method, technically.

When asked why theatres are so anxious to preserve free TV, on one hand, while capturing major fights, etc. for theatre TV, Starr said: "Theatre TV is limited—there are only 5,000,000 theatre seats in the U. S. Theatre TV doesn't pre-empt anything. It's private. The same system is available to subscription-TV proponents. Our objection is to the use of public facilities."

Grasping the political possibilities, Starr declaimed: "God help the Administration—any Administration—that sanctions this thing. The American people will rise up in revolution and take an axe to their sets."

Network Accounts: What should an advertiser do when his star performer's rating begins to slip? Leadership Panel of *Tide Magazine* (April 9) suggests: (1) Reduce frequency of his appearance. (2) Give him a better supporting cast. Majority (59%) of panelists believe popularity decline of TV performer is likely to affect sales of sponsor's products; 60% believe that if star delivers the commercial, his popularity decline is likely to have even worse effect on sales . . . NBC-TV reports gross billings of \$4,300,000 already on books for April-June quarter of *Today, Home & Tonight*; goal is \$4,900,000. Among advertisers signed for all 3 programs this quarter: International Shoes, Murine (eyedrops), Black & Decker (portable electric drills), Sawyer's Inc. (slide viewers), G. M. Scott Lawn Seed, Nesco Co. (frying pans) . . . Schick Inc. replaces Lucky Strikes as alt. sponsor (with Johnson's Wax) of *Robert Montgomery Presents* on NBC-TV starting in July, Mon. 9:30-10:30 p.m., thru Kenyon & Eckhardt . . . Mennen Co. to be alt. sponsor with Pabst of Wed. night fights on ABC-TV starting June 1, 10 p.m. to conclusion, thru McCann-Erickson and Kenyon & Eckhardt . . . State Farm Insurance Co. switches *Red Barber's Corner* from CBS-TV to NBC-TV starting May 13, Fri. 10:45-11 p.m., thru Needham, Louis & Brorby . . . Viceroy Cigarettes to sponsor Fri. 2-2:15 p.m. portion of *Robert Q. Lewis Show* on CBS-TV starting April 15, Mon.-thru-Fri. 2-2:30 p.m., thru Ted Bates & Co. . . . Bauer & Black (surgical supplies) buys Mon. 10:45-11 a.m. portion of *Arthur Godfrey Time* on CBS-TV starting June 6, thru Leo Burnett Co., Chicago . . . CBS signs 5-year contract for TV-radio rights to annual Gator Bowl football games in Jacksonville, New Year's Day.

Station Film Library Inc., 579 Fifth Ave., N. Y., new package firm headed by Harry Trenner, ex-Wm. Weintraub Co. TV-radio v.p., April 12 disclosed unique economy plan designed to reduce high cost of daytime film programming. It would give stations ownership and all residual rights to 2 complete 15-min. 5-days-a-week soap operas in return for donating air time for first runs. Trenner would then sell both time & program to advertiser as a single package, at a lower cost than paid for time-&-program separately. Stations would receive perpetual resale rights to film packages in exchange for carrying them on adjacent time segments for one year. Since shows are succession of one-week serials, each complete in 5 episodes with no continuity from one week to next, stations can sell them as re-runs shortly after they're shown for first time for Trenner's sponsor. Trenner says further that each 5-part story can be edited into one 30-min. drama, thus providing still another source of re-run revenue. Production of shows will begin shortly, he said, adding that a number of stations had already signed up. With him in new project is Richard Hubbell, ex-DuMont.

Station Films Inc. formed 2 years ago by Katz Agency, major rep firm, as buying and advisory service for member stations, will close down July 31—and reasons stated by director Robert H. Salk significantly point up changes that have taken place in film syndication in the last few years: "The film field is becoming generally stabilized. Syndicate film distributors are now well established. Their sales coverage is extensive, providing more stations direct access to their product. Feature film distributors have likewise become better organized. They are paying more for their films and investing more in distributing them. The quick-money chaps are now the exception rather than the rule. Stations can now expect to get the film they want by normal direct business negotiations with vendors."

N. Y. Herald Tribune plans Sunday TV magazine section starting May 15, edited by Al Davies.

ANOTHER TV PROBE was proposed to Congress this week—this one by the FCC, which wants to get into the act by conducting its own "comprehensive study of the economics and operations of the broadcasting industry as a whole," directed by non-governmental experts and probably lasting several years. Initial Congressional reaction was unenthusiastic.

Appearing before orientation session of House Commerce Committee, Chairman McConnaughey termed the \$80,000 approved by House for FCC's network inquiry (Vol. 11:14) "adequate as a starting point," but said FCC investigation shouldn't be confined to networks. "In the course of such a study," he added, "the role of the networks would, of course, be of great importance, but the role of the advertising and talent agencies, the sponsors, the film producers and distributors and other non-network organizations in the TV industry would necessarily play an equally significant role."

He said investigation "may have to continue over a number of years," would make use of outside experts. Joint Congressional resolution would be required to get it started. Comr. Hennock appeared before Committee at own request, calling FCC "the wrong agency to make the study" and urging an investigation "by this Committee, the Senate and by every other Committee."

Asked at week's end if he favored the FCC's proposed study, House Committee Chairman Priest (D-Tenn.) told us: "I'm not prepared to present such a resolution; first I would want to look over the possibility that there will be duplication [with the current Senate Commerce Committee investigation]." As to Comr. Hennock's suggestion, he said: "She has some ideas worth considering. It may be a job for a Congressional committee rather than the FCC. I haven't decided yet."

Chairman Magnuson (D-Wash.) of the TV-investigating Senate Commerce Committee was out of town and not available for comment, but a staff member said he is wary of any FCC investigation which would conflict with his Committee's current inquiry. Sen. Kilgore (D-W. Va.), who heads Judiciary Committee's monopoly subcommittee, still plans to look into anti-trust aspects of

Increase in allowable campaign expenditures to account for higher cost of TV was urged this week by chairmen of Democratic & Republican National Committees. Both testified before Senate Rules subcommittee on privileges & elections in support of bill (S-636) by Sen. Hennings (D-Mo.) to raise limit on expenditures by national political committee to \$12,300,000. Democratic Chairman Butler said present \$3,000,000 limitation was "unrealistic in view of the cost of TV," also suggested committee consider requirement "that reasonable and equal amounts of TV & radio time be provided free to each party in presidential election as a public service." He said Republican National Committee spent \$3,447,000 for TV-radio in 1952 campaign, Democrats \$2,573,000. Republican Chairman Hall said Hennings' proposal was enough to get along with. NARTB chairman Harold Fellows is scheduled to testify April 20; FCC Comr. Hennock, NBC v.p. Joseph Heffernan & CBS v.p. Earl Gammons, April 26. At April 13 meeting of FCC with House Commerce Committee, Reps. Dies (D-Tex.) and Moulder (D-Mo.) opined that political candidates should be charged less than other time buyers. Comr. Hennock, on stand at time, blurted: "You're entitled to free time, Mr. Congressman." Replied Dies: "I wouldn't go that far." Sen. Magnuson (D-Wash.), chairman of Senate Commerce Committee, has also come out for special rates or free time for political candidates.

Lima, Peru, opened first TV station April 10, eve of meeting of 4th Inter-American Radio Congress there.

communications, takes dim view of the FCC proposal. He's said to fear Commission might be trying to stall off any full-scale Congressional probe. Kilgore has named Joseph W. Burns, onetime govt. anti-trust lawyer, now member of N. Y. & Washington firm of Fulton, Walter & Halley, as general counsel and staff director of subcommittee which will look into all monopoly problems.

Group of strong NBC & CBS affiliates headed by P. A. Sugg, WKY-TV, Oklahoma City, and Walter J. Damm, WTMJ-TV, Milwaukee, meanwhile were planning to invade Washington next week to "talk over the whole situation" with Congressional leaders and FCC. They'll start off with visit to Senate majority leader Lyndon Johnson (D-Tex.), at 10:30 a.m. April 19, then see other Senators including minority leader Wm. Knowland (R-Cal.), winding up with dinner for FCC at Mayflower Hotel.

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Other developments at House Committee session:

Comrs. McConnaughey and Webster strongly opposed Harris and Hinshaw bills to limit height of TV towers. Comr. Webster accused military members of Airspace Subcommittee of taking "arbitrary" position in opposing all towers over 1000 ft. (Vol. 11:11).

Chairman McConnaughey asked for change in "protest" section of Communications Act, modification of section which "isolates" some staff members from commissioners, and right to levy small fines against non-broadcast users of radio spectrum who violate regulations. Chairman Priest said he would introduce required legislation on all 3 requests.

All commissioners were present except Lee. Comr. Hennock, in her separate statement, called TV "the worst monopoly in the history of this country," and claimed she was "behind an electronic curtain" which kept her views from Congress and the public. At outset of her testimony she aroused speculation when she said: "I almost feel as if I'm in a courtroom. I may soon be there—my term is about to expire June 30." She didn't elaborate, but it's generally expected she won't be reappointed when her term as a Democratic member terminates in about 10 weeks.

Dropping radio after leaving TV, owners of WROV, Roanoke (250-watts, 1240 kc, ABC) are selling AM & FM for \$45,000, subject to FCC approval. Moving to Roanoke are Burt Levine, ex-WCAN-TV, Milwaukee, holding 40%, and Joseph Goodman, 30%. Other new owners are Cy Blumenthal, 10%—Goodman's brother-in-law and operator of WCMS, Norfolk, also 39% of WARL, Arlington, Va.; Leon & Nidra Levin, 20% jointly. WROV-TV quit air July 18, 1953 after operating 5 months on Ch. 27 (Vol. 9:29), then applied for Ch. 7, but dropped out when Ch. 7 grantee *Roanoke Times & World News* (WDBJ) agreed to pay \$245,012 for assets of defunct WROV-TV (Vol. 11:6).

Transfers of KORK, Las Vegas & KOLO, Reno to Arkansas publisher Donald Reynolds, though approved by FCC last week (Vol. 11:15), were held up by Commission this week while it studied petition filed by KLAS-TV & KLAS, Las Vegas. Petition claims that Reynolds, who owns KLRJ-TV, Henderson-Las Vegas & KZTV, Reno and *Las Vegas Review Journal* along with other Nevada newspapers, has offered advertisers joint rates, rebates, free newspaper space, etc.

FCC approved \$162,000 sale of WMAK, Nashville (5-kw, 1330 kc, MBS) recently, from Frank W. Mayborn & Frank M. Farris Jr. (owning 75% & 25%, respectively) to Howard D. Steere group, operators of WKMI, Kalamazoo, Mich. Mayborn owns KCEN-TV, Temple, Tex. (Ch. 6) and radio KTEM there, publishes *Temple Daily Telegram* and owns 50% of *Sherman* (Tex.) *Democrat*.

SECOND SATELLITE of KGMB-TV, Honolulu (Ch. 9) got going this week—and inter-island setup is expected to be on program schedule week of April 17. KMAU, Wailuku, Maui (Ch. 3) is 90 mi. from Honolulu, while KHBC-TV, Hilo (Ch. 9) is 123 mi. from Maui; latter has been testing since late in March (Vol. 11:13). Hilo outlet's commercial debut depends on KMAU since it picks up KMAU signal with relay on NW side of Mauna Kea crater, then microwaves it to Hilo on other side of crater. KMAU has 2-kw RCA transmitter, 100-ft. guyed steel mast on Haleakala Crater, is manned by 3 engineers. Both satellites are under same ownership as Honolulu station, headed by C. Richard Evans; neither will publish rate card nor will KGMB-TV rates be increased, until "proved circulation" is determined. Rep is Free & Peters.

With 2 more uhf outlets quitting air, count of TV stations now is 429, of which 108 are uhf. Dropping out this week, as predicted, were outlets in Des Moines & Allentown.

"Hopelessness" of fighting vhf was cited by KGTU, Des Moines (Ch. 17) as it left air April 15 after 17 months of operation and loss of \$283,051. In letter to FCC, attorney Arthur W. Scharfeld, for Morgan Murphy-W. C. Bridges interests which also own WEAU-TV, Eau Claire, Wis. (Ch. 13), told how station gradually reduced losses during first few months, when its only competition was WOI-TV, Ames (Ch. 5), but stated advent of WHO-TV, Des Moines (Ch. 13) reversed trend. Prospect of Cowles' KRNT-TV (Ch. 8) in next 6 months or so worsens situation, he said. Letter assailed WOI-TV for failing to convert to educational operation though its representatives had said it would. In addition, it said, "KGTU has lost such commercial programs as may have kept it alive through the selling approach of other TV stations in the Des Moines area, which includes derogatory statements of uhf sponsorship and reception from KGTU." Station's decision to quit was also attributed to FCC's failure to grant request that it be permitted to shift temporarily to educational Ch. 11, for which educators haven't yet applied. Station will retain CP "in the event that there should be developments, now unforeseen but certainly hoped for, which would make it possible for the station to resume operations either on a vhf or uhf channel."

Stressing "temporary" nature of suspension, WFMZ-TV, Allentown, Pa. (Ch. 67) left air April 15, pres. Raymond F. Kohn attributing halt to failure of stockholders to fulfill pledges completely. Some \$75,000 out of \$300,000 in pledges is still due, \$47,500 of it from Allentown hotelman Samuel W. Traylor Jr., against whom station has filed suit. "We are by no means writing 'finish' to WFMZ-TV's telecasting," Kohn said. "Our experiences to date have proved conclusively that there is not only great need for local TV but also a tremendous interest in the type of programs we have presented." Station hopes to be back on air "during the more profitable fall and winter season."

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DuMont shipped 5-kw transmitter with camera and studio equipment this week to upcoming KLFY-TV, Lafayette, La. (Ch. 10), due about June 1; it also reports order for 25-kw transmitter, with tentative May 23 shipping date, to upcoming KTBS-TV, Shreveport, La. (Ch. 3).

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

KTBS-TV, Shreveport, La. (Ch. 3), now plans to be ready for start next Sept. 1, according to pres.-gen. mgr. E. Newton Wray, who says orders have been placed for DuMont transmitter & studio equipment, RCA antenna and 1051-ft. Truscon tower. Work on tower foundation at site of radio KTBS begins in 2 weeks, with tower due to arrive by July 4. It will be second local outlet, KSLA (Ch. 12) having begun in Dec. 1953. Rep not chosen.

KDLO, Florence, S. D. (Ch. 3, allocated to Watertown), granted April 6, hasn't ordered equipment or begun construction, but hopes to be on air by next Oct., according to 33 $\frac{1}{3}$ % owner N. L. Bentson. CP for KDLO is owned by KELO-TV, Sioux Falls (Ch. 11), which plans to have new outlet pick network schedules off air from KELO-TV. KELO-TV rep is Raymer.

WHIS-TV, Bluefield, W. Va. (Ch. 6), previously reporting May target (Vol. 11:9), now hasn't target date, but is installing 10-kw RCA transmitter, according to mgr. P. T. Flanagan, reporting for grantee *Bluefield Daily Telegraph*. Ideco 100-ft. tower is due to arrive in 2 weeks and RCA 6-bay antenna is scheduled for installation in 40 days. Base rate not set. Rep not chosen.

KFJZ-TV, Fort Worth (Ch. 11), has Aug. 1 test pattern target, Aug. 28 programming, reports v.p. Charles B. Jordan of Texas State Network, which also operates KFDA-TV, Amarillo and 4 Texas AMs. Construction of 1000-ft. Parkersburg tower is under way and 12-bay GE antenna is to be installed May 15. GE 20-kw transmitter, due June 1, is scheduled to be wired and ready by mid-July. Base hour will be \$600. Rep will be H-R Television.

KCOR-TV, San Antonio (Ch. 41), which had May target, now aims for June start as a Spanish-language outlet primarily. Last week FCC turned down its request to shift to Ch. 14 allocated to Seguin, Tex. (Vol. 11:15). RCA 1-kw transmitter is due shortly and installation of RCA pylon antenna on 558-ft. Truscon tower is scheduled in about 5 weeks, reports chief engineer Marvin L. Fiedler. Programming will be 90% Spanish, with Latin-American films and kines. Base hour will be \$180. Rep will be Richard O'Connell.

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CJON-TV, St. John's, Nfld. (Ch. 6), has 2-kw transmitter and rest of RCA "package" due to arrive in 4-5 weeks, plans July 15 test patterns, Aug. 15 programming, reports v.p. Don Jamieson. Dominion Bridge Ltd. is scheduled to start work early next June on 12-slot wave-stack tower-antenna at Kenmount Rd. site, 4 mi. from city. Dominion Office of Transport recently assigned Ch. 6 to CJON-TV, which originally had Ch. 2.

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KTVI, St. Louis (Ch. 36) began programming April 9 using channel and facilities of old KSTM-TV, in shift from Ch. 54 in nearby Belleville, Ill., where it had WTVI call (Vol. 11:15). Fifteen new programs were premiered this week, including first Cardinal baseball games and 3 hour-long bowling shows. KTVI gen. mgr. John D. Scheuer has launched \$60,000 promotion drive, tied in with opening of Anheuser-Busch & Krey Packing Co. sponsorship of baseball, and states he expects to increase circulation of 317,000 uhf homes claimed for Ch. 36 to well over 450,000 by end of baseball season.

John E. Fetzer, who bought KOLN-TV & KOLN, Lincoln, Neb. in 1953 (Vol. 9:30, 34), has agreed to sell the AM (250-watts, 1400 kc, MBS) for \$60,000 plus an additional \$60,000 if it grosses more than \$200,000 first year and \$300,000 second year. Purchaser is Robert W. Frudeger, v.p.-gen. mgr. of WGIL, Galesburg, Ill., who is also adv. mgr. of *Galesburg Register-Mail*. Operator of WKZO-TV & WKZO, Kalamazoo, and of radio WJEF, Grand Rapids, Fetzer has A. James Abel managing his Ch. 10 TV outlet in Lincoln.

Application for satellite in Ephrata, Wash., was filed this week by owners of KIMA-TV, Yakima (Ch. 29) and satellite KEPR-TV, Pasco (Ch. 19). To operate on Ch. 43 with 13.3-kw ERP, it would rebroadcast KIMA-TV programs. FCC now has 163 applications on file (18 uhf). [For details, see *TV Addenda 20-N* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

SECOND-SET POTENTIAL & LOW-PROFIT BLUES: Tremendous market potential for second TV sets, increasingly important to trade as receiver saturation mounts (now estimated at 75% of U.S. families), is pointed up in new nationwide survey. It's by American Research Bureau Inc., and it shows that only 3.7% of all TV homes had 2 or more sets as of Jan. That means about 1,300,000 multiple-set homes at start of year.

Survey by ARB (National Press Bldg., Washington, James Seiler, director) is one of a continuing series, based on data secured in course of audience studies in all TV areas, and is sold to set manufacturers. In addition to national figures, it gives data for 29 selected markets, and rates the set manufacturers according to their share of those 29 markets and of U.S. market as a whole.

Some 10% of all TV families are expected to have second set by end of year. So heavily is industry training its guns on this market that trade research experts think they can sell some 2,200,000 second sets by end of year. Commenting on ARB's 3.7% figure, one marketing man said he'd hazard guess that that total was built up almost entirely during last year, as sets-in-use rose 6,000,000 to national total of about 35,000,000 as of March 1.

Survey shows set owners aren't waiting for receivers to become obsolete before turning them in. It reveals that the average age of all sets replaced in last 15 months was only 2½ years, though it's generally believed the average set has a life expectancy of up to 8 years. Survey also shows that 39.9% of all sets-in-use are 21-in., 39.1% are 16 or 17-in. and only 1.9% are over 21-in.

We were permitted by ARB to use only selected excerpts from the survey, which is replete with valuable data for the trade. For example, multi-set homes are most common in Washington, D.C., where 7.3 families in every 100 have 2 or more of them. But in Houston, less than 1% of TV families have them.

Cleveland led all cities in replacements -- 86.5% of sets they bought in last 15 months going to homes which already had a set. Chicago is next, with 82.2%, then Philadelphia 80.2%, Cincinnati, 79.4%.

Dayton is the city with greatest percentage of homes with second-hand sets. There, 11.3% -- or more than one in every 10 homes -- have a set which was obtained used. Nashville had lowest percentage of second-hand sets in use -- 2.4%.

These markets are covered in survey: Albany-Schenectady-Troy, Atlanta, Baltimore, Birmingham, Boston, Chicago, Cincinnati, Cleveland, Columbus, Dallas-Ft. Worth, Dayton, Detroit, Houston, Johnstown, Los Angeles, Memphis, Milwaukee, Minneapolis-St. Paul, Nashville, New Orleans, New York, Norfolk, Philadelphia, Pittsburgh, Dayton-Rock Island-Moline, Salt Lake City, San Francisco, Seattle-Tacoma, Washington, D.C. Different markets are covered in other periodic ARB surveys.

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Trade's anxiety about low TV profits was clearly manifested in corridor conversations at RETMA's quarterly meetings this week in N.Y. (for story on actions of its board, see p. 13). Nearly all set makers expressed satisfaction, even surprise, at high level of retail sales in first quarter (estimated at 1,800,000) but there was considerable anguish about continuingly declining profits.

"We seem to be on a toboggan in this industry when it comes to profit," said one. "There just doesn't seem to be any end to the skid. Everybody just wants low prices. I think the business of selling up into higher-priced sets has been a bust."

Another set maker said he was envious of auto industry. "Look at how they keep up unit sales and profits at the same time," he remarked. "They add another accessory, another gimmick, another new feature each year and kick up the prices. We seem to go the other way in TV. We strip down the sets and lower the prices."

Manufacturers generally expected another good retail sales year, however, low profits notwithstanding. Many thought retail sales would exceed 6,500,000, some

felt they would go above 7,000,000. One who went on record this week with an over-7,000,000 prediction was Philco financial v.p. Courtney Pitt, in panel talk at Drexel Institute, Philadelphia. He admitted that his prediction might be regarded by some as too high but remarked that "all of my predictions about annual volume in previous years turned out to be conservative." Retail TV sales last year were at an all-time high of 7,300,000.

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TV production started normal second-quarter downturn week ended April 8, totaling 150,453, compared to 163,746 preceding week and 163,042 week ended March 25. It was year's 14th week and brought output for year to date to 2,250,000, compared to about 1,625,000 in corresponding period of 1954.

Radio production totaled 275,849 (139,736 auto), compared to 287,740 in week ended April 1 and 300,568 in week before. For 14 weeks, output was 3,975,000, compared to approximately 2,700,000 in corresponding period year ago.

Topics & Trends of TV Trade: RETMA's plan to reduce spurious radiation (Vol. 10:14, 34) got final approval this week at quarterly meeting in N. Y. April 12-14—and prospect is plan will get under way this summer. Radio-TV Industry Committee headed by H. L. Hoffman approved pres. Glen McDaniel's proposal whereby set manufacturers, whether or not RETMA members, will affix seal to their receivers attesting that they conform to RETMA engineering standards.

RETMA will set up special committee shortly to administer program, which was recommended by GE's Dr. W. R. G. Baker, director of RETMA engineering dept. & chairman of special committee on spurious radiation. Under plan, a manufacturer merely certifies in writing that his set conforms to standards. Original proposal to set up industry-wide certification lab has been sidetracked, principally on objection of larger manufacturers who have own labs and contend it would prove costly duplication.

Committee admittedly would have no power to inspect or police sets to enforce compliance. It would, however, investigate any complaints that a manufacturer who uses seal is not complying with regulations.

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RETMA board took these actions this week, subject to approval of full membership at June 14-16 convention in Chicago: (1) Approved realignment of administrative structure to separate further its TV-radio and electronics activities, including establishment of new military products div. (2) Created new "special member" classification for companies with minor interest in electronics. (3) Approved participation, along with NARDA and National Assn. of Electrical Distributors, in National Radio & TV Week beginning Sept. 18. (4) Authorized chairman Max Balcom to establish special committee to consider sponsorship of "Golden Jubilee of Electronics" in 1956 in observance of 50th anniversary of invention of grid audion by Dr. Lee DeForest (Vol. 11:15).

Magnavox will continue price maintenance policy with its exclusive dealers regardless of whether fair trade laws are repealed, says pres. Frank Freimann, whose products are fair-traded direct to dealers. In a formal statement, he said he supported fair trade in principle but observed that laws alone won't prevent "jungle warfare selling," especially if they're not enforced. Meanwhile, the Senate Small Business Committee this week postponed for 10 days its consideration of report of top-flight 60-man National Committee to Study the Anti-Trust Laws, which recommended repeal of all fair trade laws (Vol. 11:14-15).

New Sears, Roebuck spring catalog reduces 21-in. vertical chassis table model from \$138 to \$130, retains 17-in. vertical chassis table model price leader at last year's \$118 list.

Trade Personals: Edward R. Taylor, marketing v.p. & asst. to pres. Paul V. Galvin, and Walter B. Scott, v.p. for manufacturing, consumer & military products, this week nominated to Motorola board of directors for election at annual stockholders meeting May 2; Taylor this week also elected chairman of Brand Names Foundation Inc. . . . Robert C. Sprague, chairman, Sprague Electric Co., and Mrs. Sprague sailed last week for 6-week vacation in Europe . . . Alfred E. Bourassa named CBS-Hytron merchandising coordinator . . . Carl J. Harshbarger, ex-Westinghouse Atlanta district mgr. for TV-radio, joins Kay-Townes Antenna Co., Rome, Ga. as gen. sales mgr. . . . Edward F. Miller appointed mgr. of Stromberg-Carlson's new value analysis dept., to investigate materials & products used by all divs. . . . John W. Wenrich, ex-Philco Distributors, Philadelphia, named accessory div. mgr., Washington office . . . Seymour Lipper, ex-Emerson, named Olympic Radio sales administration mgr. . . . Brig. Gen. David Sarnoff receives 1955 gold medal of Williamsburg settlement, which aids N. Y. underprivileged, at dinner at Waldorf-Astoria, May 15 . . . Wm. J. Barkley, Collins Radio senior v.p., retires April 30 after 48 years in the industry.

DISTRIBUTOR NOTES: Admiral appoints Electric Appliance Distributors Inc., 908 Green Ave., Altoona, Pa. (H. Paul Good, pres.) . . . Capehart-Farnsworth appoints Roger & Wood Co., 2500 W. 6th St., Los Angeles (Kenneth Rogers, pres.), replacing Graybar . . . DuMont appoints O'Day Equipment Co., Fargo, N. D., replacing Cook Appliances Inc. . . . Crosley-Bendix names Grabell-Lyons, Middletown, N. Y. . . . Sentinel Radio appoints Main-Line Distributors Inc., Chicago (A. S. Gourfain, pres.) . . . Griffith Distributing Co., Peoria (Admiral) appoints Richard J. Van Osdol sales mgr. . . . Emerson Radio of Virginia Inc., Richmond, appoints Barry Goodman gen. mgr. . . . Graybar names J. T. Kinney operating mgr. of Houston branch, succeeding L. A. Peterson, now Jackson, Miss. branch mgr.; A. N. Swanson named mgr. of Corpus Christi branch . . . Hoffman Sales of Los Angeles appoints Frank Fern sales mgr.

Admiral dealers offered one share of Admiral stock (which closed April 15 at 26¾ on N. Y. Stock Exchange) for each group of 5 TV receivers, including at least one new 24-in. model, they sell between April 15 and May 12. Shares will come from personal holdings of pres. Ross Shiragusa (249,156 shares) in novel plan to hypo spring sales while inducing franchised dealers to own part of the company.

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Frank A. Hiter, 63, senior v.p. of Stewart-Warner Corp. and onetime director of old RMA, died April 9 in Chicago's Wesley Memorial Hospital.

Electronics Reports: Up to half the cost of a modern military aircraft is represented by electronics, and diagram prepared by Sprague Electric Co. helps to explain why. Included in Sprague's annual report (Vol. 11:13), diagram shows heavy bomber uses about 5000 tubes, 115,000 capacitors & resistors; radar observation plane 3000 tubes, 60,000 capacitors & resistors; patrol bomber, 1200 & 20,000; fighter, 600 & 9000.

Breaking down uses of electronics in hypothetical "large military plane," chart shows 200 tubes and 1500 capacitors & resistors used in communication equipment. Other electronics equipment in "typical" aircraft, and their complements of tubes and resistors & capacitors: Navigation system, 500 & 8000; flight planning (automatic flight plan computer and electronic fuel gauges), 1000 & 20,000; gun fire control, 500 & 20,000; observation (identification radar, sonar gear, etc.), 1500 & 30,000; plane power & control (motors for compressors, dynamotors, jet ignition systems, etc.), 100 & 1500; photography (uniform camera control), 200 & 4000; missile direction, 1000 & 30,000.

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"Tacan" is latest aircraft navigation aid unveiled, IT&T stating that compact radio device (occupying space 7x10x15-in.) has azimuth accuracy of 1 degree, distance accuracy of .2 mi. IT&T reports that device, under development for Navy since 1948, is now in large scale production by subsidiary Federal Telephone & Radio Corp. Stromberg-Carlson and Hoffman Radio are also producing it, and IT&T plans to license others. "Tacan differs from other aids," IT&T says, "in that it is an integrated navigation system rather than a conglomeration of separate, unrelated navigational aids, such as has been available to the aviation industry in the past." Air navigation systems have been subject of 2-month congressional study. At issue is military's insistence that Tacan be made the standard military & civil air navigation system, as opposed to civil aviation industry's insistence on retaining current systems.

Purchase of electronics business of Brown-Allen Chemicals Inc. by Hupp Corp., Cleveland (Vol. 11:10), is virtually assured, Hupp annual report revealed this week. Negotiations with Brown-Allen "currently contemplate" initial payment of \$250,000 cash, or by assumption of liabilities, plus 125,000 shares of Hupp common stock and contingent additional payment during next 5 years through issuance of not more than 120,000 common shares based on, and payable from, net earnings of electronics div. Brown-Allen's electronics properties include Standard Piezo Corp. (crystals) and Standard Transistor Corp., Carlisle, Pa., and Allied Mfg. Corp., West New York, N. J. (TV components).

Hugh Pruss appointed chief engineer, Audio Products Co., Los Angeles.

New study course for amateur radio enthusiasts—including code records, theory, license manual and all information needed for amateur license exams—is available from RETMA for \$10. It contains illustrated study sections on theory lessons, plus questions & answers, rules & regulations, equipment operation, actual on-the-air techniques. RETMA brochure *Gateway to a Career*, which further describes course, is available free on request.

Transistorized auto radio, in experimental stages, was described at AIEE meeting in St. Petersburg, Fla. by RCA research labs' Larry A. Freedman, Thomas O. Stanley & David D. Holmes. Radio has 9 transistors, uses 1/10th the power needed by conventional auto radios. Performance was said to be equal that of regular car radio—operating directly from 6-volt battery without vibrator, power transformer or rectifier.

A nationwide private electronic communication system, covering 12,000 mi. and linking 51 cities, will be set up by Western Union to link Sylvania's plants, labs, sales offices, warehouses, executive offices and divisional headquarters with new data processing center to be constructed at Camillus, N. Y., near Syracuse. Heart of center will be Univac machine, leased from Remington Rand, which will be used for company-wide data processing—gathering, recording, computing and classifying of wide variety of information concerning production volume, sales, billing, etc.

Tiny semiconductor battery activated by either light or radioactive source was described by RCA research labs scientists during this week's AIEE meeting in St. Petersburg, Fla. Silicon device has been used to operate low-power AM radio in average room light. A major use visualized was as power source for transistorized devices which require little power.

Wm. Dubilier, who started inventing at age of 12 and now has 500 patents to his credit, will be honored by Cooper Union Alumni Assn. with the first Gano Dunn Medal for "outstanding professional achievement." He's v.p.-technical director of Cornell-Dubilier, whose business is founded on one of his inventions—the mica capacitor.

Electronics industry's sales volume in 1955 will be "appreciably higher than the record of \$9.25 billion established in 1954, RCA home appliance div. v.p.-gen. mgr. John W. Craig told Michigan State College symposium April 12.

Specifications control system for manufacture of electron tubes is described in report by Wright Air Development Center, *Military Control Specifications for Electron Tubes* (Report PB 111561), available for \$1 from Office of Technical Services, Commerce Dept., Washington.

Maj. Gen. Francis H. Lanahan, USA Ret., elected v.p. & gen. mgr. of Federal Electric Corp., Clifton, N. J. (IT&T). He was wartime Chief Signal Officer of SHAEF, commanding general of Signal Corps Center at Ft. Monmouth, in 1951 was first Chief Signal Officer of SHAPE.

Western Union has acquired one-third interest in Microwave Associates Inc., Boston, which has been part-owned by American Broadcasting-Paramount Theatres Inc. since 1952. Latter now has one-third interest. Electronics firm is headed by Dana W. Atchley Jr.

Datamatic Corp. is new firm being set up jointly at Waltham, Mass. by Minneapolis-Honeywell (60%) and Raytheon (40%) to engineer and market high-speed data processing systems for business and Govt.

Manual of practical transistor applications, *28 Uses for Junction Transistors*, has been published by Sylvania, available for 25¢ at 1100 Main St., Buffalo.

General Transistor Corp., Jamaica, N. Y., sets up international div. at 15 Moore St., N. Y.

RETMA's 1955 Medal of Honor for outstanding contribution to industry goes to Leslie F. Muter, pres. of Muter Co., Chicago, treas. & past pres. of RETMA, which he helped organize in 1924. Award will be presented at RETMA's annual convention June 14-17 at Chicago's Palmer House.

Bendix Radio adds 3 low-priced 21-in. table models in what gen. sales mgr. Hodge C. Morgan calls "an open bid for the growing replacement and second-set market in the vast metropolitan areas, where we have been weakest." New models are in ebony metal at \$140, mahogany grain-finish metal \$150 & \$170.

Trav-Ler Radio adds 21-in. open-face mahogany console at \$180, blonde \$190. Pres. Joe Friedman said company's current TV production is about evenly divided between table models and consoles.

Financial & Trade Notes: Admiral Corp. sales were approximately 12% lower in first 1955 quarter than in same 1954 period and earnings are expected to be similarly lower. For full year, however, pres. Ross Siragusa told stockholders meeting April 14, a 5% to 10% increase in sales can be expected and earnings should be somewhat higher. In first 1954 quarter, Admiral's sales were \$55,977,562, down from \$69,191,849 in 1953 quarter; earnings were \$1,504,044 (64¢ per share), down from \$3,056,878 (\$1.30) in 1953 period (Vol. 10:20).

TV-radio shipments were higher last quarter, Siragusa said, but military production was down 65%. New TV line will be introduced in latter June, will contain automatically-assembled printed circuit panels equivalent to more than 75% of all wiring in chassis. Pioneer in automation, Siragusa said some of nation's largest manufacturers are interested in using Admiral-developed equipment which may be built and leased to industry. "This field," he said, "could provide the company with additional income."

Stockholders approved increase in authorized \$1 par stock from 2,400,000 to 3,000,000. Some of the 600,000 additional shares may be used as a stock dividend, and some exchanged for assets or stock of other companies.

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Add 1954 officer-director compensation listings as published in Vol. 11:15: **Motorola**—Paul V. Galvin, pres., \$82,500 (owned 103,303 shares beneficially as of Feb. 2, 1955, plus 186,696 held in trust, plus 13,117 held by wife, totaling 15.66% of outstanding shares); Robert W. Galvin, exec. v.p., \$55,000 (156,557, plus contingent interests in trust, plus wife's holdings, constituting 18.53% of outstanding shares); Daniel E. Noble, v.p.—communications & electronics div., \$55,000 (5866); Frank J. O'Brien, v.p.—purchases, \$55,000 (5814); Elmer H. Wavering, v.p.—engineering, \$55,000 (20,900); Edwin P. Vanderwicken, v.p.—finance & treas., \$55,000 (300); Edward R. Taylor, v.p. & asst. to pres., \$65,000 (1860). **Stromberg-Carlson**—Robert S. Tait, pres., \$58,150 (4455 shares); Gordon G. Hoit, exec. v.p., \$42,497 (1080); William Fay, v.p. in charge of broadcasting div. (WHAM-TV & WHAM), \$34,868 (511).

Trav-Ler Radio Corp. sales in first quarter of 1955 were about equal to the \$4,780,000 volume in first 3 months of 1954, pres. Joe Friedman told newsmen after company's annual meeting this week. He said company had no military business in first quarter, compared to 25% year ago. Trav-Ler recently reported full 1954 earnings of \$241,000 (32¢ per share) on sales of \$16,347,000, compared to \$412,257 (54¢) on \$14,669,624 in 1953 (Vol. 11:13).

Famous Players Canadian Corp., which is Canada's biggest operator of movie theatres and owns 50% of CKCO-TV, Kitchener (Ch. 13) and 25% of CFCM-TV, Quebec City (Ch. 4), last year had net income of \$3,384,825 (\$1.95 a share) compared with \$3,611,005 (\$2.08) in 1953.

Aircraft Radio Corp. earned \$576,127 (\$2.05 a share) on sales of \$8,460,347 in 1954, compared to \$390,611 (\$1.40) on \$9,424,869 in 1953.

American Phenolic Corp. had net profit of \$679,491 (\$1.70 a share) in 1954 vs. \$801,223 (\$2) in 1953.

Dividends: Magnavox, 37½¢ payable June 15 to stockholders of record May 25; Indiana Steel Products Co., 22½¢ June 10 to holders May 25; Avco, 10¢ May 20 to holders April 29; Weston Electrical Instrument Corp., 25¢ May 16 to holders May 2. Note: Daystrom-Weston merger (Vol. 11:14), signed this week, calls for issuance of one share of Daystrom stock for one Weston, new wholly-owned Daystrom subsidiary to be known as Weston Electrical Instrument Corp. and retaining present Weston organization and personnel.

Color Trends & Briefs: "Spectaculars" will continue as lion's share of NBC-TV's color schedule next fall, according to summary given by RCA electronics products exec. v.p. W. Walter Watts during press conference this week at Lancaster, Pa. color tube plant (see story, p. 3).

To be continued are Sat. *Max Liebman Presents*, Sun. evening variety show, and Mon. *Producers' Showcase*, to which will be added 4-5:30 p.m. Sun. Maurice Evans dramatic series.

Besides these so-called "blockbusters," there will be color segments in *Today, Home & Tonight*. In addition, said Watts, "We believe that many of the half-hour film shows will be the first to make the transition. Worthington Miner has, in experimental stages, a new color series to be called *Frontier*." Also in the works is a daytime strip.

In sports, Watts said there will be "some exciting new uses of color." It's assumed he was referring to NCAA football. And, following up mock Army battle presented in color at Ft. Meade last year (Vol. 10:33), NBC-TV aims to present program in cooperation with "another of the armed services." This is rumored to be a colorcast from an aircraft carrier at sea.

Watts added that fall schedule isn't complete; that "other color programming opportunities will occur" and that "there are good indications that CBS will follow NBC's lead in programming spectacular-type color shows next season."

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"First real movement" of color TV receivers will begin in 1956, but color won't be factor this year, in opinion of Admiral pres. Ross Siragusa, expressed at stockholders meeting April 14. "When continuity of color programs becomes a reality," he said, "and mass production of color receivers begins, this new development will serve as a tremendous stimulus to sales and profits. It might be possible for the company to double its volume, just as it did in 1950 with peak black-&-white TV sales. Admiral's experience with printed circuits and automation should be of great assistance in reducing production costs when color TV goes into mass production."

Color goal of KRON-TV, San Francisco, according to mgr. Harold P. See, is to "offer color on all local live shows as a matter of routine practice by the end of this year." Station has been carrying live color commercials 5 days a week on 2 programs—*Golden Gate Playhouse* and *Exclusively Yours*. First local color show was presented Nov. 15, 1954. Installation of color film chain was completed this week. Number of color sets in area is estimated at less than 500.

Upcoming network color schedules: NBC-TV—April 24, *Max Liebman Presents*, "Kaleidoscope" with Judy Holliday, Dick Shawn, Frank Sinatra, Bambi Linn & Rod Alexander, 7:30-9 p.m.; May 2, *Producers' Showcase*, "Darkness at Noon," with Lee J. Cobb, David Wayne, Ruth Roman, Oscar Homolka & Joseph Wiseman, 8-9:30 p.m. CBS-TV—May 12, *Shower of Stars*, "High Pitch," with Marguerite Piazza & Tony Martin, 8:30-9:30 p.m.

Telechrome Inc. will demonstrate color equipment, including 3-V film chain, at International Trade Fair in Hannover, Germany, April 24-May 3—under sponsorship of U. S. Commerce Dept. Some 6 tons of equipment is being moved by air freight.

Recording of color on black-&-white film, said to offer economies in speed and cost, is described technically by Lawrence F. Brunswick, of Colorvision Inc., 109 N. Larchmont Blvd., Los Angeles, in March *Journal of the SMPTE*.

Fill-in on color plans for fall season, by NBC pres. Pat Weaver, as well as review of program & sales schedules, will occupy main interest of NBC affiliates at annual convention in New York's Waldorf-Astoria, April 21-22.

NARTB LIBRARY

Dependence of stations on film is sharply highlighted in second annual *TV Station Film Manual* released by NARTB this week to TV members. Divided into 3 parts—programming hours & costs, case histories, description of film operations at an unidentified large-market station—manual discloses that of 110 stations responding to questionnaire last summer, all reported that hours of local film programming exceeded local live shows. In Group 1 (stations with up to 50,000 TV families) average was 26.23 hours of film programs a week vs. 16.17 live, while in Group 5 (stations with more than 1,000,000 TV families) ratio was 36.57 film vs. 23.15 live. Survey reveals, however, that slightly more hours of live programs are sponsored than are film hours, whereas year ago they were about equal. Sat. is heaviest day for films, with Sun. a close second. Detailed case histories of film programming were reported for KDUB-TV, Lubbock, Tex.; WATV, Newark; WMVT, Montpelier, Vt.; WSBT-TV, South Bend; WSJS-TV, Winston-Salem, N. C. Each station reported on film purchasing, personnel, equipment, facilities, operational procedures & programming, announcement procedures & engineering. The description of a film operation in a metropolitan market was prepared at NARTB's request by Louis J. Climent, representing SMPTE.

Educational TV channels aren't in danger of being taken away, as far as FCC Chairman McConaughy is concerned. Speaking at Ohio State Institute for Education by Radio-TV April 14, he said: "At the present time the activities of educational broadcasting are not straining my patience." He also noted that President Eisenhower is "vitaly interested" in educational TV-radio and that Sen. Bricker (R-O.) is "one of your staunchest friends." Again presenting his views on role of Govt., he said TV-radio industry will have a maximum opportunity to develop only if it subject to minimum amount of Federal supervision. Davidson Taylor, NBC public affairs v.p., praised "great strides" made by educational TV, stressed that educational and commercial broadcaster, "while not yet in embrace," have compatible interests in raising standards of broadcasting, a task shared by advertiser. Dr. David Henry, chairman of Joint Committee on Educational TV and president of U of Illinois, urged educational broadcasters not to imitate commercial colleagues with programming that appeals to mass audiences, but rather to develop programs essentially educational.

New home of Charlotte's WBTV & WBT, built at cost of \$1,250,000 and designed around "operational block" of controls custom-built by Adler Communications Lab, was dedicated this week with elaborate ceremonies. It's one of largest (51,000 sq. ft.) and most elaborately equipped TV plants outside the Hollywood TV centers of the networks, contains 3 radio and 2 TV studios, latter 40x60-ft. & 40x40-ft. Design, already being sought by other TV operators, was master-minded by v.p. & chief engineer Thomas E. Howard, onetime chief engineer of WPIX, N. Y.

First long-term closed-circuit contract has been signed by Smith, Kline & French Laboratories (pharmaceuticals) with Theatre Network TV Inc., its Tele-Sessions div. gen. sales mgr. Fanshawe Lindsley announced this week. One-year pact calls for use of TNT's closed-circuit network facilities on all SKF multi-city big-screen programs. Next such show will be May 9, going to 36 cities.

Peck Adv. Agency, with billings of about \$10,000,000, and Hirshon-Garfield Inc., about \$7,000,000, will be consolidated under former's name as of May 1, with Peck Adv. offices in N. Y. & Los Angeles to be expanded. Latter's Boston & Miami offices are not included in deal, will operate separately.

Sets-in-use totaled 35,028,000 as of March 1, up 664,000 from Feb. and an increase of nearly 6,000,000 in year, reports NBC research director Hugh M. Beville Jr.

Ohio State U's Institute for Education by Radio-TV this week presented these TV awards: special award, RCA & NBC-TV for "Operation Threshold," colorcast of combat use of TV from Ft. Meade, Md. last Aug. (Vol. 10:33); special interest, *Frontiers of Faith* (NBC-TV) & *Your Health* (WOI-TV, Ames, Ia.); cultural, *Adventure* (CBS-TV) & *Princeton '54* (WRCA-TV, N. Y.); public affairs, *The Search* (CBS-TV) & *Soap Box* (KETC, St. Louis); basic freedoms, WKAR-TV, E. Lansing, for coverage of hearings of House Un-American Activities Subcommittee; systematic instruction, *Psychology on TV* (KNXT, Los Angeles) & *Prescription for Living*, produced by Standard Oil for Ohio regional network; children's, *Watch Mr. Wizard* (NBC-TV) & *The Friendly Giant* (WHA-TV, Madison); classroom, *Let's Take a Look* (CBC-TV) & *Iowa TV Schooltime—Landmarks in Iowa History* (WOI-TV, Ames).

Variety's annual plaque awards for 1954-55—honoring outstanding "showmanship" contributions to TV-radio: education with showmanship, WCBS-TV, N. Y.; outstanding news station, WJAR-TV & WJAR, Providence; public interest, WLWT, Cincinnati; outstanding TV programming, KTTV, Los Angeles; small TV station operation, KRGV-TV, Weslaco, Tex.; radio station showmanship, WBZ, Boston; showmanship in promotion, radio KTFI, Twin Falls, Ida.; imagination in programming, radio KIST, Santa Barbara, Cal.; outstanding music station, WCRB, Waltham, Mass. "Showmanager Award" goes to NBC pres. Sylvester L. (Pat) Weaver Jr. "for bringing imaginative qualities and a new kind of excitement to TV during the past year," as reflected principally in development of color spectaculars and expansion of partie. programs *Today, Home & Tonight*.

National Headliners' Club awards for 1955: outstanding TV network coverage of news event, ABC-TV & DuMont, for Army-McCarthy hearings; local news coverage, WPIX, N. Y. (John Tillman, news editor); dramatic presentation of spot news event, WBZ-TV, Boston, for "Hurricanes Carol and Edna"; public service by TV station, KLZ-TV, Denver; radio network news coverage, NBC (W. R. McAndrew, news director); local news coverage, WLS, Chicago (Wm. Small, news director). Special award was presented to KARK-TV, Little Rock, for courageous coverage by cameramen Chris Button & Lou Obereste of slaying of murderer who escaped from insane asylum.

ABC-Paramount may enter record field soon, its appetite whetted no doubt by fact that network TV is building up some of biggest song hits as well as by success of RCA & CBS record businesses. AB-PT v.p. Robert O'Brien has been assigned to study whole record field and expects to have recommendations in about month. Trade reports that Dot Records was being purchased for \$1,000,000 were denied, and there's usual crop of rumors about negotiations with other independents. Example of how TV can put over a song hit is currently popular "Ballad of Davy Crockett" heard on *Disneyland*; also, "Play Me Hearts & Flowers" which got first plug on *Phileo Playhouse* and "Let Me Go, Lover," heard first on *Studio One*.

Richard P. (Dick) Doherty, ex-NARTB v.p. for employer-employee relations, who now has his own consulting service in Washington, Television-Radio Management Corp., has been named director of management services of new GE-sponsored National Affiliated Television Stations (Vol. 11:12, 14). He will retain his private business. First members of new NATS, which now stresses that it will embrace vhf as well as the uhf stations to which GE is expected to provide financial assistance, are scheduled to be announced in about week. To date, 61 stations have requested membership applications, NATS states. President of new California corporation and 2 board members from GE have not yet been designated.

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

Television Digest

with **ELECTRONICS REPORTS**

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

CONSPICUOUS WASTE of prime program material inherent in TV's refusal to repeat good live dramatic shows, though movies & stage snap up TV's hits (p. 1).

UHF TAX EXEMPTION urged by TV tuner makers, meeting with Sen. Magnuson in prelude to set makers' conclave; "all-channel pledge" abandoned (p. 2).

TV NOW BIGGEST ENTITY in entertainment world, CBS & NBC each outstripping movie companies in business volume; only newspapers lead TV in advertising (p. 3).

SUBSCRIPTION TV COMMENTS delayed to June 9 by FCC; debate mounts as principals line up for CBS-TV May 1 program and Zenith accepts NBC-TV free time (p. 6).

ELECTRONICAM'S FIRST USER to be Admiral, which will record Bishop Sheen show commercials next week; third TV-film camera system shown on coast (p. 7).

NEW STATIONS AUTHORIZED in Tucson, Reno, Ft. Pierce, Fla.; Ch. 6 grant due in Milwaukee with dropout of WMIL; WRAL favored for Raleigh's Ch. 5 (p. 9).

TRENDS IN NEW TV MODELS due at midyear emphasize greater use of vertical chassis, more printed circuits, little or no change in prices (p. 11).

ADMIRAL DENIES MISREPRESENTATION in its advertising claims on 21-in. tubes, in answer to Federal Trade Commission complaint (p. 12).

COLOR SET PLANS indicate no solid front, but some manufacturers now agree with RCA that deadlock can be broken only by starting production (p. 13).

SPONSORS OF SPECTACULARS divided about 50-50 on value of the big color shows and whether they'll continue to use the extravaganzas next season (p. 10).

PUBLIC STOCK OFFERING of Lansing stations WJIM-TV & WJIM on market day after FCC approves transfer of control; Hennock-Bartley dissent (p. 14).

SMALL-MARKET STATIONS to get more top network shows from CBS & NBC with expansion of plans to offer more programs to outlets unordered by sponsors (p. 16).

NO LIVE REPEATS—TV's EGREGIOUS WASTE: Why not repeat more of TV's live dramatic hits while they're still hot, as was done recently with "Patterns"? After the published reviews and word-of-mouth publicity, there would seem to be no question but that many such shows -- whether repeated on same or another hour -- could command just as good an audience as the initial performance, possibly even better.

Why the apparent aversion of sponsors, agencies and producers to repeat live performances, in face of evidence that the movies and even TV films seem to do very well with repeats? Are there economic or legal deterrents, or what?

We've addressed these queries to some of the top people in the business, will give you their answers later. Meanwhile, doesn't it seem ironic that TV, which knows the value of repetition as well as any medium does, should simply discard some of its finest programs after a single showing?

It's a fixation with some, apparently, no more valid than the one that kept transcriptions off the radio networks for so many years, despite their obvious quality and convenience and economy, simply because of an inexplicable phobia that decreed that nothing "canned" must go on the network save sound effects.

Movie industry and legitimate theatre, which live by repeat performances, have lately been snapping up TV's hits and can be expected to exploit them until their appeal is exhausted. No artistic medium could ever be so profligate of creative talent as to use it but once -- yet that's exactly what TV is doing. Surely, the mechanics of network operation can be adjusted to make the most of a property of proven popular appeal.

* * * *

Re-running of live shows has problems, of course -- time & talent availabilities, rehearsals, unions, etc. -- but the success of film re-runs of the very few live re-runs to date certainly indicate the problems should be solved.

Re-runs we have in mind are not those resurrected from the files after cooling off for year or more. Our idea is to re-run while show is still a conversation piece, while folks are still asking one another, "Did you see that show last night?"

Precisely in point is recent repeat of Kraft's "Patterns" on NBC-TV. On Jan. 12 it attained 31.6 Nielsen. Feb. 9 repeat, same hour, reached 30.4 -- result of word-of-mouth, critics' praise, reminders through promotion. It was case of immediate exploitation of a hit while it was hot. Quicker the re-run the better.

Repeats must be chosen carefully, for most shows aren't worth repeating. But if further proof of the basic idea is needed, there's this week's ABC-TV report on how the repeats of five "Disneyland" shows this season paid off in ratings -- while the kids are still singing "Davy Crockett". Nine-city Trendex showed that ratings of all 5 averaged about same for originals and repeats, while share of audience was higher for all repeats save first one. National Nielsen has reported on only first 2 so far, but both were substantially higher on repeats.

Disney's "Operation Underseas" first time (Dec. 8) had 43.4 rating, 52.6 share of audience, 12,048,000 homes; second time (March 16) figures were 47.4, 56.8 & 14,817,000. "Seal Island" first time (Nov. 10) had 40.2 rating, 47.2 share of audience, 10,721,000 homes; repeat (March 23) produced 51.9, 64.3 & 16,244,000. Now they're planning third showings of hit Disney shows to fill the summer hour.

Thus the genius of Walt Disney and movie-savvy of ABC-TV management not only are showing the movie industry how to exploit their product via TV but should be teaching TV some of the exploitation techniques of the movie makers.

Why shouldn't a first-rate click like "No Time for Sergeants" be repeated -- now? Consider the experience of Washington News TV-radio editor Bernie Harrison a few weeks ago. He had missed "No Time for Sergeants," had heard so much about it that he asked U.S. Steel if he might see the kine. Then he got idea some of his readers might like to join him, offered 50 first-come couples seats at unreeling in WMAL-TV studios. He was deluged with requests, had to turn down most.

* * * *

TV drama seems to be entering its "Golden Age," having built up new writers, and brought forth new production people and actors of great talent. But while the TV entrepreneurs apparently don't know how to make the most of them, the movies and stage aren't passing them up. Here are a few examples:

Movies have just brought out Philco-Goodyear Playhouse's "Marty" and same hour was source of Bing Crosby's "Little Boy Lost" and "Anything Can Happen" and "The Rainmaker" as well as a Broadway play, "A Trip to Bountiful." It will be surprising if they overlook last Sunday's gem, "The Brave and the Bold." Kraft's "Patterns" was snapped up, as were U.S. Steel Hour's "The Rack" and "Fateful Decision". U.S. Steel's "No Time for Sergeants" and Goodyear's "The Rabbit Trap" are going to stage.

There are many more instances, as we've reported in these columns from time to time (see also Telecasting Notes, p. 7). TV is now mature. There are few one-station markets any more. The viewer can no longer tune in every dramatic show to make sure he doesn't miss something good. The process of selection has set in -- and TV ought to make the most of its best.

TV TUNER MAKERS BACK UHF TAX RELIEF: Sen. Magnuson's TV "study" entered its first active phase this week -- a determined effort to break the uhf logjam by inducing TV receiver manufacturers to include a uhf tuner in every set.

The Senator and his investigating staff currently are concentrating their fire on the only non-controversial scheme advanced thus far to help uhf -- tax inducement at the receiving end. After next week's meeting with TV set manufacturers, probers will turn their attention to the telecasting end of the business -- but no schedule has yet been decided upon. Chief counsel Sidney Davis is still working out plans for the inquiry -- and he was joined this week by minority counsel Robert L'Heureux, committee staff member who in the past has served as its chief counsel as well as chief counsel of Senate Banking Committee and Joint Committee on Defense Production. His appointment, long expected, was announced this week by Sen. Bricker (Vol. 11:14).

Six leading TV tuner manufacturers met this week with Sen. Magnuson and members of his investigation staff, as warm-up for April 25 session with some 25 TV set makers. Tuner manufacturers endorsed proposal to exempt from 10% Federal excise tax all receivers capable of all-channel reception, but they couldn't see any possibility

of "voluntary agreement" among set makers to discontinue production of vhf-only sets without tax incentive (Vol. 11:12). Even Magnuson conceded it would be impossible -- and perhaps illegal -- to draw any such pledge from the set makers.

Tuner makers said they can supply entire industry with all the uhf tuners needed for 100% changeover to all-channel sets. But they foresaw no possibility of building all-channel tuners as cheaply as vhf-only. Asked to estimate current price differential, they submitted figures which ran from \$8 to \$12, at set manufacturers' level, for cheapest models. Since average receiver sells for about \$145 at factory, tuner makers made it clear they felt price differential could be eliminated if 10% excise tax were lifted from all-channel sets but retained on vhf-only sets.

Present at meeting were General Instrument pres. Monte Cohen, P.R. Mallory uhf div. representative Ed Nung, Oak Mfg. Co. sales engineer Charles Rowe, Radio Condenser engineering director Joseph S. Robb, Standard Coil secy. Arthur Richenthal, Sarkes Tarzian Inc. pres. Sarkes Tarzian.

* * * *

Heavy endorsement of excise tax exemption is expected at Mon. April 25 meeting of set manufacturers with the full Senate Commerce Committee to "discuss the feasibility and advisability of manufacturing all-channel sets" (Vol. 11:12). But manufacturers will explain that highly competitive nature of TV industry will bar them from entering into any agreement to discontinue vhf-only sets without the tax inducements. Magnuson's staff is hoping the manufacturers will bring with them plenty of ammunition showing why tax relief is needed -- to combat the inevitable objections of economy-minded lawmakers when the measure comes up for action.

Treasury Dept. is dragging its feet on the one help-uhf excise tax bill introduced to date -- HR-4070 by Rep. Ikard (D-Tex.). It has not yet answered his long-standing request to state its position, tell how much revenue it would cost the Govt., etc. Based on last year's \$1.1 billion factory value of TV sets produced, loss to Treasury would amount to maximum of \$110,000,000 a year -- assuming that all sets produced would have uhf tuners and therefore be exempted from tax.

NETWORKS NOW LEAD FILMS--AND MAGAZINES: Despite increase in movie boxoffice last year to about \$1.2 billion, there isn't a single motion picture production company or theatre exhibitor firm that now has as great a volume of business as either the CBS or NBC network organizations. In fact, gross volume of TV as a whole, derived mainly from sale of advertising time, is nearing point where it will surpass movie boxoffice; this year, it should go to \$1 billion or more (Vol. 11:15) and by end of next year it may very well forge ahead of the 18,000-theatre movie business.

Most annual reports for 1954 are now at hand -- and they bear witness to fact that TV, even without radio, is by way of becoming the biggest single entity in the entertainment world, dollar-wise; in the advertising field, it's second only to the newspaper classification and well ahead of magazines.

The fantastic upsurge of the major networks and their dollar dominance is borne out by the statistics. Even the trailing third network, ABC, whose parent company is the biggest of all chain movie theatre operators, has a combined TV-radio volume that compares well with the grosses of most of the film majors.

NBC networks and owned stations accounted for \$200,423,000 of \$940,950,000 gross of parent RCA in 1954 (Vol. 11:9). While RCA annual report gives no breakdown as between TV & radio, nor as to station revenues, it's good guess on basis of PIB network time-billing ratios (Vol. 11:7) that the NBC-TV network and stations represented fully two-thirds of 1954 aggregate, about \$135,000,000 -- probably more.

CBS-TV & CBS Radio are divisions of CBS Inc., also in the recording business and in set & tube manufacturing. Parent company's 1954 report (Vol. 11:13) shows gross volume of \$373,380,000 from all sources. Report also does not break down TV vs. radio revenues, but since CBS has been leading NBC in both TV and radio billings it's fair to assume combined TV-radio volume ran considerably better than \$200,000,000 last year. Good guess is that close to \$150,000,000 of CBS Inc.'s gross revenues last year was attributable to its TV network & TV station operations.

ABC division of American Broadcasting-Paramount Theatres, according to 1954

report (Vol. 11:14), represented \$70,424,000 of parent company's total \$188,796,000 income -- nearly all the rest coming from the 600-odd theatres AB-PT operates. It can be assumed that ABC-TV represented at least \$40,000,000.

* * * *

Now look at the latest fiscal reports of the major film producers and larger group theatre operators. Among film producers, Loew's (MGM) shows far and away the largest dollar volume; with divestment of many of its theatres still not completed as required under anti-trust decree, its figure necessarily embraces theatre revenues, too. Its latest annual report shows gross of \$183,100,000, well below either NBC or CBS -- and its MGM alone was probably way under either NBC-TV or CBS-TV.

Next biggest producer seems to be 20th Century-Fox, \$115,715,000 for 1954; then Paramount, \$115,000,000 (estimated); Columbia Pictures, \$86,200,000; Universal, \$77,900,000; Warner Brothers, \$70,120,000.

Among the major theatre owners, AB-PT is by far the biggest, as aforesaid -- with \$115,916,000 of its 1954 revenues attributable to theatre income. Then come Stanley-Warner, \$66,200,000; National Theatres, \$61,920,000; RKO, \$32,611,000.

Note: Figures are from Standard & Poor's and/or latest annual reports.

* * * *

There you have the TV-radio networks' status vis-a-vis the major entities in the entertainment industry. Just as competitive are other advertising media -- and in that respect it's interesting to note that Life Magazine is no longer advertising itself as the No. 1 individual medium. That ranking doubtless belongs to CBS-TV, with NBC-TV a close second -- how close, only their own carefully guarded treasury reports would show.

According to PIB, whose statistics are generally used as index rather than actual because they're based on one-time rates and do not take into account commissions, discounts, rebates, etc., Life is first among magazines with \$114,035,747; then come Saturday Evening Post, \$77,940,710; Time, \$35,143,779; Look, \$26,675,479; Better Homes & Gardens, \$23,741,055; Ladies Home Journal, \$20,524,396; Colliers, \$16,480,775; Newsweek, \$15,639,273; Good Housekeeping, \$14,689,435; Business Week, \$14,559,481; McCalls, \$13,512,799.

And as if to point up the fantastic encroachments of TV, March 18 Printers' Ink compilation of PIB reports on nation's top 100 advertisers in 1954 indicates, on analysis, that TV accounted for 42% (\$267,000,000) of all their payments for magazines, newspaper sections, network TV, network radio (total \$638,000,000). Top 10 devoted even greater proportion, 47%, to network TV; top 25 spent 45%. For leading 10 advertisers and their 1954 network TV expenditures, see p. 8.

Opposition to free air time for political candidates was expressed this week by NARTB pres. Harold Fellows in testimony before Senate Rules subcommittee on privileges & elections, considering bill (S-636) by Sen. Hennings (D-Mo.) to raise limit on expenditures by a national political committee to \$12,300,000, partly to account for higher cost of TV (Vol. 11:16). Said Fellows: "Any suggestion that the broadcasting industry should underwrite certain political campaign costs is not only discriminatory, but unrealistic and unworkable." He endorsed basic principles of Hennings bill, as applied to TV-radio. Another witness, Prof. Alexander Heard of U of North Carolina, said Govt. should use "authority over the air waves to guarantee that responsible political competitors have balanced and limited access to radio and TV time, either at reduced cost or at no cost to themselves." FCC Comr. Henneck (favoring free time) and NBC v.p. Joseph Heffernan & CBS v.p. Earl Gammons (opposing) are scheduled to testify April 26.

Two bills requested by FCC last week (Vol. 11:16) were introduced by Chairman Priest (D-Tenn.) of House Commerce Committee: HR-5614, to modify "protest" procedure; HR-5613, to let Commission levy small fines on non-broadcast stations.

NARTB convention week of May 22 in Washington has added Dr. Norman Vincent Peale, noted clergyman who conducts *Art of Living* program on NBC Radio, as luncheon speaker May 26, which has been designated as "TV Day." Sessions that morning will mark 10th anniversary of first TV allocation by FCC. Under TV chairman Clair McCollough, industry notables will discuss TV's origins, its achievements and its future in next 10 years.

Assailing "idiotic repetition in advertising," Rep. Heselton (R-Mass.), member of House Commerce Committee, this week introduced HR-5741 ordering FCC to prescribe what proportion of TV-radio programming should be devoted to advertising. In separate statement, he attacked "repetitious, monotonous, excessively long advertising," and expressed hope that his bill might prod stations to exercise "some intelligent care."

Power increases: KHJ-TV, Los Angeles (Ch. 9) to 162-kw ERP; WRBL-TV, Columbus, Ga. (Ch. 4) to 100-kw; WMBV-TV, Marinette-Green Bay, Wis. (Ch. 11) to 234-kw; WXYZ-TV, Detroit (Ch. 7) to 316-kw.

Next network interconnections planned by AT&T: KFDM-TV, Beaumont, Tex., April 24; WFRV-TV, Green Bay, Wis., May 2.

Personal Notes: Adrian Murphy, who spearheaded CBS color campaign before FCC and in 1952 was named pres. of CBS Radio, has resigned, effective immediately, "to retire from active business," CBS Inc. pres. Frank Stanton announced April 21; he also resigns as a director of CBS Inc. Arthur Hull Hayes, v.p. in charge of CBS San Francisco office, has been appointed successor . . . Harry Plotkin, partner of Arnold, Fortas & Porter, entered Georgetown Hospital April 20 for operation on detached retina, will be hospitalized for at least 3 weeks . . . H. Gifford Irion, FCC examiner who has been hearing Buffalo Ch. 7 case, fell and broke shoulder this week, expects to be back at work next week . . . Robert W. Sarnoff, NBC exec. v.p., chosen as "Young Man of the Year in Marketing" by Assn. of Advertising Men & Women . . . Wm. Kaland, ex-WNEW & CBS Radio, named asst. national program mgr. of all Westinghouse TV-radio stations at N. Y. headquarters under program mgr. Richard M. Pack . . . J. English Smith, ABC-TV program service mgr., named coordinator of *Warner Brothers Presents*, weekly Warner-produced film starting on ABC-TV Sept. 13, Tue. 7:30-8:30 p.m.; he'll headquarter at Warner studio in Burbank, Cal. . . Frederick Menzies promoted to commercial mgr., WHEN-TV, Syracuse, succeeding Wm. H. Bell, now asst. gen. mgr. of radio WHEN . . . Robert Monroe, TV-radio program packager, appointed programming v.p. of Mutual & WOR, succeeding B. J. Hauser, now supervising MBS development div. . . Hal Cranton and Ira Wolff promoted to supervisors in expansion of NBC-TV sales presentations dept., former for network sales dept., latter for partic. programs; both report to David Hedley, dept. mgr. . . Clem Stigdon, ex-RKO-Pathé & Eastman Kodak, named production mgr. of CBS-TV film services dept. . . George Bristol, ex-director of CBS Radio adv. & sales promotion, named TV director of sales presentations . . . Ray J. Williams elected pres. gen. mgr. of KCSJ-TV, Pueblo, Colo., succeeding Douglas D. Kahle, resigned to give full time to private business interests, including Muzak franchises . . . Bob Booker pro-

motored to production mgr. of WMBR-TV, Jacksonville, succeeding Windsor Bissel . . . Harry E. Cummings will head Atlanta office being opened July 1 by John Blair & Co.; Arthur H. McCoy, ex-Avery-Knodel sales mgr., joins Blair's N. Y. staff on May 9 and Al Long, ex-McCann-Erickson & Dancer-Fitzgerald-Sample, joins staff May 16 . . . Charles R. Christianson, ex-West coast rep for Elroy McCaw's WINS, N. Y. and KTVW, Tacoma, now heads new San Francisco office of Adam Young in Fairmont Hotel (Yukon 6-5790) . . . Martin Katz, special projects director of Blair-TV, appointed director of sales development, replacing Victor E. Forker, resigned . . . Carroll Layman, mgr. of Chicago office of reps Harrington, Righter & Parsons, appointed a v.p. . . Robert F. Blake resigns as publicity director of WRCA-TV & WRCA to join CBS-TV press information dept. as mgr. of special projects . . . Jack Gould, TV-radio editor, *New York Times*, back on job this week after ulcer operation . . . Wm. H. Thomas, ex-J. Walter Thompson TV-radio dept., named TV-radio director of Fitzgerald Adv., New Orleans, replacing Aubrey Williams, resigned . . . James S. Pollak, ex-ABC, joins Compton Adv. as producer on Procter & Gamble's *Fireside Theatre* . . . James E. Robertson promoted to TV-radio production mgr., N. W. Ayer, Chicago. . . Roy George, ex-KRLD-TV, Dallas, named program director of KWFT-TV & KWFT, Wichita Falls . . . Robert R. Nelson, ex-gen. mgr. of WARD-TV & WARD, Johnstown, Pa., on May 1 becomes gen. mgr. of WDEL-TV, Wilmington, Del., recently acquired by Paul F. Harron from Steinman interests (Vol. 11:4).

Mrs. Joseph H. Ream, wife of the former CBS exec. v.p. who retired several years ago on account of her illness, died of cancer April 17 at her home, Rocking Chair Ranch, Route 1, Thomasville Rd., Tallahassee, Fla. Surviving besides Mr. Ream, who has engaged in cattle ranching since leaving N. Y., are 5 children—Jackson, Stephen, Davidson, Nancy, Christopher.

EDWARD LAMB hearings continued to drag in circles this week as FCC counsel resumed questioning of the Toledo-Erie broadcaster-publisher-industrialist about past affiliations and actions. Lamb continued to insist he was victim of a "frameup" while his attorney Russell O. Brown continued to display righteous indignation over FCC's "fishing expedition." At one juncture, Lamb charged "freedom of the air is being tampered with" and said broadcasters "would be glad for a strong trade association to defend the freedoms which I have to defend individually here." If a newspaper were involved in a similar probe, he said, every publisher in the nation would rise to defend freedom of the press.

Under questioning, Lamb testified he was a founder, officer and "very large contributor" to the National Lawyers Guild prior to 1944—and "proud of my efforts to organize workers in the legal profession"—but had resigned in dispute over foreign policy. Guild currently is fighting Attorney General's proposal to list it as subversive. Lamb conceded he may have made speech in 1936 under sponsorship of American Friends of the Soviet Union, but didn't recall it.

FCC put 2 other witnesses on stand this week. First was Mrs. Belle Sundeen, office mgr. of *Daily Worker*, subpoenaed to produce all records from its files dealing with Lamb. Ex-Communist editor Louis Budenz had testified earlier that Lamb had submitted an article in 1936 with a covering letter, but Lamb said he believed article was based on copy of a speech he made at that time. Mrs. Sundeen had nothing to offer, said paper's records date back only to 1951, brought only 4 copies of the newspaper dated before that year.

Another subpoenaed witness was Abner Green, exec. secy. of American Committee for the Foreign Born, now on the subversive list. He brought with him about 30 committee letters, folders and pamphlets which he said listed Lamb as vice chairman. He said one folder, detailing a 1944 Statue of Liberty anniversary celebration, contained messages from Gen. Eisenhower, Mrs. Roosevelt, Henry Wallace and others. Lamb had testified earlier that he knew the group was using his name but didn't recall holding office or giving permission to use his name.

In another skirmish, Broadcast Bureau attorney Joseph Kittner said Lamb's name once appeared in court case as co-counsel for the Ohio Communist Party. Lamb said he didn't recall having been associated with case, and Kittner showed Lamb briefs filed with Ohio Supreme Court. Later, FCC lawyers said they checked with Ohio Supreme Court and found Lamb's signature did not appear on any documents connected with the case and he was not listed as appearing at arguments.

Lamb presented one witness, exec. editor Kenneth D. Tooill of *Toledo Times*, former editor & co-publisher of Lamb's *Erie Dispatch*, who testified Lamb's views were "quite violently opposed" to communism. He said he never heard him express any support for Red doctrine. Lamb returns to stand April 26 when hearing resumes.

Shift of control of WARM-TV, Scranton (Ch. 16) & WARM is sought in application filed this week. Proposal is to issue 824 shares of stock, v.p. Wm. W. Scranton paying \$74,000 for 740, increasing holdings from 28.3% to 79%, and pres. Martin F. Memolo buying 84, reducing holdings from 70% to 20.7%.

MONTH'S DELAY in filing formal comments on subscription TV was granted by FCC this week, acting on petition of Paramount subsidiary International Telemeter. In moving date to June 9, Commission stated that reason for Telemeter's request—hospitalization of counsel—constituted "good cause." Time for filing counter-comments was also extended, to July 11. Argument continued to build up meanwhile:

(1) Dramatis personae of CBS-TV's program 5:15-6 p.m. May 1 is now complete. Zenith counsel W. Theodore Pierson will speak for pro-pay side, backed by panel comprising Skiatron's James M. Landis, legitimate theatres' Ralph Bellamy, and Elfred Beck, owner of off-air uhf KCEB, Tulsa (Ch. 23). On anti-toll side, main speaker Victor Sholis, v.p. of WHAS-TV, Louisville, will be supported by Indiana chain exhibitor Trueman Rembusch; Sherwood Dodge, v.p. of Foote, Cone & Belding; Leon P. Gorman, mgr. of WABI-TV, Bangor, Me.

(2) Zenith has accepted NBC-TV's offer of 15-min. free time to present fee-TV pitch (Vol. 11:16), and anti-fee forces are now asking for 15-min. adjacent to Zenith's time. Skiatron has also requested free time from NBC. Date of Zenith show hasn't been fixed.

(3) Exhibitor Alfred Starr chides us for using word "consternation" last week when we said pay-TV issue is becoming a "cause celebre—to delight of its proponents and consternation of its opponents who have long felt that best policy was to ignore it." Citing Webster's definition, Starr said:

"May I respectfully deny that our group views the current controversy with anything even approaching 'amazement and dread tending to confound the faculties.' And may I point out that we did not retain public relations counsel to hide our light under a bushel, nor have we ever felt that the best policy was to 'ignore' the dangerous threat to free-TV programming contained in the high pressure tactics of those pressing the FCC for approval of living room slot-machines. Admittedly, our Committee is comparatively young and you may be right in saying that some 'opponents have long felt the best policy was to ignore it.' For myself, I would hardly call such an element 'opponents.' They seem more like innocent bystanders."

Collection of admission tax on movies which might be shown via subscription TV is a subject which has been "carefully avoided," anti-toll spokesman Alfred Starr stated in Washington debate last week (Vol. 11:16). This, he said, "is just one more headache (fortunately not mine) along with the troubles and great expense of collecting the \$1 or \$2 fees that are the freely acknowledged goal of pay-to-see TV." *Film Daily* reports, however, that query addressed to Internal Revenue brought this reply (after 6 months): "From the information made available to us, it is our conclusion that the tax on admissions imposed by section 1700(a) of the Code, as amended, does not apply to the charge paid by a person for reception in his home of a telecast regardless of whether the program is a motion picture or live entertainment."

Networks are free to film programs in own studios, as result of recent settlement with National Assn. of Broadcast Employes & Technicians (NABET). Both NBC & ABC quickly announced plans to film own programs this fall. CBS already had that right under separate contract with IBEW. Under new contract, NABET relinquished its control over film in exchange for wage concessions.

First profit to be shown by WTOK-TV, Meridian, Miss. (Ch. 11) was \$7812 in first 2 months of 1955, according to application for power increase filed with FCC this week. Starting in Sept. 1953, station lost \$5082 that year, \$11,964 in 1954.

(4) Debate on MBS April 17, between Zenith counsel Joseph S. Wright and Rembusch, became quite a slugfest. Wright argued that public wouldn't have to pay for decoders; that cost of pay system confined to wire, as recommended by Rembusch, would be "staggering"; that Zenith is willing to see toll TV limited to 10-15 hours weekly; that trial in a few selected markets should be authorized; that NARTB's stand against pay-as-you-look was a "rigged up deal" by networks and affiliates.

Rembusch claimed that it would be extremely expensive to put decoders in sets; that theatre TV doesn't "black out" free TV the way toll TV would; that subscription TV would "bid in" current popular free programs and charge for them; that language in 95% of Broadway plays wouldn't be permitted on the air; that hinterlands won't support toll TV any more than they do free TV; that "I have very serious doubts about your motives because you promised many things to different people and all things to all kinds of people."

(5) More comments arrived at FCC. John Reed Kilpatrick, pres. of Madison Square Garden, wrote: "The type of shows the public could be expected to pay for is limited to championship contests. These special events could never take the place of the present-day sponsored TV of events of local or sectional interest. Subscription TV would, however, make it possible for the telecaster and the promoter, with the support of the advertiser, to keep a full program of sports on the air free to set owners. It would expand sports TV coverage rather than restrict or limit it. The 2 systems can develop and prosper side by side. [Subscription TV] most definitely should be tested in a major market, and without delay."

H. B. McCarty, exec. director of Wisconsin's State Radio Council, which operates WHA-TV, Madison (Ch. 21), stated: "Here is a means of financing which should certainly be explored. It employs a payment-for-use principle already widely applied in education . . . I respectfully urge authorization by the Commission."

George A. Kuyper, mgr. of Chicago Symphony, wrote: "For several years I have studied the problem and the possibilities of subscription TV and I am convinced that such a means will benefit both the growing TV audience and the symphony orchestras of the country."

Let the station decide whether it wants to use common carrier or build its own microwave relay—that's gist of comments filed by WTTV, Bloomington, Ind. and WIRI, Plattsburg, N. Y. on AT&T's proposal to provide special low-cost interconnection (Vol. 11:14). Two other telecasters told FCC that even AT&T's proposed cheaper service would cost far more than privately operated relays and such costs might force them off the air. Texas Telecasting Inc., which operates KDUB-TV, Lubbock, and holds CP for KPAR-TV, Sweetwater, said regular AT&T interconnection would cost it about \$6500 a month, and proposed low-cost service would be about \$3060, compared with \$450 required to operate own intercity relay. WGLV, Easton, Pa., said even if AT&T's monthly charge of \$4000 were halved, it would still be well in excess of the \$475 it now pays to operate its own relay. Deadline for comments is April 29.

Sigma Delta Chi awards for distinguished service in journalism: ABC-TV & DuMont, for coverage of Army-McCarthy hearings; Reuven Frank, NBC-TV, for *Road to Spandau*, German prison camp documentary; Spencer Allen, WGN-TV, Chicago, for coverage of Chicago floods last Oct. Radio winners were CBS & Richard A. Chapman, WKOS, Jefferson City, Mo.

CBS commentator Eric Sevareid was presented annual \$500 TV award of Sidney Hillman Foundation April 20 for his *American Week* telecasts on Oppenheimer security controversy and Chicago race riots.

Telecasting Notes: "As TV came of age," states annual report of Motion Picture Assn. of America released this week, "it leaned more and more on the older and more experienced motion picture industry. Most noteworthy was the expanded use of film instead of live programs. On the average, more than 40% of station time used filmed programs, and the percentage is on the rise. The estimated budget for 1955 film production for TV is fixed at \$80,000,000 for U. S. production alone, exclusive of foreign production and the flat purchase of older film originally produced for theatrical showing" . . . Eric Johnston report, considering growing affinity of TV and film interests and remarkable upsurge of TV as entertainment medium (see p. 3), devotes surprisingly little attention to TV. It says 1954 marked end of one stage of TV development—referring to fact "number of stations slacked off" from predicted 1000 within 3 years after freeze to actual 412 at start of year [429 now]; present stage, as it discerns it, is trend toward film. As for theatre TV; it notes, activity was largely limited to 2 companies which "concentrated principally on occasional sporting events or the opera, coupled with daytime interconnections of theatres for sales meetings of large corporations" . . . Movie producers and theatres should become heavy TV advertisers, says pres. Elmer C. Rhoden of National Theatres chain in April *Screen Producers Journal*. "The soap companies, the cigarette companies and the automobile industry have chosen TV as an important selling agent," he writes. "Isn't that a tip-off to us that it gets results? And what industry can present glamor over the TV stations as effectively as ours? The time has come when we should no longer entrust scenes of our new motion pictures to be presented on a TV program sponsored by another advertiser. From now on, producers and distributors should be prepared to pick up the TV advertising tab and not expect to get a free ride! And we, as theatre owners, should rightfully carry our share of the expense." Weekly half-hour TV show, preferably 6-6:30 p.m. on mid-week evening is suggested by Rhoden for movie industry sponsorship, with each film company allotted 5 or 6 half-hour periods during the season . . . Feature films are what stations want for daytime and late-night programming, especially since they're so popular with partie sponsors—and *Billboard* this week reports that NBC-TV (to hypo its daytime program structure) is negotiating to buy several blocks of them. It's no secret that, despite all talk about hesitancy to open vaults to TV for fear of exhibitor ire, the big producers have let the networks know they're open to offers, viz., Paramount (Vol. 11:9). Price is biggest stumbling block, not reluctance to release to TV . . . Average price being asked for good features is said to be around \$100,000 per picture. Says *Billboard*: "Two of the packages NBC would undoubtedly like to acquire are owned by David Selznick and Samuel Goldwyn. Selznick is reported to want \$3,000,000 for 17 features, and Goldwyn is pricing his pictures the same way" . . . Bitten by TV bug, too, are Rita Hayworth and her husband Dick Haymes, who announced in Hollywood this week their Haymes-Hayworth Productions Inc. will produce series based on life of late Warden Lawes of Sing Sing; Miss Hayworth is currently in litigation with Columbia Pictures, so can't appear in films herself for time being . . . More purchases of TV shows by movies: Reginald Rose's *Crime in the Streets*, which played recently on ABC-TV's *Elgin Hour*, by Allied Artists; Carey Wilbur's *It Might Happen Tomorrow*, on CBS-TV's *Studio One*, by independent producers George Pal & Randy McDougall.

Transfer of WNEX-TV, Macon, Ga. (Ch. 47) for \$1 and assumption of approximately \$250,000 in liabilities (Vol. 11:14) was approved by FCC this week. Owners now are E. K. Cargill, former owner of WMAZ, who will be mgr. with 25%, and Texas oilman J. C. Barnes, 75%.

ELECTRONICAM, DuMont's live & film camera system (Vol. 11:16) is scheduled for its first commercial use next Tue. Apr. 26 when Admiral plans to make film records of commercials on its live *Life Is Worth Living* (Bishop Sheen). According to Mike Levin of Admiral's agency, Erwin, Wasey & Co., plan is to shoot film of commercials during live telecast, then make them available to Admiral dealers for local spot use.

DuMont executives were elated with response to last week's first demonstration, and announced that more Electronicam equipment was on order. First studios to be equipped will be 2 in the DuMont Tele-Centre and one in DuMont's Adelphi Theatre, followed by the remaining 3 Tele-Centre studios. DuMont Network managing director Ted Bergmann said at week's end that "at least a dozen agencies" have asked to use the system to film entire programs or commercials. He said the network is now working out schedule of "facilities charges" for use of Electronicam (in DuMont studios) by non-clients of DuMont, and has "opened negotiations" with program packagers and film producers.

DuMont plans pitch not only to advertisers and agencies at special showings, but to station owners—and will demonstrate Electronicam system at Washington NARTB convention next month. Equipment probably will be offered on lease basis to stations and other networks, rather than for outright sale.

Question of possible union troubles bothers some potential Electronicam users, but DuMont spokesman told us: "We have no reason to believe that we'll have any union jurisdictional problems." In case of talent unions, it's expected that where filmed program is merely a record of a live show, or footage is shot continuously, AFTRA would have jurisdiction as it does over live shows which are kinescoped. Where Electronicam is used as electronic aid in producing a film program shot over a period of time in takes or together with other footage, SAG would have jurisdiction. Technicians' unions have made no statements on the subject.

Another combination TV-film camera system—third within a month—was shown this week in Hollywood's Republic studios by Camera Vision Productions Inc., headed by Philip Rivero and Arthur S. Lyons. Under development since 1949, Camera Vision system differs from Electronicam in that it uses separate lenses for TV and film cameras, whereas DuMont system employs single lens. Lyons said DuMont had originally worked with Camera Vision on the system, and he read from a statement "prepared by our lawyers" to the effect that DuMont had agreed to finance first camera unit built by his company.

Like TV-film camera shown last month in Hollywood by Al Simon of McCadden Productions (Vol. 11:13), Camera Vision system is expected to find its principal use in simplifying and cutting costs of film production. DuMont, on other hand, is pushing Electronicam system not only as a film production tool but as a method of making a high-quality film recording of a TV program as it actually goes out on the air.

Microwaves to serve community antenna systems in 2 areas were sought in applications filed with FCC this week. Hualapai Peak Carrier Co., Kingman, Ariz., filed for 6012.5 & 6112.5 mc, proposing to serve system in Kingman initially and to add 2 channels later to serve upcoming system in Needles, Cal. It proposes to use Philco TLR-3 equipment, installed at cost of \$37,460, charging first customer \$800 monthly. For Sheridan, Wyo. system, Television Networks, 21 N. Main St., Sheridan (Charles L. Adam), proposes to put Motorola FSTM-30 equipment using 6412.5 mc on Red Clouds Lookout at cost of \$9500, relay programs of KOOK-TV, Billings, Mont., charging system operator \$650 monthly.

Station Accounts: Waxed Paper Mercandising Council, 38 S. Dearborn St., Chicago, comprising 14 manufacturers, is spending \$100,000 for TV-radio spots, starting with 10-week campaign in Philadelphia and extending to other markets later, thru Ruthrauff & Ryan . . . Bulova Watch Co. buys 13 *Ford Theatre* re-runs from Screen Gems to be spot-booked as co-op with local retail jewelers this fall, thru McCann-Erickson . . . CBS-Hytron to use TV, radio & newspapers to promote tube sales to women, thru Bennett & Northrop Inc., Boston . . . Maytag to use TV with other media in \$1,000,000 campaign this spring to promote its "Maytag Spring Party," thru McCann-Erickson . . . 7-Up Bottling Co. will sponsor MCA-TV film syndication div.'s *Soldiers of Fortune* in 120 cities (60 weekly, 60 alt. weeks), thru J. Walter Thompson Co. . . . Carling's Beer sponsoring 25 road games of Cleveland Indians on WXEL, thru Benton & Bowles and Lang, Fisher & Stas-hower, Cleveland (for rest of major leagues' TV lineup, see Vol. 11:13) . . . Sunkist Growers (citrus fruits) sponsors 15-min. pre-N. Y. Giants baseball program on WPIX, thru Foote, Cone & Belding, Los Angeles; Vitalis & Petry Wines buy 10-sec. adjacencies on all Yankees & Giants games on WPIX, thru Doherty, Clifford, Steers & Shenfield and Honig-Cooper, San Francisco . . . Among other advertisers currently reported using or preparing to use TV: General Petroleum Corp., Los Angeles (gasoline), thru Stormberger, LaVene, McKenzie, Los Angeles; Real Gold Co., Redlands, Cal. (frozen & concentrated fruit juices), thru Barnes Chase Co., Los Angeles; Bell Brands Food, Los Angeles (potato & corn chips), thru McCann-Erickson, Los Angeles; A-1 Mfg. Co., Los Angeles (Gold Rivet jeans), thru Lance Adv., Los Angeles; American Scientific Inc., N. Y. (Flavettes for smoking habit), thru Pringle-Gotthelf, N. Y.; Lee Ltd., Beverly Hills, Cal. (Dri-Mist deodorant), thru Erwin, Wasey & Co., Los Angeles; D-Con Co., Chicago (M-O-Lene rug-cleaner concentrate), thru Arthur Meyerhoff & Co., Chicago; Johnson Motors, div. of Outboard, Marine & Mfg. Co., Waukegan, Ill. (outboard motors), thru Lamport, Fox, Prell & Dolk, South Bend; Pomatex Co., N. Y. (hair dressing), thru R. T. O'Connell Co., N. Y.; Lano Products Co., div. of Milco Inc., San Jose, Cal. (Lano glove beauty lotion), thru Brooke, Smith, French & Dorrance of the Pacific Coast, San Francisco; Raytronics Laboratories, Cincinnati (cathode ray revitalizer), thru Kamman-Mahan, Cincinnati; West Disinfecting Co., Long Island City, N. Y. (CN disinfectant), thru Paris & Peart, N. Y.; Porter-Cable-Machine Co., Syracuse (home tools), thru Gumbinner Adv., N. Y.

Rate increases: KING-TV, Seattle, May 1 adds new Class AA hour (7-10 p.m. daily) at \$900, 20 sec. at \$180, Class A remaining \$700; also on May 1, WNEM-TV, Bay City-Saginaw, raises base hour from \$425 to \$500, min. \$85 to \$100. KDAL-TV, Duluth, has raised base hour from \$250 to \$325, min. \$50 to \$65; WKBT, La Crosse, Wis. from \$200 to \$250 & \$40 to \$50; WICS, Springfield, Ill. from \$200 to \$250 & \$40 to \$50; KMMT, Austin, Minn. from \$150 to \$200, 20 sec. remaining \$30. KOOL-TV, Phoenix, June 15 raises base hour from \$425 to \$500, min. \$80 to \$96.

College football TV schedule for 8 nationally televised games, as announced this week by NCAA and NBC-TV (sponsor not yet revealed): Sept. 17, Miami at Ga. Tech.; Oct. 1, Ohio State at Stanford; Oct. 15, Notre Dame at Mich. State; Oct. 29, Iowa at Mich.; Nov. 19, UCLA at USC; Nov. 24 (Thanksgiving), Texas at Texas A&M; Nov. 26, Army-Navy at Phila.; Dec. 3, N. C. at Duke. In addition, there will be 5 regional TV dates, to be worked out individually between schools and TV stations.

New ABC-TV affiliations: WSFA-TV, Montgomery, Ala. (also NBC); WRBL-TV, Columbus, Ga. (also CBS).

Network Accounts: Colgate-Palmolive, whose *Comedy Hour* on NBC-TV Sun. 8-9 p.m. has been steadily losing ratings battle with Ed Sullivan's *Toast of the Town* on CBS-TV, will sponsor new, untitled live variety show in same period next fall, to be produced by York Pictures Corp., which is owned jointly by Paramount Pictures and comedy team Martin & Lewis. Latter will star in at least 5 of the shows, to originate from Hollywood . . . Hazel Bishop to sponsor *Place the Face* on NBC-TV starting June 28, Tue. 8-8:30 p.m., but will shift to another time period in fall, thru Raymond Spector Co.; will also sponsor new 30-min. program, network undetermined, starring Dunninger, telepathist . . . Monsanto Chemical buys 20 min. of *Perry Como Show* on NBC-TV starting in fall, Sat. 8-9 p.m., thru Gardner Adv., St. Louis . . . Remington Rand replaces RCA as sponsor (with Speidel & American Chicle) of *Caesar's Hour* starting in fall; Remington will drop alt. week sponsorship of *What's My Line?* on CBS-TV . . . Sheaffer Pen & Raleigh cigarettes to co-sponsor *Penny to a Million*, new quiz show, on ABC-TV starting May 4, Wed. 9:30-10 p.m., thru Russel M. Seeds . . . Reynolds Metals to drop *Mr. Peepers* in June on NBC-TV, which is considering plan to turn show into Mon.-thru-Fri. 15-min. daytime strip with star Wally Cox . . . NBC-TV's *Tonight* (Mon.-thru-Fri. 11:30 p.m.-1 a.m.) will originate from Los Angeles for 8 weeks starting June 27 while m.c. Steve Allen portrays title role in Universal's motion picture, *Benny Goodman Story* . . . Kraft Foods drops *Tom Corbett*, *Space Cadet* on NBC-TV Sat. 11:30 a.m.-noon.

Nation's top 10 advertisers in 1954, devoting 47% of their expenditures to network TV (see p. 4), spent these aggregate amounts on network TV, network radio, magazines & newspaper sections (network TV & radio in parentheses): Procter & Gamble, \$44,151,220 (\$23,701,228 network TV, \$12,339,668 network radio); General Motors, \$36,774,882 (\$10,304,242 & \$3,780,932); Colgate-Palmolive, \$26,727,057 (\$14,089,737 & \$4,813,770); General Foods, \$25,256,953 (\$9,728,567 & \$3,300,129); Gillette, \$19,499,770 (\$11,540,452 & \$5,562,378); Chrysler, \$18,378,063 (\$8,820,955 & \$1,867,212); GE, \$17,860,888 (\$6,961,548 & \$949,500); Lever Bros., \$17,771,633 (\$7,214,427 & \$4,471,376); R. J. Reynolds, \$16,706,162 (\$11,828,928 & \$1,770,940); General Mills, \$16,120,255 (\$7,630,599 & \$3,724,388).

New officers of AAAA, elected this week at Boca Raton, Fla. convention: chairman, Henry G. Little, Campbell-Ewald, succeeding Wm. R. Baker Jr., Benton & Bowles; vice-chairman, Robert D. Holbrook, Compton Adv.; pres., Frederic R. Gamble (re-elected); secy.-treas., J. Paul Hoag, Hoag & Provandie Inc., Boston. In addition to officers, these directors will serve on operations committee: J. Davis Danforth, BBDO; George C. Reeves, J. Walter Thompson; Victor O. Schwab, Schwab & Beatty.

Alfred D. McKelvy Co. (Seaforth toiletries) is first sponsor to sign for NBC Radio's *Monitor*, new round-the-clock weekend radio service starting June 12 (Vol. 11:15), buying 10 weeks of partic. thru Morse International Adv. on the 5 NBC o-&-m stations. NBC also disclosed this week that Dave Garroway will be one of "communicators" on *Monitor*, in line with its policy of introducing top TV personalities & features on program.

Dancer-Fitzgerald-Sample has been re-awarded \$1,-200,000 annual account for Army and Army Reserve recruiting for fiscal year starting July 1. About \$300,000 will be allocated to TV spot.

Cowan & Dengler Inc. will be dissolved June 1, and Horace W. Dengler & Stuart D. Cowan Jr. become vice presidents of Donahue & Co. Inc.

THREE CPs and Raleigh Ch. 5 initial decision were turned out by FCC this week, while Ch. 6 grant in Milwaukee suburb Whitefish Bay is now in prospect with dismissal of WMIL, which leaves Independent TV Inc. free for grant; latter pays WMIL \$25,000 for expenses.

This week's grants: Tucson, Ariz., Ch. 9, to Tucson TV Co., owned by D. W. & Kathleen Ingram (warehouse, building materials); Ft. Pierce, Fla., Ch. 19, to Gene Dyer, veteran Chicago broadcaster now a tomato grower; Reno, Nev., Ch. 4, to Nevada Telecasting Corp., owned by Robert C. Fish (real estate & refrigeration). One CP was dropped: KWIK-TV, Pocatello, Ida. (Ch. 6).

Examiner Millard F. French, in picking WRAL over WPTF in Raleigh, cited WRAL's superior proposed programs, including "outstanding discussion and educational programs," "greater remote programming possibilities" and "superior planning." Another area for choice was ownership-management integration. And he decided WRAL would better promote "diversification" because WPTF is 50-kw and WRAL is 250-watts.

FCC submitted its Court of Appeals brief in famous McClatchy case, in which McClatchy newspapers are appealing denial of Ch. 10, Sacramento, wherein FCC said it preferred Sacramento Telecasters because of McClatchy's substantial interests in news media.

Commission cited various court decisions to support its contention that "the policy of fostering the greatest number of separate voices for the dissemination of information and opinion to the public has a definite and direct bearing on the public interest. [FCC] has not here or in any other case imposed any presumption against applicants with mass media connections. The mass media connections of any applicant are considered in the light of the other facts in the case, including those which minimize or increase the seriousness of the concentration of control there presented."

In allocations actions, FCC: (1) Proposed shifting Ch. 8 to Moses Lake, Wash., substituting Ch. 11 for Ch. 8 in Walla Walla. (2) Denied request of off-air WKST-TV, New Castle, Pa. (Ch. 45) to let it move to Youngstown and use Ch. 45, stating that others may decide to use Ch. 45 in New Castle if WKST-TV doesn't resume and that station could apply for Ch. 73 in Youngstown if it wants to operate there.

Two more deintermixture petitions were dropped into the hopper. Woodward Bestg. Co., grantee of WTOH, Toledo (Ch. 79) and WBID, Detroit (Ch. 50) asked Commission to shift Storer's WSPD-TV, Toledo from Ch. 13 to Ch. 30 or 51, move Ch. 11 from Toledo to Detroit and give it to WBID—and award Ch. 30 or 51 to winner of 7-way fight for Ch. 11 in Toledo. Noting Storer's petition for deintermixture in Miami (Vol. 11:16), Woodward stated: "Petitioner respectfully herein alleges and adopts, by reference as hereinafter specified, the argument and supporting proof which is set forth in detail in the above-mentioned Storer petition."

WACH-TV, Newport News, Va. (Ch. 33) asked that area's Ch. 10 be given to educators, Ch. 21 to be made commercially available.

WLOK-TV, Lima, O. (Ch. 73) has notified FCC it closed down April 18 for conversion to Ch. 35. Owners George Hamilton & Robert W. Mack, who bought station from Pixley & Case families (Vol. 10:44,49), expected to get back on air April 24, using call letters WIMA-TV.

WTOV-TV, Norfolk (Ch. 27) plans to return to air during May as independent, reports new owner Hyattsville (Md.) used car dealer Temus Bright who recently acquired the property (Vol. 11:11).

WTWO, Bangor, Me. (Ch. 2) plans to open auxiliary studios in Waterville, linked to transmitter by microwave.

NO NEW STATIONS started this week—but one was all set to begin test pattern transmissions when FCC held it up by scheduling April 29 hearing into details of its ownership. WFRV-TV, Green Bay, Wis. (Ch. 5) had asked for STA to begin programming May 1 as ABC & DuMont outlet, but was delayed by hearing called at request of competitor WMBV-TV, Marinette, Wis. (Ch. 11) which protested merger of WFRV-TV with WNAM-TV, Neenah (Ch. 42), now off air (Vol. 11:9). Although WMBV-TV also asked hearing on WFRV-TV's change in studio location and extension of CP, FCC decided to review merger to determine if it involved "forbidden trafficking in permits" and also whether WFRV-TV had tried to "harass" Marinette outlet.

Shipments reported this week: By GE, 12-kw transmitter and components for increase to 23-kw transmitter power, 500-kw ERP, to KTVI, St. Louis (Ch. 36); by RCA, 25-kw transmitter to KFMB-TV, San Diego (Ch. 8). Standard Electronics reports order by WMAL-TV, Washington (Ch. 7) for 25-kw amplifier, along with conversion of present 5-kw transmitter from water to air-cooled, and Alford 3-bay antenna, amplifier due for June 1 delivery, antenna July 1. DuMont has order for 50-kw transmitter to be shipped about July 15 to WDBJ-TV, Roanoke, Va. (Ch. 7), planning fall start. GE reports an order by KTRE, Lufkin, Tex. (Ch. 9), due on air this summer, for 5-kw transmitter and 6-bay antenna; by KDKA-TV, Pittsburgh (Ch. 2) for 6-bay antenna to be delivered May 6; by WENS, Pittsburgh (Ch. 16) for 5-bay antenna, due next week.

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

KCRA-TV, Sacramento, Cal. (Ch. 3), which got grant April 13, has Sept. 1 target, but hasn't yet ordered equipment or begun construction, reports pres.-gen. mgr. Ewing C. Kelly. Howard J. Smiley is being promoted from KCRA sales mgr. to TV station mgr. W. Herbert Hartman, will be chief engineer for TV-radio. Rep not chosen.

KRMA-TV, Denver (Ch. 6, educational), which got grant in July, 1953, hasn't set target yet, writes supt. of schools Kenneth E. Oberholtzer. Last year it ordered 5-kw GE transmitter with antenna & studio equipment, but problem of financing station developed. Now school board has voted to go ahead with station and it's renegotiating for equipment.

WJRT, Flint (Ch. 12) will start in summer, reports pres. John F. Patt, now that FCC has approved new transmitter site near Chesaning, Mich. He also states construction will proceed despite court appeal pushed by losing applicants Butterfield Theatres and Trebit Corp. (Bitner), turned down by FCC last week in their latest effort to block grant (Vol. 11:16). RCA 50-kw transmitter & 12-bay antenna are on hand. Emsco tower is due in about 45 days. WJRT has leased former WTAC-TV equipment, will be managed by A. Donovan Faust. Base rate will be "at least \$450." Rep will be Free & Peters.

WJDW, Boston (Ch. 44), is attempting to conclude negotiations for tower site, now hopes to be on air next fall, advises owner Los Angeles oilman and film producer J. D. Wrather Jr., also owner of 39% of KFMB-TV, San Diego and holder of 25% interest in application for Corpus Christi, Tex. Equipment is on order from RCA. Rep not chosen.

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Three Canadian TV grants recommended April 15 by CBC board of governors now go to Dominion Board of Transport for final approval. They are: Lethbridge (Alta.) TV Ltd. for Ch. 7; CFCY, Charlottetown, P.E.I., Ch. 13; CKNX, Wingham, Ont., Ch. 8.

Color Trends & Briefs: Evaluation of season's big color shows by their 9 sponsors varies markedly, *Advertising Age* learned in survey, results of which were published in April 18 issue. Sponsor-by-sponsor, here are the reactions:

Most disappointed was Raymond Spector, owner of both Hazel Bishop lipstick and its ad agency. Main complaint: "We expected them to be the best available TV shows," but network concentrated "too much on color and not enough on the show." He said shows cost him \$45,000 more each than they would have in black-&-white. "Color is academic at the moment," he concluded.

Earl Perrin, pres. of Sunbeam agency Perrin-Paus, was delighted, on the other hand, stating that color had a large share in selling 1,000,000 electric "Frypans" since their introduction year ago. He said that he has scrapbook full of critics' praise of bacon-&-eggs commercials and that sales staff showed lift from the sponsorship. Sunbeam has signed up for next fall's Sun. series of NBC-TV spectacles.

Reynolds Metals isn't renewing next fall, but TV-radio ad director Jack Boyle says reason is "disappointment with the programs, not with color. What we'd hoped to get was something with a little more programming imagination—on the *Peter Pan* order."

RCA ad director R. H. Coffin gave favorable reaction, of course, because of company's great stake in color, though he did say: "We bought these shows primarily to benefit from the black-&-white circulation," with color impact on dealers and public a bonus. RCA is expected to remain with *Producers' Showcase*.

Ford considers money well spent, though it estimates color costs 40% more than black-&-white. With eye to future, Ford regards color as the "ultimate in advertising."

Oldsmobile spokesmen, on other hand, merely say: "We knew we were pioneering, and we still know it." It's reported that Oldsmobile will keep Sat. NBC-TV series.

Eastman Kodak had sad experience with color *Norby*, which never caught on, but it looks on color TV sponsorship as long-range investment for sale of film. Ad director W. B. Potter is convinced of color's future, saying: "Color adds immeasurably to the beauty, realism and product identification in commercials."

Practicing Law Institute, 20 Vesey St., N. Y., is currently conducting series of Thu. evening sessions on "Current Problems in Radio & Television," primarily treating with program, performer, tax & film aspects. David M. Solinger, Solinger & Gordon, is chairman & moderator; speakers include John P. Allison; Robert Anthoine, associate prof., Columbia Law School; Robert J. Burton, v.p. & resident counsel, BMI; Robert A. Dreyer, Gale & Falk, counsel for DuMont; George A. Elber, Davis & Gilbert; Michael Halperin, Wilzin & Halperin, attorneys for William Morris Agency; W. Spencer Harrison, v.p. in charge of legal & business affairs, CBS; Howard L. Hausman, William Morris Agency; Henry Jaffe, Jaffe & Jaffe, counsel for AFTRA; Jack L. Katz, counsel, General Artists Corp.; Theodore R. Kupferman, v.p. & gen. attorney, Cinerama Productions Corp.; Seymour S. Mintz, Hogan & Hartson, Washington; Benjamin D. Raub, senior attorney, NBC; James R. Schule, Tompkins, Boal & Tompkins, BBDO counsel; Charles B. Seton, Socolow, Stein & Seton; Leonard H. Steibel, Smith & Steibel; Martin Stone, merchandising consultant, ex-secy. to Judge Irving Lehman.

Facts about closed-circuit TV, as outlined by Theatre Network TV pres. Nathan L. Halpern Apr. 20 at Chicago SMPTE convention: More than 4,000,000 persons have viewed closed-circuit TV, and public has spent more than \$5,000,000 to see theatre TV. Company sponsors have spent more than \$6,000,000 on closed-circuit TV business

For Westinghouse, consumer products ad mgr. Laurence W. Scott feels that *Best of Broadway* series on CBS-TV has been effective and that color has been a bonus. He's convinced color is powerful medium where appetite, beauty and styling are concerned—but Westinghouse hasn't decided whether it will sponsor color this fall.

Chrysler will continue CBS-TV *Shower of Stars*, the ad journal reporting: "For one thing, its cars are currently 'selling like mad,' though the company doesn't pretend to know which part of its TV lineup the buying impulse is coming from. Another reason is quite special: Chrysler reportedly is not paying a premium for *Shower*, is getting it for the same price as for [black-&-white] *Climax*."

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Upcoming network color schedules: NBC-TV—April 25 & 26, *News Caravan*, films of A-bomb site and blast, 7:45-8 p.m.; May 2, *Producers' Showcase*, "Darkness at Noon," with Lee J. Cobb, David Wayne, Ruth Roman, Oscar Homolka & Joseph Wiseman, 8-9:30 p.m.; May 7, *Max Liebman Presents*, "Desert Song," with Salvatore Baccaloni, Otto Kruger, John Conte, Bambi Linn & Rod Alexander, 9-10:30 p.m. CBS-TV—May 4, *Best of Broadway*, "Broadway," with Joseph Cotten, Piper Laurie, Gene Nelson, Keenan Wynn, Martha Hyer & Akim Tamiroff, 10-11 p.m.; May 12, *Shower of Stars*, "High Pitch," with Marguerite Piazza, Tony Martin, Wm. Frawley & Vivian Vance, 8:30-9:30 p.m.

Four hours of color weekly, in addition to spectacles, is NBC-TV's goal for this summer and fall, exec. v.p. Robert W. Sarnoff told affiliates meeting in New York this week. For this fall, he said, NBC hopes to have daily 5-6 p.m. children's show in color, along with "some key evening shows," segments of *Home* and 3-4 NCAA football games. He said NBC has more color facilities than all other networks combined and that planning is underway now for 1956-57.

First indoor color remote on West Coast—as distinguished from outdoor remotes and color studio originations—was scheduled for April 22 by KTLA, Los Angeles. Program was 1½-hour colorcast of "Las Floristas Head-dress Ball" from Coconut Grove, sponsored by Apple Valley Bldg. & Development Co. and Motorola.

TNT this month will present its 82nd large-screen closed-circuit telecast (latest use was at Apr. 19 GE stockholders' meeting). Largest theatre-TV picture is 47x65 ft., exhibited at drive-in theatres with mobile equipment "with sufficient light and clarity for audience enjoyment." Halpern said technical problems of big-screen TV differ from those of home TV, and urged SMPTE to help closed-circuit industry to "establish proper standards." He strongly backed "network concept"—one firm handling complete facilities, production and service—to provide "stabilization" of closed-circuit medium.

New rate of payment for community antenna service is offered by Walla Walla's Blue Mountains TV Cable Corp. to potential subscribers who want service on temporary basis—fearing they may have to move or desiring to give system a trial. Instead of paying conventional installation charge and monthly fee (about \$135 & \$3.75, respectively), they pay straight \$7 monthly as long as they wish—converting to permanent basis any time and paying for connection on installment plan.

National Community TV Assn. membership totals 178—an increase of 85 during last year, 35 since Jan. 1—according to exec. secy.-gen. counsel E. Stratford Smith. He estimates there are now 375 systems with 100 or more connections each, plus 200-300 serving less than 100. Currently, heaviest rate of growth is in South and Pacific Northwest.

TRENDS IN THE NEW MODELS DUE AT MIDYEAR: Greater use of the vertical chassis, more extensive use of printed circuits, prices at or about present levels -- these are the outstanding facts about the new TV lines to be introduced in June-July. Though manufacturers contacted this week were understandably reluctant to be specific two months in advance of marts and distributor meetings, they were, with few exceptions, generally agreed on the basic trends. There will also be usual new cabinet styling and of course various new gimmicks, including clock timers (Vol. 11:13).

New lines are being shaped with eye to second-set market, whose big potential was underscored by American Research Bureau's survey showing only 3.7% of all TV homes, or 1,300,000 out of total of 35,000,000, had 2 or more sets as of Jan. 1955 (Vol. 11:16). Set makers generally felt this would tend to keep prices at present low levels. Significant exception to this view is Motorola v.p. Ed Taylor, who said:

"A second set doesn't have to be a very cheap job, you know. A lot of folks who now have 17-in. sets could very well buy a high-end 21-in. or even a 24-in. as a second set, putting the 17 in the bedroom, children's room or den. I don't think we've had enough experience with the second set to know what size it represents."

Spokesman for color-conscious RCA, whose lines are watched closely for possible industry-wide trends, said prices of black-&-white sets can't logically be raised now by industry-at-large, considering current state of color development. He clings to view that consumers, as in the days of color's big publicity splashes last year, are once again unwilling to sink a lot of money into a monochrome set.

"Any manufacturer who can sweat out this interim period until color comes through will do all right," he said. "It will mean continuing low profits -- but if he tries to raise prices now, he'll price himself right out of the market."

RCA is going all-out for color, with its new 21-in. tube, and makes no bones about its intention to be biggest customer of its own Lancaster color tube plant's 30,000-per-month capacity if others don't buy. It's expected to announce lower price on its new 28-tube color set in week or so (Vol. 11:15). For news about other manufacturers and their plans for color, see p. 13.

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Trend to vertical chassis sets, holding out lure of more compact cabinets, has been evident for year, of course, and you can expect to see it accelerated with new lines. Such vertical chassis producers as Admiral, Crosley, Raytheon and others have been very pleased with them and can be expected to include more of them in new lines. An exception, however, is Emerson, which will continue all-horizontal line.

Status of 24-in. set in current low-end market, and where it will fit into new lines, is source of lively speculation in trade. Many manufacturers and distributors have privately expressed some unhappiness about sales of 24-in. sets, even at bargain prices. RCA has discontinued production of 24-in. sets this quarter, but spokesman emphasized it was pleased with their sales performance, and had originally planned to halt output at end of first quarter in view of seasonal trend to lower-priced merchandise. RCA will have 24s in new line. Emerson's Ben Abrams says he's pleased as punch with his 24-in. sets retailing at \$250 for table model, \$330 for console; they account for 15% of his production & sales currently, and he plans to expand 24-in. offerings in new line.

* * * *

TV trade no less than other industries is encouraged in its planning by some very bullish currents in nation's economy -- strengthening convictions that things should go very well for consumers' market rest of year. For example:

Annual gross national production rate (output of goods & services) is up from \$362 billion at end of 1954 to \$370 billion in March; personal income up from 1954's

low point of \$283.4 billion to \$292 billion rate in March, a new high; employment up 400,000 in March over year ago, unemployment down 548,000; new plant & equipment spending on increase, reversing 2-year downtrend.

Authoritative United Business Service offers these predictions for remainder of 1955: (1) Expansion in business activity will continue throughout first half of year. (2) The slowdown this summer -- stemming from auto industry, labor trouble, normal seasonal factors -- will be moderate. (3) Industrial expansion will get under way again next fall and be well maintained during the fourth quarter.

Unfavorable factors cannot be overlooked, notably demands of labor unions for guaranteed annual wage and increase in consumer indebtedness. But taken by & large, there's much support for observation of N.Y. Herald Tribune Syndicate's Washington columnist Roscoe Drummond that "a new period of growth and stability is at hand."

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TV production totaled 146,472 week ended April 15, compared to 150,453 units in preceding week and 163,746 in week ended April 1. It was year's 15th week and brought output for year to date to 2,400,000 vs. 1,750,000 same 1954 period.

Radio production totaled 273,639 (145,520 auto), compared to 275,849 in week ended April 8 and 287,740 week before. For 15 weeks output was 4,250,000, compared to approximately 2,950,000 in corresponding period year ago.

Topics & Trends of TV Trade: Admiral sticks by its advertising claims, insists they're perfectly legal and proper, in answer this week to Federal Trade Commission's complaint of April 1 (No. 6319) charging misrepresentation in its national ads (Vol. 11:14). Though it maintains claim is correct, Admiral said it no longer advertises that its "giant 21-in picture tubes" provide 20% more screen area than other 21-in. sets—the single specific objection cited in FTC complaint.

Edward F. Downs, attorney representing FTC in complaint, said "we feel confident we can sustain our case." Hearing has been set for May 17 in Chicago before FTC examiner James A. Purcell. Downs said he will decide next week, after studying Admiral's brief answer more fully, whether to request a postponement on the basis of its contents.

Admiral reply states its "giant 21-in. picture tube" does indeed provide 20% more screen area than many TV receivers made by its competitors and other 21-in. sets made by itself. It denies FTC's contention that as result of such ads trade has been "unfairly diverted" to Admiral from its competitors. It further declares that the complaint fails to state specifically any "unfair and deceptive acts and practices and unfair methods of competition in commerce within the intent and meaning of the Federal Trade Commission Act." Reply was signed by Admiral counsel Pope & Ballard, 120 S. La Salle St., Chicago.

[Note: An FTC complaint is not in itself a punitive action. It is merely a preliminary step to determine if prosecution is warranted. In the past, many such complaints have ended with filing of consent judgment in which the company, without admitting guilt, promises to halt the alleged practices in future.]

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The Nebraska Farmer, published in Lincoln, Neb., surveying 1955 buying plans, reports that 11.9% of 843 responding farm families stated they would buy TV sets this year which, projected, indicates 11,878 units. Radios will be bought by 3%, record players by 1.7%.

Canadian RTMA holds 26th annual general meeting at Sheraton Brock Hotel, Niagara Falls, Ont., June 2-3. Committees meet first day, board & special panels final day.

National Electronic Distributors Assn. moves headquarters to 4704 W. Irving Park Road, Chicago (phone Avenue 3-6445).

Crosley's offer of money-back guarantee to N. Y. area customers if its "Custom V" 21-in. receiver does not "out-perform" all other TV sets (Vol. 11:13) has proven so successful that only 2 sets have been returned to dealers since offer began March 20, said Crosley distributor Gerald O. Kaye. He declared that 70 additional dealers have taken on Crosley TV line since start of heavily-promoted offer, which he said will be extended indefinitely. No conflict with N. Y. Better Business Bureau regulations against "out-performance" ads was seen by Kaye, who is a director of the local BBB.

TV shipments to dealers totaled 1,278,250 in first 2 months of 1955, compared to 1,073,000 in corresponding period year ago, reports RETMA in state-by-state tabulation (county-by-county breakdown available from RETMA to members on request). New York led in shipments, with 113,068; California second, 86,776; Pennsylvania, 81,376. Feb. shipments were 640,771, compared to 637,479 in Jan. and 460,378 in Feb. 1954.

Stromberg-Carlson adds these new models at distributor meetings this week: Cremona, 21-in. mahogany console \$260, bleached mahogany \$270; Milano, 21-in. open-face mahogany console \$320, bleached mahogany \$330, walnut \$350; Regency, 21-in. full-door mahogany console \$460, bleached mahogany & cherry \$470. Marlite tops are \$10 extra on Cremona, \$20 on Milano.

Bill striking at "bait" ads on TV was signed this week by Gov. Harriman, making it misdemeanor in State of N. Y. for advertisers to misrepresent merchandise on TV. Violators can be fined up to \$500, jailed for year, or both, for giving false statements when arranging for TV advertising. It provides no penalties for station personnel unless they know in advance of fraud.

Canadian RTMA has been rebuffed in its fight to eliminate or reduce the 15% excise tax on TV-radio sets & parts, which finances CBC's TV operations. Finance Minister Harris, by including tax in his budget, assured its continuance for at least another year.

Another excise tax bill (HR-5694), which would reduce tax on all manufactured products to 5%, has been introduced by Rep. Mason (R-Ia.) and referred to Ways & Means Committee.

Halicrafters is now manufacturing TV receivers for Sears Roebuck's "Silvertone" line, supplemental to Sears' main supply from Warwick and Pacific Mercury.

COLOR PRODUCTION plans of manufacturers vary as much as ever — because of uncertain public demand — but some producers have agreed with RCA that only possibility of breaking deadlock is to take gamble of going into production (Vol. 11:16).

One major industry figure, contacted in Chicago by RCA this week in its efforts to enlist others in manufacture and promotion of color sets, told us: "Even if we have to lose money at the outset, I think the new price should be \$695 at the very top. The new 28-tube RCA chassis, which really is 26 tubes plus rectifier and picture tube, makes a good set and, whether it's temporary or the ultimate thing, the RCA 21-in. picture tube works very nicely. My own feeling is that Sylvania and CBS have got to come to it, for there must be uniformity of tubes as well as uniformity of action in the job of putting over color."

One of the lesser manufacturers is understood to have told RCA: "If you will furnish us the components so that we can assemble a set to sell for \$500, we know we can get color off the ground."

CBS pres. Frank Stanton, speaking at stockholders meeting in New York this week, said he was disappointed with color's progress, predicted it would be 5-10 years before color was as prevalent as black-&-white. He doubted industry would produce 200,000 color sets this year—as predicted by some. CBS-Hytron is holding off mass production of 22-in. rectangular all-glass tube until there's clear demand from customers, he said.

Latest to make substantial commitment to color is Hoffman Radio, which this week announced first shipments of 21-in. sets using RCA tube, with 24 receiving

tubes and 4 rectifiers, retailing for \$895. Sales mgr. Walter L. Stickel said plans call for "substantial" production—reportedly 5000 this year. Restricting shipments to those distributors with color-trained servicemen, Hoffman is delivering to Oklahoma City, Seattle, San Jose, Minneapolis, San Diego, Los Angeles, San Francisco, Davenport, Phoenix.

Stromberg-Carlson announced it would be in "full-scale" production of 21-in. sets in June or July, a spokesman stating: "We definitely will be in a competitive position" with regard other color set producers.

Among others planning to bring out color sets this summer are: Emerson, aiming at \$700-\$750 price for 21-in.; Hallicrafters, Magnavox and Sentinel, planning to show 21-in. in July. Admiral has modest 21-in. production, will keep it going, tuned to demand. CBS-Columbia and Westinghouse are planning on 22-in. rectangular tube, don't know when production will begin—though latter has said it's aiming for fall. Packard-Bell has target of \$695 set in Aug.-Sept.; Sylvania & Zenith are uncommitted.

Philco is still quiet about color plans, reports it's still working on one-gun tube. Regarding the tube, we apparently erred last week in assuming that RCA's Harry Seelen was referring to Philco development when he spoke of "sensing" tubes that required photoelectric devices and servomechanisms (Vol. 11:16). "The facts are," Philco spokesman said, "that the Philco color TV receiver, as it exists today in the laboratories, employs neither photoelectric devices nor servomechanisms. On the contrary, the chassis for the Philco color receiver is about 20% lighter than the chassis for a 3-gun tube type receiver of approximately the same picture area."

Trade Personals: David H. Cogan, onetime pres. of CBS-Columbia, elected chairman of Victoreen Instrument Co., Cleveland (parts), succeeding Bruce A. Coffin, who continues as director; Raymond F. Shima elected v.p.-treas., succeeded as secy. by Richard T. Brown; C. W. Haller re-elected pres. . . . Dan Packard, veteran of 30 years in major appliance industry, serving last 3 years as gen. sales mgr. of Kelvinator, joins McCann-Erickson May 10 as v.p. & senior marketing exec. . . . Paul M. Kuefler, ex-American Microphone Co., Pasadena, named gen. mgr. of Cornell-Dubilier's west coast div., headquartering at new plant-lab at 4144 Ocean Park Ave., Los Angeles, opened April 20 as part of ceremonies celebrating company's 45th anniversary . . . C. G. (Rip) Mayer, London representative of RCA, has been transferred to gen. managership of Laboratories RCA Ltd., 169 Hardturmstrasse, Zurich 5, Switzerland; his asst. Dr. H. R. L. Lamont is in charge in London . . . Grant Gardner, Wells-Gardner sales v.p., elected a director, replacing Herbert A. Johanson, resigned . . . Kenneth R. Johnson, Packard-Bell gen. sales mgr., elected a v.p. . . . Earl L. Hadley, ex-Westinghouse TV-radio div. & Bendix Radio, named adv. director of Necchi Sewing Machine Sales Corp., N. Y. . . . Albert G. Shafer promoted to v.p. in charge of western div., Radio Condenser Co.; John W. Crowfoot elevated to mgr. of special apparatus div. . . . N. L. (Nibs) Jochem appointed Gates Radio engineering director . . . E. C. Slaughenhaupt promoted to manufacturing v.p., Kenneth E. Phillips to v.p. & purchasing director of Muter subsidiary Rola Co., Cleveland . . . Paul F. Dixon promoted to national sales mgr., Peter H. Whelen to adv. & sales promotion mgr., Motorola Canada Ltd. . . . Martin Sheridan, Admiral director of public relations, speaks on "Automation in TV" to Navy Supply Officers' Club, Great Lakes, Ill., April 27 . . . Richard W. Mitchell resigns as v.p. of I.D.E.A. Inc. (Regency products), will continue as a director . . . Robert Dressler, Howard R. Patterson & A. Crawford Cooley elected v.p.'s of Chromatic TV Labs.

DISTRIBUTOR NOTES: Motorola appoints Arizona Distributors Co., 1891 W. Roosevelt Road, Phoenix (Wm. Sipprell, pres.), replacing Arizona Wholesale Supply Co. . . . Raytheon appoints Radio Distributing Co., 432 S. Carroll St., South Bend . . . Olympic Radio appoints Progressive Appliance Distributors Inc., 1192 E. 40th St., Cleveland, replacing Milmar Inc. . . . Bendix Radio appoints Huron Electric Supply Co., Buffalo . . . RCA Victor Distributing Corp. promotes J. P. Mallon to operating mgr. of Detroit branch, succeeding G. D. Mitchell, now asst. to secy.-treas. of Chicago branch . . . Emerson Radio of Ohio Inc., Cleveland, moves to 4300 Euclid Ave. . . . Capehart-Farnsworth appoints Buckeye Electronic Distributors Inc., 242 E. Long St., Columbus, O. (Al Siegel, pres.). . . . DuMont appoints Uptown Radio Co., Detroit (Milton Kevreson, owner).

RCA Victor reports dollar volume of its 33 $\frac{1}{3}$ & 45rpm records increased 30% in first quarter over first 3 months of 1954, chiefly as result of industry-wide price slashes of up to more than 30% at start of year (Vol. 11:1-2). Reporting on nationwide survey, Emanuel Sacks, v.p.-gen. mgr. of record div., said: "We are convinced that the simplified pricing structure which we pioneered is proving to be the salvation of dealers throughout the country." In addition to price reductions, Sacks attributed sales increase to improvement in quality of recordings and phonograph reproducing equipment, and public's "enthusiastic acceptance" of high fidelity.

Annual "guesstimates" of Canadian TV manufacturers on 1955 TV sales, in informal poll conducted by Canadian RTMA, revealed average of 613,300, estimates ranging from low of 475,000 to high of 730,000. Average estimate also was for 3000 color sets to be sold this year. Average production "guesstimate" was 892,560, compared to actual output of 593,856 in 1954.

A. Cameron Ball promoted to gen. mgr. of Western Merchandise Mart, San Francisco, succeeding Frank K. Runyan, retired.

Financial & Trade Notes: American Broadcasting-Paramount Theatres improved its earnings position considerably during first 1955 quarter, with theatre business continuing upward and telecasting-broadcasting operations now showing results of improved programming, according to letter to stockholders this week from pres. Leonard H. Goldenson. ABC div. operating earnings, while not stated, are said to be running well ahead of last year, though that division showed loss in 1954 due to higher TV and programming costs (Vol. 11:14).

Net profit from operations during first quarter was \$1,917,000, or 45¢ per share on 3,977,096 shares outstanding; \$33,000 additional came from net capital gains. In same 1954 period, net operating profit was \$1,039,000, or 23¢ on 3,967,511 shares; capital gains were \$77,000. Up to April 8 this year, company has purchased 7500 shares of its preferred stock at average of \$20.27 in line with policy of purchasing its preferred stock in the open market to apply against its annual sinking fund requirement of 24,322 shares of preferred. In 1953, it purchased and retired 74,422 shares of preferred.

Proxy statement for May 17 shareholders meeting discloses board has nominated v.p. Sidney M. Markley as director to fill vacancy created by death of Herbert J. Schwartz, pres. of City Stores Co. It also disclosed these officer-director compensations for 1954 (common stockholdings in parentheses): John Balaban, pres. of subsidiary Balaban & Katz Corp., \$139,400 (holds no shares); A. H. Blank, pres. of Tri-States Theatre Corp., \$58,106 (2587 shares); Leonard H. Goldenson, pres., \$181,429 (2450); Walter W. Gross, v.p. & gen. counsel, \$57,143 (100); Robert H. Hinckley, v.p., \$50,000 (none); Robert E. Kintner, v.p. & pres. of ABC div., \$77,500 (3000); Robert H. O'Brien, financial v.p. & secy., \$54,643 (100); Robert B. Wilby, pres. of subsidiary Wilby-Kincey Service Corp., \$41,058 (1018). Messrs. Balaban, Goldenson, Gross, Markley and O'Brien also hold options on 7500, 75,000, 12,500, 5000 & 12,500 shares of common stock, respectively.

Common stockholdings of other officer-directors: Earl E. Anderson, v.p. ABC div., 1974 (also trustee of Edward John Noble Foundation, owning 12,640 shares of preferred & 337,304 shares common; Charles T. Fisher Jr., pres., National Bank of Detroit, 500; Robert L. Huffines Jr., pres., Textron American Inc., 1000; Wm. T. Kilborn, pres., Flannery Mfg. Co., Pittsburgh, 200; Walter P. Marshall, pres., Western Union, 200; Edward J. Noble, owns 8949 common & 324,601 preferred (also trustee of Edward John Noble Foundation, owning 12,640 shares preferred and 337,304 common); Owen D. Young, 1500.

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Cornell-Dubilier sales in quarter ended March 31 approximated the \$9,950,000 volume of the quarter ended last Dec. 31, though earnings probably were lower because of increased competition, said pres. Octave Blake at ceremonies marking this week's opening of new plant in Los Angeles, firm's 15th. Sales for current fiscal year ending Sept. 30, he said, will probably equal the \$37,149,778 volume of preceding fiscal year, when earnings were \$1,729,640 (\$3.25 a share).

CBS Inc. 3-for-1 stock split was approved at annual stockholders meeting April 20, along with increase to 12,000,000 in total that may be issued. On basis of present shares, 4,023,669 of Class A and 3,302,340 of Class B will be outstanding after split expected to be effected April 29. Stockholders will retain old certificates, receive 2 additional shares for each held.

Muter Co. reports first quarter sales of \$3,162,693, net profit of \$101,687 (14¢ on 721,450 shares), compared with \$3,187,626 and \$111,173 (16¢ on 694,783) for same 1954 period.

GROSS TELECASTING Inc., licensee of WJIM-TV, Lansing, Mich. (Ch. 6) and radio WJIM (250 watts, 1240 kc, NBC & ABC), day after FCC by 5-2 vote assented to transfer of corporate control April 21, placed 193,000 shares of its \$1 par common stock on market at \$15.75. Paine, Weber, Jackson & Curtis headed underwriters group that included Hornblower & Weeks, Merrill Lynch, Pierce, Fenner & Beane and Reynolds & Co.

It's first instance of a single TV-radio property offering its stock to public along lines of Storer and Bitner groups. Chief owner Harold Gross and family will continue to hold approximately 51% interest, public to own about 48%.

In dissent, Comrs. Hennock & Bartley suggested hearing, calling it "a departure from sound broadcast licensing policy" because "the essential 'asset' here involved, the frequencies on which it operates, does not belong to the licensee (see Section 304) but is merely a permit involving a maximum 3-year term subject to renewal." Joint dissent added: "I am concerned lest the rights of unknown minority stockholders interfere with the prime responsibility of the licensee to render a public service, as contrasted with the officers' responsibility to public stockholders unfamiliar with the obligations of a broadcast licensee."

For SEC registration data, including revenue, profit & asset reports, see Vol. 11:13, p. 3.

Electronics Investment Corp., Bank of America Bldg., San Diego, Cal., designed as an open-end mutual investment fund along lines of Television-Electronics Fund, has filed SEC registration statement and issued preliminary prospectus covering 2,000,000 shares of \$1 par capital stock to be offered at \$5 per share through William R. Staats & Co., Los Angeles. Stressing investment in the "electronic age," statement indicates at least 66% of portfolio will be in securities of electronics companies, but no investment shall be made for purpose of exercising control or management. Project is headed by Charles E. Salik, youthful ex-broadcaster who sold his San Diego radio station for \$250,000 last year, and obtained about \$575,000 for his option on one-third of KFSD-TV, San Diego when it was purchased with radio KFSD last year for \$3,200,000 by Fox, Wells & Co. (Vol. 10:31, 42). He's a director in his father's Texas & N. Y. textile firms, Esskay Mfg. Co. & Westway Mfg. Co. John P. Chase, head of Boston investment advisory firm bearing his name and director of various banking & industrial enterprises, has been retained as investment adviser and is a director. Washington counsel, also a director, is Bernard Koteen, of Koteen & Burt. Other officers & directors are Richard T. Silberman, v.p., who is pres.-gen. mgr. of Kay Lab, San Diego (electronics mfr.) and who formerly was in electronics dept. of Convair div., General Dynamics Corp.; William J. Ivans Jr., director, of LaMesa, Cal., now chief electronics engineer, Convair; Byron F. White, secy.-treas., San Diego attorney. Technical advisory board consists of Dr. Charles Stark Draper, director of MIT Instrumentation lab; Henry P. Kalmus, chief of electronic research & development, Diamond Ordnance Fuze Lab, Dept. of the Army, a onetime Zenith Radio physicist; Dr. Joseph M. Pettit, professor of electrical engineering, Stanford U and ex-super-vising engineer, Airborne Instruments Laboratory Inc.

P. R. Mallory & Co. earned \$606,792 (85¢ per share) on sales of \$16,264,164 in first quarter of 1955, compared to \$390,998 (50¢) on \$14,664,955 in same 1954 period.

Bitel-McCullough Inc. reports 1954 net income of \$622,761, or 83¢ per share on 748,546 shares outstanding, vs. 1953 net of 596,871, or 88¢ on 680,497 shares.

Skiatron Electronics & Television Corp. has been approved for listing on the American Stock Exchange.

Electronics Reports: Texas millionaire Clint Murchison's unhesitating endorsement of electronics as a career for his own youngsters, when interviewed by Ed Murrow on *Person to Person* March 25 (Vol. 11:13), took concrete form this week when it was disclosed that Murchison-backed Easy Washing Machine Corp., Syracuse, has put up \$2,000,000 capital for expansion of National Co., Malden, Mass., makers of communications receivers, electronic components, etc. Also in deal are Sid W. Richardson and Perry R. Bass, Ft. Worth financiers.

Ten-year debentures convertible to common will be issued by National in amount of \$1,100,000, addition to which it will have access to a 5-year revolving credit fund of \$900,000. Said Easy pres. W. Homer Reeve:

"Electronics continues to be an increasingly important factor in the home appliance industry in the development of new features and products as well as in the manufacturing process of these products. Therefore, we consider it advantageous for our company to be 'in on the ground floor' for potential new developments resulting from National's extensive engineering and research activities."

Reflecting industry's concern over wide-scale excursions of aircraft manufacturers into electronics business (Vol. 11:7), Hoffman Electronics pres. H. Leslie Hoffman told Los Angeles meeting of Radio Technical Commission for Aeronautics that electronics industry is not working at full capacity and can take on considerably more military work than it is now doing. "Frankly we are puzzled," he added, "as to why some of our friends in the aviation business feel it is necessary to continually expand their electronics activities when the services, facilities and personnel are available for many of these functions within the already existing industry."

Officers of Datamatic Corp., newly formed Waltham, Mass. data processing systems firm jointly owned by Raytheon and Minneapolis-Honeywell (Vol. 11:16): Minneapolis-Honeywell v.p. John J. Wilson, pres.; M-H asst. to pres. Walter W. Finke, v.p. & gen. mgr.; Raytheon asst. v.p.-equipment engineering director J. Ernest Smith, v.p.; Raytheon senior v.p.-treas. David T. Schultz, treas. Other directors are Paul B. Wishart & Charles F. Adams Jr., presidents of M-H & Raytheon, and M-H exec. v.p. Alfred M. Wilson.

To relieve serious shortage of engineers, nationwide engineers' training program is being explored by group representing universities, unions, management, TV & motion picture industries. This was disclosed by pres. John G. Frayne of SMPTE in closing convention address April 22. Expressing concern that Russia is now graduating 43,000 engineers a year vs. the U.S.'s 20,000, he said group held first meeting last week on west coast, plans to analyze findings and make recommendations soon.

Protection of radio-astronomy frequencies is envisioned by FCC in Public Notice 55-483 issued Apr. 21 seeking information to determine whether rule-making is necessary. Directed to organizations engaged in radio-astronomy, it asks locations of existing & planned observatories and laboratories, essential & desirable frequencies, schedule of observations, data on amount of interference permissible, etc.

Elgin National Watch Co. this week announced purchase of Advance Electric & Relay Co., Burbank, Cal., and said the acquisition makes Elgin one of nation's largest makers of high precision electrical relay switches.

Sperry electronic tube div. has completed new \$900,000 plant in Gainesville, Ala., is now installing equipment, according to Joseph C. Brenner, works mgr.

Electronic trouble-shooting techniques are applied to automotive ills by new "engine analyzer" developed by Socony-Vacuum Oil Co. and made available this week for general use by Allen B. DuMont Labs, which will manufacture and sell it under licensing agreement. The 60-lb. portable instrument contains oscilloscope, can be operated on 110-v. or auto battery power. It can diagnose auto ignition faults in less than one minute, will also locate pre-ignition faults and gives simultaneous pictures of behavior of each cylinder in an operating engine. Picture patterns depicting 65 engine ailments have been identified on analyzer's screen.

"Electronics for Automation and Automation for Electronics" will be subject of RETMA symposium Sept. 26-27 at U of Pennsylvania. Subjects of 5 sessions planned and their chairmen: Mechanization of high volume assembly, J. Harrington Jr., United Shoe Machinery Corp.; data sensing, processing & utilization, D. A. Griffin, automation consultant; future of automation (panel discussion), Dr. W. R. G. Baker, GE; automation for low volume production, D. Cottle, GE; redesign for automation of components & products, W. Hannahs, Automatic Production Research.

Anticipating "rapid growth of color TV," GE this week announced it will build \$6,400,000 plant at Irmo, near Columbia, S. C., to produce aluminum electrolytic capacitors. Located on 135-acre site, plant will provide 90,000 sq. ft. of production area in 2 manufacturing buildings, and an additional 15,000 sq. ft. of office space. Plant eventually will employ 700, with limited production due to start early in 1956.

Movies still lead TV in color superiority because of better control and standardized processes, according to Donald G. Fink, Philco director of research for TV-radio-appliances. Addressing SMPTE convention in Chicago this week, he said it's up to TV engineers to narrow the gap. As for TV market generally, Fink hoped that industry would emulate auto producers—upgrading performance and upgrading price, if necessary.

Indiana Steel Products Co.'s contract to purchase Ferroxcube Corp. of America (Vol. 11:13) has been "terminated," and Ferroxcube will continue to be owned and operated jointly by Sprague Electric Co. and Philips Industries Inc. (Philips of Holland).

Walsco Electronics Corp., 3602 Crenshaw Blvd., Los Angeles (TV antennas & chassis) has been purchased by TelAutograph Corp., N. Y., which produces and leases system for transmission of handwritten messages by wire. Walsco becomes a div., Walter L. Schott continuing as pres.

Multiplexing equipment, to be used under new FM functional music rules (Vol. 11:13), will be available from Gates Radio within 90 days, according to National Music-time Corp., which plans to offer stations tapes carrying 8 hours of instrumental music. Company is subsidiary of Audio-Video Products, 730 Fifth Ave., N. Y., is working with Lang-Worth which will continue to service AM stations.

Experiment in commercial TV in Morocco has failed, as French Govt. prepares to buy out privately owned station in Casablanca, which lost average of \$57,000 a month in first year. Compagnie Marocaine de Radio-Television (TELMA), partly financed by American private capital, will be sold to Radiodiffusion-Television Francaise for a reported \$2,285,000. Station will remain on air.

Technical description of large-screen projection color is presented by RCA's Louis L. Evans & R. V. Little Jr. (latter now Remington Rand) in April *Journal of the SMPTE*.

SMALL-MARKET STATIONS will have access to more top network programs as result of 2 developments announced April 22:

(1) CBS disclosed new "Extended Program Service plan" to make available, on sustaining basis, 20-30 CBS commercial programs to affiliates in markets where stations are unordered by sponsors. Plan begins experimentally May 23, is similar to NBC's "Program Service Plan," whereby unordered affiliates are permitted to carry certain NBC-TV shows and to substitute locally-sold commercials for deleted network commercials (Vol. 11:15).

(2) NBC exec. v.p. Robert W. Sarnoff told affiliates meeting that network is working on plans to let unordered optional affiliates use kines of network shows, after their regular run, for sale to local sponsors. Stations would pay small handling charge. This would be in addition to the live Program Service Plan shows now available to interconnected stations. This live lineup was increased this week to 22¾ hours weekly with addition of *Ding Dong School* and *News Caravan* to roster of shows offered non-commercially to unordered affiliates—which already includes *George Gobel*, *Sid Caesar*, *Today*, *Home, Tonight*, etc.

CBS-TV pres. J. L. Van Volkenburg said that, though Extended Program Service shows would be offered at first on sustaining basis only, "studies are under way in order to make some network programs available on a cooperative basis to stations not ordered by advertisers." This would permit these stations to sell time during these network programs, as is now the practice under NBC's Program Service Plan. Van Volkenburg said programs would be added to list as rights are obtained. Participation will be limited to stations in areas where there is "no significant overlapping circulation" with stations already carrying same programs on commercial basis.

By bare 4-3 vote, FCC voted license renewal of radio WOL, Washington, over dissents of Comrs. Lee, Doerfer & Hennock, who charged station with "over-commercialization" and carrying "bait-&-switch" pitches. Comr. Lee's blunt dissenting statement, in which other 2 concurred, noted: "Because some of the others are guilty of the same practice, it is urged here that we should not single out this particular station. But the short answer to that is that we should firmly exercise our jurisdiction as the cases come before us." Lee called attention to offers of \$14.95 vacuum cleaners, followed by attempts to switch customers to \$125 units. "It is claimed that there has been an improvement at WOL," he stated. "If so, the improvement has been negligible." WOL pres. Henry Rau, former pres. of Fly & Harwood Appliance, Memphis, stated that station is member of Better Business Bureau, carries no commercials unacceptable to BBB. "We do not feel we are over-commercialized," he said. "Perhaps the best answer we can give is that according to the Pulse audience measurement survey, the audience of WOL in the Washington area has increased by approximately 50% since we took over in the middle of Nov., 1953."

Two applications were filed with FCC this week—both for outlets in U. S. territories: For Ch. 12 at Mt. Haleakala, Maui, Hawaii—same location as Ch. 3 satellite which went on air last week (Vol. 11:16)—by KVMI, Maui, which plans to rebroadcast programs of KONA-TV, Honolulu; for Caguas, Puerto Rico, Ch. 11, by WKVM, San Juan. Commission now has 159 applications on file (16 uhf). [For details, see *TV Addenda 20-O* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

Licensed TV receivers in Britain totaled 4,407,393 March 1, increase of 99,621 during Feb.

NBC-TV affiliates convention in N. Y. April 21-22, in addition to getting fill-in on color plans and extension of option affiliates' program plans (see adjoining column & p. 10), heard report from Richard A. R. Pinkham, v.p. in charge of network programs, that evening time this summer is virtually sold out, that 250 individual advertisers are expected to use network this year, and that this fall will see continuation of trend to 90-min. & hour programs. He also noted "upsurge of interest in daytime programming," as indicated by recent sales on *World of Mr. Sweeney*, *Modern Romances* & *Tennessee Ernie*. Pres. Sylvester L. Weaver Jr. said that each NBC-TV program will stress "informational content." He added: "We must aim up, not down. This means use of plot that reflects credit on the human side instead of discredit, that brings awe and wonder and excitement and exhilaration to someone because of the solution of a human problem by a human being in a predicament." At conclusion of meeting, affiliates adopted this resolution: "NBC-TV affiliates hereby express their renewed confidence in NBC's sales and program policies and unanimously feel that the accomplishments in sales and programming concepts, as expressed by the summer and fall schedules will materially increase NBC's leadership as the No. 1 advertising medium." Elected officers and members of affiliates exec. committee: chairman, Walter J. Damm, WTMJ-TV, Milwaukee, re-elected; vice-chairman, Clair McCollough, WGAL-TV, Lancaster; secy.-treas., Wm. Fay, WHAM-TV, Rochester; Jack Harris, KPRC-TV, Houston; Robert Hanna, WRGB, Schenectady; W. W. Warren, KOMO-TV, Seattle; Fred Mueller, WEEK-TV, Peoria; James Moore, WSLS-TV, Roanoke; Robert Lemon, WTTV, Bloomington, Ind.

NBC-TV severs affiliation with WTVR, Richmond (Ch. 6) as of June 1, and this week reported it has signed affiliation with upcoming WXEX, Petersburg, Va. (Ch. 8), controlled by Tom Tinsley, who operates radio WLEE in Richmond and WITH, Baltimore. Bad news for pre-freeze Wilbur Havens station, which has had all 4 networks in one-station area but became NBC exclusive in Dec. (Vol. 10:50), came on eve of April 22 celebration of its 7th anniversary as "first TV station in the South." Havens' radio WMBG, while an NBC affiliate, has not renewed affiliation contract and presumably AM will also go to Tinsley. TV station originally was assigned WVAA call letters but is changing to WXEX. Tinsley got grant in competition with Louis Peterson's WSSV, Petersburg, and station is now under construction despite Peterson's pending appeal to courts.

FCC chief examiner James Cunningham was granted important new powers this week when Commission amended Part O of rules to authorize him to: (1) Assign examiners to specific cases. (2) Set dates and places of hearings. (3) Act on petitions to intervene to dismiss applications or to dismiss cease-&-desist orders. (4) Act on requests to file additional pleadings provided in Sections 1.730 & 1.751 of rules. (5) Act on other types of pleadings in cases designated for hearing if such pleadings are filed before issuance of an initial decision.

Wiretapping should be authorized in cases involving national security, FCC Comr. Robert E. Lee, an ex-FBI man himself, told House Judiciary subcommittee this week, stating that he spoke for himself, not for whole Commission. He said Attorney General should have power to authorize wiretapping even though it's "another form of eavesdropping that is abhorrent to our system."

Accenting program and commercial side of TV, replete with articles, pictures, statistics and ads, *Radio-Annual-Television Yearbook* was released this week by *Radio Television Daily* (1360 pp., \$15). It's biggest volume of its kind ever compiled.

MARTIN CODEL'S

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

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

BAROMETERS OF ECONOMIC UPSWING—Review of current business appraisals and forecasts, all pointing to good business generally all this year (p. 1).

UHF EXCISE TAX REPEAL backed unanimously by set makers, who say it would cause vhf-only sets to disappear from market; bill faces uphill battle (p. 3).

WHY NOT LIVE REPEATS? Program executives admit fear of losing viewers, but continue experiments with quick repeats of hits (p. 4).

DEINTERMIXTURE PROSPECTS appear doubtful; Pittsburgh Ch. 11 merger in offing; ex-Camr. Janes protests Texas power boost an anti-trust grounds (p. 6).

SUBSCRIPTION TV DEBATE gets shriller as rival interests argue bitterly and FCC is deluged with mail, running about 5-to-1 in favor (p. 6).

ALL-UHF ALLOCATION, FCC pressure on set makers who own stations urged by Camr. Hennack in "separate comments" to Senate as Platkin-Janes reports (p. 7).

STROMBERG-CARLSON MERGER into big General Dynamics Corp. paints up trend in electronics; reasons far and fiscal background of deal (pp. 11 & 15).

HALLICRAFTERS BREAKS COLOR PRICE to \$695 an eve of RCA announcement; Dr. Baker dubious unless price goes below \$500; others give their views (p. 11).

ZENITH & SYLVANIA increase sales and earnings in first quarter, former's net climbing to \$4.21 a share from \$1.68; reports on other companies (p. 14).

IMPROVEMENT OF PROGRAMS getting more attention, as NBC launches "multi-million dollar talent development program," with stress on fresh material (p. 9).

ALABAMA EDUCATIONAL station starts this week, second of 3, bringing an-air total to 430; plans of upcoming stations (p. 10).

FREE POLITICAL TIME on TV-radio apposed by CBS & NBC spokesmen in testimony before Senate subcommittee; NBC offers 1-min. & 5-min. political spots (p. 16).

SOME BAROMETERS OF THE ECONOMIC UPSWING: Brevity is our business -- and busy business men are our readers for the most part. So we thought you might like a briefing on the mass of economic appraisals and business forecasts which have crowded the popular as well as specialized press in recent weeks. Accordingly, here are digests of some of the more significant current reports. Whether they equate with your own business, and how, you alone are in position to determine.

One that touches the TV trade closest, though it does not purport to particularize, is that of Econometric Institute, N.Y. It sees dollar volume of retail sales climbing to new highs this year -- reaching a seasonally adjusted annual rate of \$180.6 billion in fourth quarter. Broad demand for consumer goods of all kinds will continue through 1955, it shows, gaining 7% first quarter, 4% second, 5% third, 4% fourth. Forecasts of better retail business this year are based on 1.7% gain in population, high levels of employment, increase in disposable income.

For durable goods as a whole, Econometric Institute puts quarterly gains over last year at 10%, 4%, 5% & 5%, respectively. In the "appliance-radio" category (not otherwise broken down) figures are minus-2% first quarter, minus-4% second, plus 1% third, plus 8% fourth. That such dollar reductions or increases cannot be applied specifically to TV and/or radio, is evident -- but they serve as a broad gauge. Nor are they applicable apparently to some appliances, for GE's major appliance division (not including TV-radio) this week reported first quarter sales 37% ahead of year ago, noting trend upward in all lines -- led by dishwashers, up 91%; dryers, up 73%; automatic washers, up 61%.

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Dept. of Commerce's Office of Business Economics states pickup in business activity which began last fall was widespread throughout the economy, and showed no signs of abating at end of March. New orders received by manufacturers were about 25% above same 1954 quarter. Increase in orders and sales was largest in durable

goods industries like automobiles, refrigerators, washing machines, etc. Good Xmas season last winter continued into ensuing months as disposable national income went up and manufacturers' payrolls rose 9% on seasonally adjusted basis.

Twentieth Century Fund, citing Dept. of Commerce figure of \$5330 as average family income for 1954 and the Bureau of Labor Statistics' figure of 40.7 hours as average work week in manufacturing, with 63,663,000 employed or in armed forces and 3,176,000 unemployed, makes this prediction for 1960:

Average family income \$6000; 37½-hour work week; 69,000,000 employed or in armed forces; only 3,500,000 unemployed, principally shifting between jobs. Report continues: "The aggregate net income of the more than 160,000,000 Americans today probably exceeds the combined income of the 600,000,000 people living in Europe and Russia and far surpasses [that] of the more than 1 billion inhabitants of Asia."

Syndicated financial writer J.A. Livingston rounds up optimistic statements by various industrialists and observes, "Feel the glow?" The current prosperity wave, he says, is manifested in the jump in overtime work, rise in average weekly pay to \$75, and expansion in business, security & real estate loans. "We're having a boom in business and a boom in confidence," he writes.

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U.S. News & World Report (April 29) bulwarks its confidence with statistical tables, asserts prosperity will continue to rise to new highs in year ahead, incomes will soar, jobs will be plentiful, profits will increase and dividends go up. It sees uptrend in every field but farming -- and only a war or catastrophe halting upswing before mid-1956. Its charts show:

Hard goods output index is 148 now vs. 137 year ago, going up to 155 year from now (1947-49 equaling 100). Soft goods index is 122 now vs. 115 year ago, will go up to 127 year hence. Retail trade index is \$179.5 billion now vs. \$168.4 billion year ago, will be \$188 billion year from now. Retail price index is 114.2 now vs. 115 year ago, will be 114.1 year hence. Factory wages are \$1.85 per hour now vs. \$1.81 year ago, will be \$1.92 year from now.

Total income is now at annual rate of \$294.3 billion vs. \$285.2 billion year ago, will be \$305 billion year from now. Total spending by people is \$243.1 billion now vs. \$231.8 billion year ago, will be \$251 billion; by business, \$54.9 billion now vs. \$44 billion year ago, will be \$59 billion year from now; by govts., \$76.1 billion now vs. \$80.1 billion year ago, will be \$77 billion year from now.

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National Assn. of Purchasing Agents' April survey reported business outlook continuing bright, some 59% of members stating production of their companies was increasing. Asked if they thought current boom is result of consumer stockpiling, the answers varied: some thought easy credit was main influence, others said increased population, plenty of bargains, confidence in the economic situation.

McGraw-Hill economics director Dexter Keezer said U.S. business will spend record \$29.5 billion on new plants and equipment this year, up 5% from 1954. Practically every manufacturer, he stated, has raised his sights since the 1954 recession and, as a group, they planned to increase capital expenditure by 3%.

The various business services (Kiplinger, Babson, Brookmire, Prentice-Hall, Standard & Poor's, United Business Service, et al) are uniformly optimistic but with various gradations of caution -- noting particularly the possibility of strikes. The New York Times, editorializing on "The Business Recovery," observed April 28:

"What makes the current figures on the business situation particularly encouraging is not that they show things to be better than a year ago, but that (1) the American economy is now back at a level close to that of 1953, the best year in history, and that (2) the preponderance of evidence indicates that in the absence of unforeseeable developments the trend is going to continue upward for some time..."

Since it's people that count, the fact that U.S. population has gone up 8.5% and households have increased nearly 8% since the 1950 census probably bespeaks more than any of the other figures the main reason for our expanding economy.

SET MAKERS ENDORSE UHF TAX EXEMPTION: With a display of unanimity unusual in the highly competitive TV manufacturing industry, top officials of a score of companies which together make nearly 90% of America's TV sets gave enthusiastic backing to a proposal to exempt all-channel sets from the 10% Federal excise tax. In an informal conference with Senate Commerce Committee this week, they predicted that such a move would result in disappearance of vhf-only sets from the marketplace.

If setmakers and telecasters can keep the ball rolling, Committee Chairman Magnuson (D-Wash.) thinks tax proposal has fair-to-good chance. He referred to this plan as one phase of an effort to keep uhf from "dying on the vine." Underlining urgency of meeting is slowdown in sales of uhf sets, which constituted only 14.4% of Feb. production, as compared to 21.5% in Feb. 1954 and 35% in Nov. 1953.

The manufacturers firmly rejected 2 other help-uhf proposals: (1) Suggestion of "voluntary agreement" to produce all-channel sets only -- reason the meeting was called in the first place (Vol. 11:12) -- was immediately dismissed as a potential violation of anti-trust laws. (2) Legislation to ban interstate shipment of vhf-only sets, proposed last year by Comr. Hennock, was opposed by manufacturers as unfair to customers in vhf-only areas who would be required to pay extra for uhf tuners they couldn't use. Its constitutionality was also challenged.

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Tax exemption won't increase profits of manufacturers, they told the Senators. Average Federal excise tax collection per set amounts to some \$15, just about same as average cost of equipping a set with a uhf tuner. Each manufacturer said his piece at this week's meeting, and consensus was that competition would eventually force all manufacturers to include uhf tuner in every set, even those sets shipped to areas which have no uhf stations -- assuming tax exemption is granted.

Problem of inventories of vhf sets -- estimated at 1-2,000,000 -- troubled some manufacturers. They cautioned that tax exemption bill should have provision for an "effective date" far enough in the future to prevent necessity of "distress liquidation" of vhf-only sets, which might occur if pipelines weren't emptied by the time all-channel sets came on the market at the same price. GE's electronics v.p. Dr. W.R.G. Baker, in wire to the Committee, suggested that industry be given 4-6 mo. warning to get rid of vhf-only sets before any tax measure is effective.

Tax move wasn't viewed as panacea for uhf, but manufacturers and Senators saw it as a necessary step to help lick set circulation problem. The corollary question -- what to do at the telecasting end -- wasn't discussed in any detail. Sen. Payne (R-Me.) told group that some friends from his home state "nearly lost their shirts" in uhf ventures. And Dr. Allen B. DuMont explained that all of uhf's difficulties can't be solved at receiving end. Even high-powered uhf outlets, he said, don't cover as large an area as vhf outlets.

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Excise tax proposal faces tough journey through Congress, and Sen. Magnuson indicated that strong support by manufacturers, telecasters and public is a vital necessity to put it across. He didn't indicate what course his Committee would take to follow up this week's meeting. It cannot handle tax matters, which are under the jurisdiction of House Ways & Means Committee and Senate Finance Committee -- latter headed by economy-minded Sen. Byrd (D-Va.).

"I think we can sustain this proposal," he said after meeting, "if it's put across in the right way." He warned that it will stand no chance if approached as a "tax relief" measure -- "that would just open up a Pandora's box of special interest tax bills for every industry." The Senator stressed that the measure must be pushed from a "public interest point of view."

A uhf tax exemption bill introduced by Rep. Ikard (D-Tex.) is still awaiting action by House Ways & Means Committee. Last year, Senate Finance Committee rejected a similar measure, and substituted a \$7 tax credit for each uhf set produced, but the bill died when Congress adjourned. Set manufacturers don't feel that anything short of complete tax exemption would encourage full-scale uhf production. (For list of those attending this week's meeting, see p. 10.)

WHY NOT LIVE REPEATS? SOME REACTIONS: Our questions about re-runs of live programs last week (Vol. 11:17) -- probing concept of exploiting TV hits while they're hot -- brought several comments from top-level sources this week. They came from men who know their business, and it's apparent that danger of losing audience is main deterrent to more frequent repeats -- rather than economic or legal reasons.

Hubbell Robinson, CBS-TV network program v.p., replying that CBS repeats top programs on Westinghouse Summer Theatre and will undoubtedly do likewise with Climax when it accumulates sufficient backlog, stated: "The fact remains that no matter how good a show may be, a repeat of it within a reasonably short period of time after the initial broadcast categorically eliminates a substantial portion of the viewers who saw it the first time, with the dangers of resulting loss of circulation. I think that this calculated risk has played a large part in the infrequency in the repeat practice of live shows."

Richard A.R. Pinkham, NBC program v.p., evinces a decided leaning toward more repeats of outstanding shows. He says: "I think the successful repeats of 'Davy Crockett' on Disneyland, 'Patterns' on Kraft and our scheduled repeat of 'Peter Pan' next Christmas, together with classics like 'Amahl', will help to point the way to recalcitrant sponsors, agencies and producers to the validity of repeating great TV programs. I am for this as long as utmost discretion is used. The danger is that a lazy producer or an advertiser trying to save money might go overboard on repeats which would be deadly."

H. Pierson Mapes, v.p.-mgr. of Hutchins Adv. agency, citing experience of the Philco Playhouse, which he handles, also pins answer to size of audience. "Actually," he states, "there is no economic or legal reason for not repeating. The repeat would cost substantially the same as the original. [Legally], unless the story had been sold to pictures or for theatre production, it would be available for repeat."

Citing examples of results with repeats, Mr. Mapes noted that Paddy Chayefsky's "Holiday Song," which obtained tremendous critical acclaim in 1952, not only obtained a below average Nielsen when repeated year later but failed to retain as much audience through whole show as original production. Average "holding power" of Philco Playhouse, he said, is above 85%, but the repeat had only 64.9%. Similar results were experienced, he said, with the 1952 repeats of 1950 hits "The Trial of Stephen Kent" and "Brat Farrar" -- this despite fact there were many more sets-in-use in 1952 than there were in 1950.

Such reports do point up the reasons for so few long-delayed repeats, but they also emphasize need for more experimentation with quick repeats -- within a few weeks -- of the type pioneered successfully by Kraft with "Patterns". U.S. Steel is said to be considering repeats soon of powerful "The Rack" & "No Time for Sergeants."

FCC Comr. Rosel Hyde, long a protagonist of the repeat idea, which actually is standard operating practice with TV film shows (and admittedly overdone with old theatrical features) states: "It seems an economic and artistic waste to use the good programs once and then throwing them into the ashcan. I've always argued that there should be some way of cutting the high cost of TV programming by using good programs more than once -- or by stations sharing the programs they create."

Nearly two-thirds of the post-freeze stations, vhf & uhf combined, are losing money, after depreciation charges, said management consultant Richard P. Doherty, ex-NARTB v.p., at this week's meeting of Pennsylvania Assn. of Broadcasters—a condition he called "paradoxical in such a strong growth industry." That would mean some 200 of the 322 still-on-air stations that started post-freeze. Doherty, who has been engaged as director of management services of new GE-backed National Affiliated TV Stations Inc. (Vol. 11:12,14,16), said fully 75% of the industry's total revenue comes from national & regional sponsors and that "the majority of TV stations have not cultivated fully the vast supply of local advertising dollars already being spent." Many stations are inadequately financed, he said, and some have lost so much money it will take them 3-5 years to get even.

Christian E. Rogers Jr. named engineering asst. to FCC chairman George C. McConaughy, leaving post of special asst. to ODM telecommunications chief Harold Botkin; he holds degrees in physics and law, has been mgr. of KALB, Alexandria, La., worked for AP Radio, served as asst. TV-radio director of Republican National Committee 1947-48, worked as a Washington electronics consultant, served as asst. head of Navy Bureau of Aeronautics electronics design branch 1950-52, was assoc. member of law firm Mechlin, Marshall & Smith 1952-54.

The single application filed this week was for Sacramento's educational Ch. 6, by Central California Educational TV (Kenneth R. Hammaker, pres.; John C. Crabbe, exec. secy.). [For details, see *TV Addenda* 20-P herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

Personal Notes: Hugh B. Terry, pres.-gen. mgr. of KLZ-TV & KLZ, Denver, wins U of Missouri's 26th annual honor award for distinguished service in journalism, to be presented May 2 during school's annual Journalism Week . . . Ted Cott, ex-NBC v.p., named gen. mgr. of DuMont's owned-&-managed WABD, N. Y. & WTTG, Washington, assuming former duties of Don McGannon, now operating v.p., Westinghouse stations. George BarenBregge and Leslie G. Arries Jr. continue as local managers of respective stations . . . David Lowe, producer-director, named program director, WABD . . . Harry D. Peck, ex-gen. mgr. of Hearst's Milwaukee radio WISN, named v.p.-gen. mgr. of upcoming WAGE-TV, Marquette, Mich. (Ch. 6), headed by pres. Jerome Sill and due in July . . . John J. McPartlin, ex-asst. mgr. of WTVW, Milwaukee & ex-sales mgr. of WNBQ, Chicago, returns to Chicago to join local sales force of WBKB . . . F. J. (Joe) Kelley, v.p. & gen. mgr. of WTSP, St. Petersburg, Fla., onetime RCA district mgr., has resigned to become partner in Adcraft Adv. Agency, Corpus Christi, Tex.; his successor at WTSP is Jack Olson, controller of *St. Petersburg Times* . . . G. Richard Shafto, pres. of WIS-TV, Columbia, S. C., sailed on *Queen Mary* April 27 for 6-week European tour . . . Wallie Dunlap, program & operations v.p., WICC-TV, Bridgeport, Conn., resigns to become gen. mgr. of WTAO-TV & WTAO, Cambridge, Mass. . . . Guy Koenigsberger named production mgr. of upcoming KRNT-TV, Des Moines (Ch. 8), due in summer, with Bill Riley as public service director . . . Jules Dundes, sales director, promoted to gen. mgr. of KCBS, San Francisco, CBS-owned, succeeding Arthur Hull Hayes, named pres. of CBS Radio, succeeding Adrian Murphy, retired . . . Georges Huard, mgr. of CBC's CBAF, Moncton, N.B., appointed supervisor of TV station CBOT, Ottawa, and of CBC's upcoming French-language CBOFT there . . . Ray Herndon resigns from KTRH, Houston, to become mgr. of KMID-TV, Midland, Tex., succeeding Sid Grayson, who recently bought 50% interest in radio KFXD, Wichita Falls (Vol. 11:9,13) . . . Raymond M. Neihengen promoted to sales mgr., Avery-Knodel, Chicago . . . Dan Bellus, ex-KFEQ-TV, St. Joseph, Mo., heads new sales development & promotion dept., KFMB-TV & KFMB, San Diego . . . Peter Thornton, from WENS, named public relations director, KDKA-TV, Pittsburgh, succeeding Dick Fortune, who joins Cabbot & Coffman agency . . . James E. Szabo, ex-Adam Young TV, Los Angeles, named national sales mgr. in Hollywood for Advertiser's Television Program Service, sales div. of John W. Loveton Productions . . . Norman W. Glenn, v.p. of Doherty, Clifford, Steers & Shenfield, named director of TV-radio programs & production; Russ Ambruster promoted to senior producer . . . George F. Foley, ex-Newell-Emmett TV-radio director, later with Cecil & Presbrey and packager of TV shows (*Tales of Tomorrow*, *Herman Hickman*), enters law practice at 666 Fifth Ave., N. Y. . . . Harry S. Hyett, ex-gen. mgr. of WEAU-TV, Eau Claire, forms regional rep firm with headquarters in Northwestern Bank Bldg., Minneapolis . . . Dave Reque, from sports dept., named TV-radio editor, *Washington News*, succeeding Bernie Harrison, named TV-radio editor of *Washington Star* as Harry MacArthur goes to drama dept. . . . Ray S. Donaldson, ex-chief counsel, Senate Committee on Banking & Currency, joins Washington law firm of Weaver & Glassie . . . Wm. Lawrence, ex-Wm. Esty, Biow and Pedlar & Ryan agencies and west coast TV-radio-movie producer, joins NBC-TV film div. in N. Y. as mgr. of programs & production . . . John Lugt, ex-production mgr., KGMB-TV, Honolulu, now asst. TV director, Brisacher, Wheeler & Co., San Francisco . . . James McMurry named production mgr., WRC-TV & WRC, Washington, as WRC-TV program mgr. George Dorsey assumes same function for WRC but continues as film buyer; Dorsey reports to James E. Kovach, director of programs.

End of 7-month Lamb hearing appeared to be in sight this week—barring unexpected developments—as Toledo & Erie broadcaster-publisher Edward Lamb stepped down from the witness stand and presented a string of witnesses who testified to his loyalty and anti-communism. Winding up cross-examination, FCC Broadcast Bureau attorney Joseph Kittner questioned Lamb about the book he wrote 22 years ago, *The Planned Economy of Soviet Russia*. Lamb insisted the book constituted exposition of the Russian economy, not advocacy, and blamed newspaper competitors in Erie and Mansfield, O. for giving wide circulation to "distortions." Appearing as witnesses for Lamb were: Sen. Estes Kefauver (D-Tenn.), who said he has known Lamb for 3 years and never heard him "say anything that would lead me in any way at all to doubt his loyalty or embrace any belief that would make him unfit to be a broadcaster"; Lowell Baldwin, who owns dry cleaning plant at Maumee, O., stated that Lamb cautioned him in 1939 to avoid any dealings with Communist-dominated labor unions; Sam Sponseller, Ohio CIO field representative, who said he helped clean Communists out of the organization, recalled that Lamb was strongly anti-Red in 1934. Hearing resumes May 3.

New chairman of NARTB's Code Review Board will be G. Richard Shafto, WIS-TV, Columbia, S. C., replacing John E. Fetzer, WKZO-TV, Kalamazoo, who will continue to serve board for one year ex-officio. New officers and members taking office following NARTB convention May 22-26: Wm. B. Quarton, WMT-TV, Cedar Rapids, replacing J. Leonard Reinsch, WSB-TV, Atlanta, as vice chairman; Mrs. Hugh McClung, KHSL-TV, Chico, Cal.; Richard A. Borel, WBNS-TV, Columbus; Roger W. Clipp, WFIL-TV, Philadelphia. Retiring members are Fetzer, Reinsch and Mrs. A. Scott Bullitt, KING-TV, Seattle. New appointees will attend May 3-4 quarterly meeting of the board in Washington, whose agenda includes: (1) Review of Senate juvenile delinquency subcommittee hearings April 6-7. (2) Study of results of recently expanded monitoring, including special survey of children's programming. (3) Further consideration of "how to stimulate code recognition in films at the production level." (4) Review of "pitchmen" and "bait" advertising practices.

Half ownership of KDRO-TV, Sedalia, Mo. (Ch. 6) and KDRO (250-watts, 1490 kc, MBC) will be obtained eventually by publisher J. Albert Dear under terms of application filed with FCC this week by owner Milton J. Hinlein (Vol. 11:12). Principal of *Sedalia Capital and Democrat*, holding interests in other newspapers and in Tufty News Bureau, Washington, Dear has agreed to buy 7500 shares at \$1 immediately, holds options to acquire 50% for \$40,000 in 20-24 months. Hinlein's Jan. 1 financial statement lists \$280,232 assets, \$176,358 liabilities. Fixed assets are \$212,345 (TV equipment \$133,669 book value); current assets are \$65,619 (\$19,873 accounts receivable). Long-term liabilities of \$169,894 include GE note for \$100,400.

To expedite vacation planning for FCC personnel and those who do business with the agency, Commission announced that it will conduct no hearings or oral arguments July 28-Aug. 30 this year and will hold no regular meetings during the period. Examiners will conduct no hearings, either, but individual commissioners will be on hand to act as Motions Commissioners — to handle emergency matters and routine business.

Libel relief for TV-radio stations was signed into law this week by New York's Gov. Harriman. Measure is designed to shield stations from libel damages as result of broadcasts by politicians. To escape liability under the law, stations must announce at beginning and end of political programs that the remarks are not subject to censorship and do not reflect opinions of station.

FCC's "SECOND LOOK" at vhf-uhf deintermixture is still in its early stages, and commissioners aren't indicating how they think—but the betting in Commission and in industry is strongly against probability of any substantial deintermixture when final votes are tallied. There are few who will predict that more than 1 or 2 cities—if that many—will be deintermixed.

Commission's decisions will be delayed somewhat because of parties' requests for more time to file comments on proposals to deintermix Peoria, Ill.; Evansville, Ind.; Madison, Wis. and Hartford, Conn. (Vol. 11:14). Deadline for comments was extended this week from May 2 to May 17—and FCC has promised oral argument later. Last week, it extended the deadline for comments on Albany, N. Y. case to May 20.

Next clues may come when Commission decides whether or not to start rule-making on the raft of additional petitions for deintermixture precipitated by the 5 foregoing cases. Stimulated by FCC action in those cities, stations have filed petitions for deintermixture affecting following principal cities: New Orleans & Baton Rouge, La.; Hutchinson & Manhattan, Kan.; Raleigh & Durham, N. C.; Fresno & Sacramento, Cal.; Miami & Jacksonville, Fla.; Spartanburg, S. C.; Norfolk, Va.; Toledo, O.; Corpus Christi, Tex.

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Commission issued no grants this week, though a Ch. 11 CP for Pittsburgh may be in the offing, since competitors WWSW & WJAS are working toward merger giving each 50%. Complication in Miami Ch. 10 case may be expected, Storer Bestg. Co. having told Court of Appeals last week it would file application for Ch. 10 pursuant to court's decision in multiple ownership case (Vol. 11:9). Ch. 10 hearing has been concluded there, but Storer feels it has right to file, nonetheless. Storer now operates uhf WGBS-TV, Miami (Ch. 23), is seeking to get area deintermixed, this week asked Commission to hold up action on Ch. 7 decision pending consideration of deintermixture.

In first major TV case since returning from work on Senate Commerce Committee's uhf-network investigation,

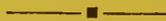
attorney Robert F. Jones, ex-FCC member, submitted 40-p. protest on behalf of KWTX-TV, Waco, Tex. (Ch. 10) against grant of increased power recently authorized to KTBC-TV, Austin (Ch. 7)—which is owned by wife of Senate majority leader Lyndon Johnson (D-Tex.).

Protest charges KTBC-TV is violating Sherman & Clayton anti-trust acts and will increase dominance with power increase. It states that uhf KANG-TV, Waco (Ch. 34) had been able to obtain only DuMont affiliation until bought by Mrs. Johnson last Dec., whereupon both CBS and ABC "almost immediately" indicated willingness to affiliate. Until then, KWTX-TV said, it had chance of getting CBS or ABC. Now, it went on, KTBC-TV has all 4 networks in Austin and KANG-TV has all except NBC. "The above facts," states protest, "strongly suggest that the networks' decisions to affiliate with KANG-TV were not motivated by ordinary business judgment."

Request of grantee WTHT, Wilmington, N. C. (Ch. 3) for more time to build should be denied, examiner Basil P. Cooper recommended in initial decision this week. He said CP-holder has done nothing to start construction, given no good reason why it hasn't.

Two CPs were dropped—KOPR-TV, Butte, Mont. Ch. 4) and KUSH, San Diego (Ch. 21).

Way was cleared for WWLP, Springfield, Mass. to shift from Ch. 61 to Ch. 22 when FCC finalized allocations substituting Ch. 22 for Ch. 61 there, Ch. 25 for Ch. 52 in Barnstable, Ch. 38 for Ch. 50 in Boston, moving Ch. 61 from Northampton to Easthampton, shifting educational reservation in Providence from Ch. 22 to Ch. 36. Commission also proposed to permit WHYV-TV, Springfield, to shift from Ch. 55 to Ch. 40 by starting rule-making to substitute Ch. 40 for Ch. 55 there, Ch. 57 for Ch. 40 in Montpelier, Vt.



FM functional music decision (Vol. 11:13), scheduled to go into effect May 2, has been stayed by FCC for 30 days, pending study of petition for reconsideration to be filed by WWDC-FM, Washington. Commission has adopted new application Form 318 for the service—called "Request for Subsidiary Communications Authorizations (SCA)."

SUBSCRIPTION TV debate continued this week, a bit shriller if anything, and it becomes even clearer that when battle before FCC eventually ends the Commission won't have much more to go on in reaching a decision than it does now—that it will have to make its decisions on basis of theory, pressures and commissioners' sociological & economic leanings.

Commission doesn't necessarily have to make a flat "yes" or "no" decision, may consider authorizing "temporary commercialization" on broad enough scale to produce factual information.

Yet it may prove impossible, through such a test, to answer opponents' major objection—i.e., pay-as-you-look TV will end up simply charging viewers for what they now get free. And there's question, too, whether fee-TV operators will be able to obtain for the tests the prime program fare they seek—current feature movies.

Zenith's small-scale test with 300 Chicago families several years ago, in TV's infancy, is generally considered obsolete. At that time, Zenith managed to pry loose some Hollywood features by getting Justice Dept. to threaten anti-trust proceedings. Movie producers were terribly touchy about "monopoly" charges then; it's anyone's guess as to what would happen with "commercial" tests now.

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Issues were sharpened up a bit more this week, meanwhile, in debate before FCC Bar Assn. between Zenith counsel W. Theodore Pierson and theatres' counsel Marcus Cohn.

Pierson pinned label "a complete red herring" on opponents' argument that pay-as-you-look TV would result in converting free programs to fee. "They said first that subscription TV would be so successful," he stated, "that it would take over all of the good programs. I submit it could only do that if the public wanted it. We have no means of making the public pay. Therefore, that argument must be based upon the success of subscription TV that is far beyond our wildest dreams.

"At the same time, [they say] that there would be not a minor, but a major revolution in the country, and that everyone would break up their TV sets. Now, I submit both things can't happen. In the final analysis the measure of its succeeding is going to be the public, and if the public gets annoyed with it we are going to get nowhere and lose substantial sums of money."

Cohn put his thesis this way: "The American people have spent approximately \$15 billion since 1948 for TV sets, installations and repairs . . . These people bought their sets on an implied representation by the FCC, by the Congress, and by the local telecaster, that they would never have to pay on their TV sets to see a program . . . All of the arguments which are directed to 'let us give this a try because it is only a new invention' ignore completely the basic problem—that in the process of putting this invention out to the public and getting the public to use it, it is going to deprive the public of something which it already has."

Pierson also analyzed attitude of networks and stations. He said that AB-PT's position is likely to be deter-

mined by its theatre holdings. CBS and NBC "are garnering huge profits out of their power and their operations [and it's easy] to understand why they would not at all like to see a change . . . But should a broadcaster not be in favor of some alternative for success and survival than an affiliation agreement with NBC and CBS? I think we have had demonstrated in the last few months the fickleness of a network's loyalty to its affiliates in terms of an affiliation arrangement." As for NARTB, he asked whether it's "dominated and controlled by the national networks and their sycophants."

Cohn charged Zenith with promising everything to everybody. "Zenith has gone to the newspapers," he declared, "and said subscription TV is a wonderful thing because we don't propose to have any advertising on subscription TV, and therefore the advertising dollar will be more easily accessible to your callers. In still other publicity, Zenith has taken the position that there will be advertising within subscription TV. I would like to know which of the 2 positions is correct."

* * * *

Zenith is reaping results, meanwhile, from its get-out-the-vote campaign, urging people to write to FCC. When we first analyzed letters and cards in FCC files 3 weeks ago (Vol. 11:15), there were 360 in the docket—half for, half against. Today, there are more than 2000—about 5-to-1 in favor of toll TV. Zenith has encouraged letters not only from its stockholders, distributors and dealers but has written to owners of Zenith hearing aids and subscribers to program log of its Chicago FM station.

Among recent supporters gained by Zenith are such diverse groups and individuals as Chicago City Council, National Small Business Men's Assn., actress Gloria Swanson, publicist S. I. Neiman, *Life Magazine* Chicago ad mgr. Wm. G. Erickson, et al.

FCC Commissioners and members of Congress are being deluged with mail, reading little of it. How much effect the sheer volume will have—even they don't know.

Zenith pres. E. F. McDonald sent commissioners photostats of card someone is distributing, opposing pay-as-you-look TV and urging people to boycott Zenith products. McDonald called this "the most vicious and unfair tactic that I have ever seen in the course of consideration of a public issue." One commissioner said, with a laugh, referring to publicity about it, "McDonald has given that card greater distribution than its originators have."

Paramount's International Telemeter is speaking up more and more lately. It sought to join CBS-TV's May 1 debate but was turned down, CBS stating that Telemeter hadn't filed petition with FCC whereas Zenith and Skiatron had. Telemeter reportedly will shortly announce names of some exhibitors who have asked for coinbox franchises in event pay system is authorized.

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Uhf Industry Committee attacked NARTB's stand against pay systems, stating: "Certainly, no artificial restriction or restraint should be imposed on subscription TV if it can augment TV service."

Broadway Assn., representing various businesses, informed FCC and N. Y. City Council of its opposition, based on fear that reduced attendance at movies might harm restaurants, hotels, etc. There are reports that City Council is about to take stand against pay-as-you-look, approving resolution introduced by pres. Abe Stark.

Article in April 30 issue of *Saturday Review* was attacked sharply by Alfred Starr, co-chairman of Organizations For Free-TV. Article includes a "ballot" with which readers can express views, and Starr said: "We are shocked and dismayed at the unwarranted and undeniable bias contained in your ballot," adding that his group should be given space to answer the article.

INACTION is killing uhf, FCC Comr. Henneck charges in her "separate comments" on the Plotkin & Jones reports, submitted to Senate Commerce Committee April 29—6 weeks after FCC majority presented its views (Vol. 11:12). She termed the recommendations made by Senate TV investigation's former majority counsel Harry Plotkin and former minority counsel Robert F. Jones "pure temporizing or ineffective expedients [which] do not alleviate the plight of uhf." The Commission's majority report, she said, "completely fails to prescribe any effective remedies for the illnesses it diagnoses, and prefers to let the passage of time take care of them."

In a bristling 68-p. document, the oft-dissenting Miss Henneck, whose 7-year term as a Democratic member of the Commission expires in exactly 2 months (June 30), again poured blame on FCC for uhf's current plight and for failing to do anything about it, reiterating her advocacy of a new allocation plan which would move all stations to uhf over a given period of time.

Diagnosing uhf's troubles, she said neither Plotkin, Jones nor the Commission has "come to grips" with 3 basic issues facing Senate Committee in its uhf probe: (1) Vhf-only sets now being sold are "depriving the public of 85% of TV." (2) "The network monopoly controls every phase of TV and strangles its development." (3) "Inaction is destroying uhf."

Her principal suggested remedies: (1) Senate Committee and FCC should "immediately initiate a national campaign to inform the public that they are purchasing sets that cannot tune into 85% of TV." (2) "This Committee should take all necessary measures to make it possible for the public to buy vhf-uhf sets, including a direction to the FCC that it use its power in connection with licensees who are manufacturers." (3) Committee should direct FCC to start immediate rule-making "aimed at correcting the monopolistic scarcity of network programming and at equitable availability of such programming to uhf as well as vhf stations." (4) Congress should immediately conduct a "vigorous" network investigation, and FCC should be given statutory authority to regulate networks.



N. L. Bentson group is buying WLOL, St. Paul (5-kw, 1330 kc) from Independent Bestg. Co., headed by Ralph Atlass, pres. of Chicago's WIND, holding CP for WIND-TV (Ch. 20). Application filed this week states sale is for \$300,000 plus 95% of accounts receivable. Sale brings Bentson back to radio in area where his share-time WMIN-TV (Ch. 11) recently went to Bitner interests for \$1,235,000 and his radio WMIN to Wm. F. Johns family for \$75,000 (Vol. 11:15). Actual buyer of WLOL is new BFR Bestg. Corp., 1/3 owners being Bentson, Joseph Floyd and Mr. and Mrs. Edmond R. Ruben. Same interests also operate KELO-TV, Sioux Falls, S.D. & KELO, hold CP for satellite KDLO, Florence, S. D. (Ch. 3).

Transfer of 50% ownership in radio WKAI, Macomb, Ill. and KLIL, Estherville, Ia. to A. G. Bush, chairman of Minnesota Mining & Mfg. Co. executive committee and board member of KSTP-TV, St. Paul, was approved by FCC this week (Vol. 11:15). He assumes the share of Wm. Schons in return for cancelling \$40,000 loan to stations; Edward Schons retains 50%.

The brighter side of broadcasting business — how some radio stations are showing "hometown ad gains"—is subject of April 29 article by *Wall Street Journal's* Joseph M. Guilfoyle, supplementing his recent bearish findings.

Titled RFD, weekly 15-min. farm show produced for U of Missouri's commercial KOMU-TV, now is being carried on film by 8 stations in state.

Station Accounts: First quarter *Rorabaugh Report on Spot TV Advertising* (N. C. Rorabaugh Co., 347 Madison Ave., N. Y., 260 pp., \$30), covering accounts on 230 reporting stations (80% vhf, 20% uhf) which are said to share approximately 90% of the total dollars spent on national spot TV time, lists these as the top 25 spot buyers Jan.-thru-March: Procter & Gamble, Brown & Williamson, Sterling Drug, Standard Brands, Block Drug Co., Colgate-Palmolive, Ratner Promotions, Carter Products, General Foods, National Biscuit, Bulova Watch, Miles Laboratories, Carnation, Grove Laboratories, Anahist, Vick, R. J. Reynolds Tobacco, Chesebrough, Ford, P. Lorillard, General Mills, Peter Paul, Kellogg Co., Toni, General Motors . . . Many of these advertisers placed several schedules for their various products, using varying numbers of stations, so the rankings are arbitrary in that respect. Surprise 7th ranking of Ratner Promotions, for example, embraces spots bought for such varying items on different stations as My-O-Lene rug cleaner, Sona cosmetics, cake & pastry decorators, food slicers, kitchen utensils, plastic towels, etc. . . . DuPont, for Zerone & Zerex, signs Frank Leahy, ex-Notre Dame coach, to replace late Norman Sper in handling filmed *Football This Week*; Norman Sper Jr. continues as producer for Station Distributors, with BBDO as agency . . . Sinclair Refining Co., for new Power-X gas, using local TV-radio programs and spots in April 26-to-early July campaign, thru Morey, Humm & Johnstone, N. Y. . . . Oldsmobile to sponsor *Patti Page* twice-weekly next season in 15-min. film produced by Joseph Santley, thru D. P. Brother, Detroit . . . San Francisco Brewing Co. (Burgermeister Beer) buys 1955 pro grid games of 49ers and Los Angeles Rams, thru BBDO, Los Angeles . . . National Lead Co. (Dutch Boy Paints) buys 52 Norman Brokenshire *The Handy Man* how-to-do-it shows, filmed by Princeton Film Center, to be placed by McCann-Erickson . . . Buitoni Foods Corp. (Buitoni macaroni, Perugina chocolates) sponsoring Italian-language panel quiz titled *Dove-sonnato* (Where Was I Born?) on WATV, Newark, Sun. noon-12:30 p.m., thru Albert Frank-Guenther Law, N. Y. . . . Among other advertisers currently reported using or preparing to use TV: Apsco Products, Beverly Hills, Cal. (New Home waste disposal), thru J. P. Shelley & Assoc., Los Angeles; Blevins Popcorn Co., Nashville (Pops-Rite popcorn & Savorol seasoning), thru Simon & Gwynn, Memphis; Leisurehouse Inc., Wichita (Laundry Karts), thru R. J. Potts-Calkins & Holden, Kansas City; Cinch Products Inc., Los Angeles (cake, corn bread & biscuit mixes), thru Hixson & Jorgensen, Los Angeles; General Paint Corp., San Francisco (Faze quick-dry paints) thru Geo. C. McNutt Adv., Oakland; Branchell Mfg. Co., St. Louis (Royal Melmac & Color-Flyte dinnerware), thru Glee Stocker & Assoc., St. Louis; American Bird Food Mfg. Corp., Chicago (American 3 Veas bird food), thru George H. Hartman Co., Chicago; Crosse & Blackwell (frozen soups), thru J. M. Korn Adv., Philadelphia; Chatelier, St. Petersburg, Fla. (Dr. Chatelier's Plant Food), thru Zemp & Chandler Inc., St. Petersburg.

New reps: WTCN-TV, Minneapolis-St. Paul, recently acquired by Bitner interests (11:15) to Katz May 1 (from Blair); WIRL, Plattsburg, N. Y. to McGillvra (from Adam Young); WROM-TV, Rome, Ga. to McGillvra (from Weed); KTVW, Tacoma, Wash. to Adam Young; WBOC-TV, Salisbury, Md. to Burn-Smith.

Rate increases: WCAU-TV, Philadelphia, raises base hour from \$2400 to \$3000, 20 sec. \$500 to \$600; KTTV, Los Angeles, hour from \$1400 to \$1750, min. \$365 to \$460; WOC-TV, Davenport, \$700 to \$800 & \$140 to \$160. Rate decrease: WTVW, Milwaukee, cuts base hour from \$950 to \$800, min. \$190 to \$160.

Network Accounts: Last of DuMont's "national" network shows, Bishop Sheen's *Life Is Worth Living*, switches to ABC-TV next fall, probably Thu. 8-8:30 p.m. Programs will also be carried on ABC Radio, will consist of 26 live telecasts, 13 filmed repeats. Spokesman for Bishop Sheen said he was switching networks because of larger audience possibilities and higher financial contribution (which goes to Society for the Propagation of the Faith, of which he's national director). Financial details of long-term contract weren't disclosed. ABC is now negotiating for sponsor—with Admiral, the bishop's sole sponsor on DuMont since program began in 1952, identified as one of the negotiators . . . Full sponsorship lineup for *Warner Bros. Presents* (Vol. 11:12), starting Sept. 13, Tue. 7:30-8:30 p.m., as announced by ABC-TV: Liggett & Myers, 30 min. weekly, thru Cunningham & Walsh; GE, 30 min. alt. weeks, thru Maxon and Young & Rubicam; Monsanto Chemical (All detergent), 30 min. alt. weeks, thru Needham, Louis & Brorby . . . GE to sponsor summer series of live dramas from Hollywood, produced by Fletcher Markle, on CBS-TV, starting June 1, alt. Wed. 10-11 p.m., thru Young & Rubicam; on Sept. 21, GE debuts first of 26 one-hour 20th Century-Fox film programs in same time slot, alt. with *U. S. Steel Hour* . . . New Perry Como show, as yet untitled, due to begin in fall on NBC-TV, probably Sat. 8-9 p.m., will be divided into 20-min. segments with this sponsor lineup: Kleenex, thru Foote, Cone & Belding, Chicago, and Dormeyer (blenders), thru Shaw Adv., Chicago, sharing one segment; Noxzema, thru Sullivan, Stauffer, Colwell & Bayles sharing segment with one other advertiser; Warner-Lambert Co. (cosmetics) occupying full segment . . . American Tobacco (Lucky Strike) renews Jack Benny show on CBS-TV for next season (alt. Sun. 7:30-8 p.m.), while dropping his CBS Radio series after 11 years . . . Dodge due to sponsor Hollywood musical variety show featuring Lawrence Welk orchestra this summer on ABC-TV, Sat. 9-10 p.m., thru Grant Adv., Detroit . . . Associated Products (5-Day Deodorant Pads) to sponsor half of summer *Arthur Murray Party* on NBC-TV, starting June 28, Tue. 8:30-9 p.m., thru Grey Adv.; co-sponsor probably will be Toni . . . Reynolds Metals, which drops *Mr. Peepers* June 15, retains same NBC-TV Sun. 7:30-8 p.m. period probably for its *Frontier* film series; Wally Cox will discard "Mr. Peepers" characterization May 8, assuming various other roles in new-format experiments for balance of series . . . General Foods reported shopping for 30-min. Sat. a.m. network period for re-runs of *Roy Rogers Show*.

New campaign to lure top TV spenders away from the airwaves and onto the printed page is being opened by American Newspaper Publishers Assn.'s Bureau of Advertising, its director Harold S. Barnes told ANPA convention this week in N. Y. He said bureau had new weapon against TV—and is "convinced that the same number of dollars most advertisers are spending in TV will do a better job in newspapers." He gave no details, added: "We're showing TV advertisers what those dollars will buy in newspapers. And how much those dollars will buy in newspapers is making their eyes pop." Bureau of Advertising announced that national advertisers spent \$594,120,000 in newspapers last year, 1.2% below 1953's record of \$601,224,000 — but predicted figure for 1955 would be higher. Although much was made of TV as a competitor for advertising revenue and circulation, some publishers also discussed TV's value as an ally. In one panel discussion, several publishers agreed that both news and "preview" features on TV entertainment helped build readership. Some publishers said televised sports have led to increased demand for newspapers, with women as well as men readers following sports stories more closely as result of viewing them on TV.

Telecasting Notes: Paramount has sold 30 films to TV for \$1,550,000, or about \$51,700 each—first major producer to release any old features direct to TV. All releases were pre-1949, produced by Pine-Thomas. Purchaser was Elliot Hyman, head of Associated Artists Productions. The 30 oldies were formerly owned jointly by Paramount and Pine-Thomas, but reverted to 100% Paramount ownership under deal whereby Paramount and Pine-Thomas divided the films they held jointly. Representative titles: *No Hands on the Clock*, *Torpedo Boat*, *I Live in Danger*, *Submarine Alert*, *High Explosive*, *Alaska Highway*, *Timber Queen*. Hyman plans to re-issue them for theatre showing before making them available to TV . . . Top-notch British films, all recent and some still in theatrical release, have been acquired by Ely Landau's National Telefilm Associates, which spent \$1,000,000 for 7-year distribution rights to the 40 pictures, now being offered stations as "Fabulous Forty" package. From Alexander Korda-Elia Lopert, NTA has taken over distribution of *Tales of Hoffman* (Moirá Shearer, Sadler's Wells Ballet), *Captain's Paradise* (Alec Guinness, Yvonne DeCarlo), *Breaking the Sound Barrier* (Ralph Richardson), *Man Between* (James Mason, Hildegard Neff), *Cry, the Beloved Country* (Canada Lee), *Outcast of the Islands* (Ralph Richardson), *Gilbert & Sullivan* (Maurice Evans, Robert Morley). Other films in package were acquired from J. Arthur Rank and Marvin Gries, featuring such stars as Stewart Granger, James Mason, Deborah Kerr, Jean Simmons, Michael Redgrave, Audrey Hepburn, Dane Clark . . . Top-level MGM executives have been huddling with CBS on TV tieup, expected to be disclosed momentarily; Columbia Pictures, which has done well in TV with subsidiary Screen Gems, reported to be readying weekly one-hour live-&-film show for TV to be titled *Columbia Presents* . . . Gene Autry, who lost Supreme

Court fight to prevent Republic Pictures from selling his pre-war films to TV, negotiating with Columbia Pictures to buy 32 westerns he made for Columbia since the war with intention of releasing them to TV in competition with Republic oldies . . . Unusual film deal: General Teleradio's WNAC-TV, Boston, signs to carry TPA's *Ramar of the Jungle* for the next 5 years—the 52 episodes already completed as well as any produced in future. Series is 2½ years old, has already been shown in Boston, deal costing station about \$100,000 . . . Alfred Hitchcock to shoot 39 half-hour mystery shows for Revue Productions at Republic Studios in July . . . Norman Blackburn, TV veteran, buys novel *Circus Boy* for series of 26 half hours to be produced by Screen Gems . . . King Brothers, movie producers, to film half-hour adventure stories with Latin American backgrounds at Churubusco Studios in Mexico City . . . No glutted market of syndicated shows is foreseen by rep Joe Weed, despite "mass of new TV movie producers"; as he sees it, there will be more good features, greater selectivity by spot sponsors & stations, survival of fittest producers, more exclusive prime bookings, less re-run syndication of network shows . . . Ed Sullivan's *Toast of the Town*, playing one-night stands for sponsor Lincoln-Mercury, will be in Eugene, Ore., Spokane & Seattle, May 4-6, respectively, with latest weekday road shows . . . TV workshop for experimental programs has been set up by New York's WRCA-TV, with goal of presenting "at least one new program concept or idea each week." Tryout features will be incorporated into 1-2 p.m. *Norman Broken-shire Show* beginning May 12 with 30-min. mental health show . . . Bob Hope signed by Associated Broadcasting Co., one of Britain's new commercial TV program contractors, for *Sunday Night at the London Palladium*, one of shows planned for debut of ITA in Oct.

RIDING HIGH on crest of praise for "imaginative programming" which first began to be heard following its *Peter Pan* telecast, NBC this week announced it is undertaking a "multi-million dollar talent and show development program" aimed at uncovering new writers, performers and direction & production talent.

Announcement was made by pres. Pat Weaver in April 29 address to Chicago Executives Club. With a rather obvious glance in the direction of Washington, where one TV network investigation is under way and several others have been proposed, he stressed that such a program could be undertaken only by a network—that no "program service" could afford to take such a gamble, in which the decisions often are "in conflict with the safe, quickly profitable action."

Highlights of NBC's program: "Comedy Development Plan, an organized nationwide plan for discovery, development and maturing of comedians of the future, is now being broadened and expedited." In field of music, negotiations are under way with Rodgers & Hammerstein, as well as British composers Benjamin Britten and Sir Wm. Walton, to do original works for TV. And noted impressario Sol Hurok is now searching Europe for TV talent.

Other projects under consideration, as outlined by Weaver: Use of idle NBC interconnection facilities as "audition cable" to permit programming executives to see local acts and shows for possible network use; development of monthly program from local shows picked up from various origination points around country; assisting Broadway producers in casting their plays with hope of building fresh talent for TV; using radio programs as showcases for testing future TV players.

Drama schools of Yale, Carnegie Institute & Iowa State U will share in RCA-NBC scholarship & fellowship grants announced this week. Scholarships are \$800 a year for undergraduates. Fellowships are \$3500 a year for

graduate students, of which \$750 is grant-in-aid to the university. Selections are to be made by the university. In addition, an NBC "Presidents Award" of not less than \$4000 or more than \$6000 will be granted an individual between ages 25-35 who has shown outstanding talent and creativeness in drama, selection to be made by NBC.

* * * *

TV-radio critic Jack Gould, *New York Times*, apparently agreeing with recent column by Herald Tribune Syndicate's John Crosby (Vol. 11:16), April 24 gave accolade to NBC—more specifically to Weaver—for "virtual monopoly on TV excitement" during current season, pointing to *Peter Pan* as high point in "first real offensive in years against the pat and repetitious rescheduling of so much broadcasting."

Said Gould: "As was obvious even last summer, CBS chose this season to take a sabbatical in programming. It made lots of money but suffered a severe intangible loss: no one talked about CBS. Now Bill Paley, CBS chairman, is seeking revenge and has made it clear he is not going to let Pat Weaver have another unchallenged year. The battle of the titans has been resumed." As for ABC-TV, which pulled the sustained coup of the season with *Disneyland*, it has had trouble clearing time on enough stations but "it can be counted on to give the competitive pot a few stirs . . ."

Importance of TV-radio in press association budgets indicated in membership reports this week during ANPA convention: UP listed 144 TV & 1510 radio stations taking its wire services; AP gave total of 1364 stations; INS listed 113 TV stations.

New 15-franc stamp issued by France as tribute to TV shows antennas over Paris skyline with Eiffel Tower dominant; in right corner is screen with letters RTF — Radio-TV France.

ALABAMA'S SECOND educational station — WBIQ, Birmingham (Ch. 10) — went on air this week, bringing total stations on air to 430, of which 13 are non-commercial educational outlets. Station began programming April 28 with ceremonies televised on Alabama's 2 educational stations and on commercial WBRC-TV, Birmingham, George B. Storer officially presenting to station 5-kw RCA transmitter, 6-bay antenna and other station equipment formerly used by his WBRC-TV. Station is owned by Alabama Educational Television Commission, whose WTIQ, Munford (Ch. 7) went on air last Nov., and whose WAIQ, Andalusia (Ch. 2) plans to start in Sept. Many programs will be televised by all 3 stations on the educational "network," which now carries 10 hours weekly. Consultant is ex-broadcaster-telecaster Thad Holt; station's chief engineer is James Evans.

No equipment shipments were reported this week. GE reports order from Chicago educational WTTW (Ch. 11), due on air next fall, for complete station facilities including 5-kw transmitter, 12-bay antenna, 2 vidicon film chains, 2 studio camera & 2 portable camera chains, for mid-July delivery. GE also has order from KRLD-TV, Dallas (Ch. 4) for new 5-kw driver.

Standard Electronics Corp., Claude Neon subsidiary, appoints Canadian Westinghouse, Hamilton, Ont., as sales engineering rep for Canada. John H. Fletcher will manage sales of Standard broadcasting equipment.

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

WDBJ-TV, Roanoke, Va. (Ch. 7), with 50-kw DuMont transmitter & 12-bay RCA antenna on order, plans start next fall, reports mgr. Ray P. Jordan. It has 73-ft. Blaw-Knox tower on hand, but hasn't started construction except for work on interim studios. Grantee is Times-World Corp., publisher of *Roanoke Times* and *World-News*. It's signed with CBS, has set \$600 base hourly rate. Rep will be Free & Peters.

KLFY-TV, Lafayette, La. (Ch. 10), with DuMont 5-kw transmitter due for installation by May 10, has changed test pattern target to May 15, plans June 3 start as CBS affiliate, reports gen. mgr. Bill Patton. It will use 12-bay RCA antenna on 384-ft. Trilsch guyed tower. Earlier this year it got permission to buy out share-time CP-holder KVOL-TV for \$5,000 out-of-pocket expenses incurred by grantee *Lafayette Advertiser* and KVOL gen. mgr. George H. Thomas (Vol. 11:4). Base rate will be \$200. Reps will be Venard, Rintoul & McConnell and Clark Brown (south-southwest).

KSTF, Scottsbluff, Neb. (Ch. 10), which got STA last week to begin operating from interim site on Abrupt Peak, 10 mi. north of Scottsbluff, now plans June 1 test patterns, reports Wm C. Grove, gen. mgr. of parent KFBC-TV, Cheyenne (Ch. 5), 79 mi. to northwest. On June 15 it plans to begin rebroadcasts of KFBC-TV programs as well as some film originations. RCA transmitter & 6-bay antenna are due to arrive May 15, with antenna scheduled for installation on 120-ft. pole in following 5 days. KFBC-TV chief engineer, R. C. Pfannenschmidt will be in charge of 4-man Scottsbluff operation. Time will be sold only in combination with KFBC-TV. Rep for both is Hollingbery.

CKNX-TV, Wingham, Ont. (Ch. 8) hasn't ordered equipment yet, but hopes to be on air by Oct. 15, writes gen. mgr. W. T. Cruickshank. It will use 650-ft. RCA wavestack tower-antenna. Transmitter house will be built 15 mi. out of town. G. W. Cruickshank will be station mgr.; Don Hildebrand, production director; Vin Dittmer & Scott Reid, from CKNX, sales mgr. & chief engineer, respectively. Rep not chosen.

Set manufacturers attending April 25 uhf conference at invitation of Senate Commerce Committee (see p. 3): Admiral v.p. John F. Gilbarte; Capehart-Farnsworth pres. L. G. Haggerty; CBS-Columbia pres. Seymour Mintz & CBS Inc. v.p. Richard S. Salant; Avco v.p. L. I. Hartmeyer & Crosley-Bendix div. attorney F. J. Ball; Allen B. Dumont & Julian Freret; Emerson pres. Benjamin Abrams; GE attorney Gerald Toye; Hallicrafters pres. R. W. Durst; Hoffman pres. H. Leslie Hoffman; Lion Mfg. Corp. TV-radio gen. mgr. Paul H. Eckstein; Magnavox pres. Frank Freimann & v.p.-secy. Gerald M. Ungard; Motorola exec. v.p. Robert W. Galvin; Philco v.p. James M. Skinner; RCA pres. Frank Folsom, exec. v.p. Robert A. Seidel & v.p.'s Robert L. Werner & Frank Russell; Stromberg-Carlson radio-TV v.p. F. Leo Granger; Sylvania v.p. Arthur L. Chapman & attorney R. E. Anderson Jr.; Travler v.p. I. Edelstein; Wells-Gardner pres. Robert Alexander; Westinghouse Bestg. v.p. J. E. Baudino, mgr. engineering G. C. Larson, counsel John Steen & J. E. Walsh; Zenith sales v.p. H. C. Bonfig & engineering v.p. G. E. Gustafson; RETMA pres. Glen McDaniel & exec. v.p. James D. Secret. Senators attending: Chairman Magnuson (D-Wash.), Monroney (D-Okla.), Ervin (D-N.C.), Bible (D-Nev.), Schoepfel (R-Kan.), Payne (R-Me.).

New glass shadow-mask for color picture tubes is under development at Corning, whose pres. Wm. C. Decker calls it "the most marvelous article ever made of glass." Aimed as substitute for metal mask, glass unit has some 400,000 holes made by photo-etching process, has rim of photoceramic glass. RCA color tube engineering mgr. C. Price Smith says that RCA hasn't had any samples yet and it's too early to tell whether glass has advantages over metal. "There are problems with it, which Corning readily admits," he said. "For example, there's the problem of fastening and positioning glass and there's the matter of a 'charging effect' on glass, requiring a special coating." From cost standpoint, Price says there's no doubt glass could beat present cupro-nickel masks, but work on mild steel may bring cost of metal way down.

A 3-vidicon color camera chain for medical use was introduced by RCA this week at National Academy of Science exhibition in Washington. Designed for portability and compactness, chain comprises 3 suitcase-style units weighing 40-50 lbs. each plus the camera. Dr. Vladimir K. Zworykin, who headed development, stressed compatibility of chain, stating: "The compatibility of this novel system means that information may be televised in color from the operating room or the medical laboratory to doctors and research workers across the country by commercial broadcast facilities as readily as over a closed-circuit. The pictures may be seen on standard home-type color TV receivers with no alteration." Previous RCA color medical demonstrations employed regular studio-type chains (Vol. 11:14).

Upcoming network color schedules: NBC-TV—May 2, *Producers' Showcase*, "Darkness at Noon," with Lee J. Cobb, David Wayne, Ruth Roman, Oscar Homolka & Joseph Wiseman, 8-9:30 p.m.; May 7, *Max Liebman Presents*, "Desert Song," with Nelson Eddy, Gale Sherwood, Otto Kruger, John Conte, Salvatore Baccaloni, Viola Essen & Earl William, 9-10:30 p.m.; May 11, Kraft Theatre, 9-10 p.m. CBS-TV—May 4, *Best of Broadway*, "Broadway," with Joseph Cotten, Piper Laurie, Gene Nelson, Keenan Wynn, Martha Hyer & Akim Tamiroff, 10-11 p.m.; May 12, *Shower of Stars*, "High Pitch," with Marguerite Piazza, Tony Martin, Wm. Frawley & Vivian Vance, 8:30-9:30 p.m.

Experimental color rates charged networks by AT&T for coaxial-microwave facilities will be extended additional 6 months to Dec. 1, phone company notified FCC this week.

THE MAGIC WORD IS 'ELECTRONICS': Just about a year ago, under this same caption, we noted (Vol.10:20): "As magical as TV, which is its commercial keystone, electronics during recent years has attracted many companies which never before had anything remotely to do with it -- some in such a big way that the tail now wags the dog. Hardly a week passes nowadays without word of new ventures, expansions, acquisitions or mergers in various fields of electronics. By and large, the main factor motivating non-electronic companies into the field is the desire to diversify."

Then we pointed out how virtually all aircraft manufacturers have gone into electronics research and manufacture, competing for military orders with old-line TV-radio-electronics manufacturers. Their continuing success is only too well known to many of the old-liners, large and small. We also published, in the same issue, a roundup on unusual entries into electronics field, some of them great industrial names, as prepared for us by Edgar Greenebaum Jr., the Chicago financial consultant.

Proposed merger of Stromberg-Carlson Co., substantial TV-radio-electronics manufacturer and pioneer TV-radio broadcaster, into fabulous General Dynamics Corp., builder of the atomic submarine Nautilus and parent of huge Convair as well as of big Canadair Ltd. of Canada, points up this trend-to-electronics. It's the biggest such merger yet and, unless we miss our guess, it's forerunner of other and similar big mergers of old-line electronics companies with major and minor entities in atomic, aero or other industrial pursuits.

Not only the loss of defense business reflected in balance sheets of some TV-radio manufacturers, but the eagerness of electronics competitors as well as non-electronic enterprisers to expand and diversify, will bring about more mergers. It's in the wind, and it's a logical development of "single weapons system" of procurement whereby defense electronics contracts seem to be tending to go to builders of end items, particularly in aircraft and missile fields.

One of reasons impelling Stromberg-General Dynamics merger, which will be on share-for-share basis, subject to approval of the stockholders of both companies at meetings June 28, is understood to be former's heavy involvement in military sub-contracts with Convair. (For further details about the merger, see p. 15.)

WHAT PRICE WILL BRING MASS COLOR MARKET? On eve of RCA's revelation of production plans for new 28-tube color set at May 3 stockholders meeting -- at price expected to be well below the \$895 of 38-tube receiver -- Hallicrafters broke with \$695 price. Pres. Wm. J. Halligan informed distributors that set will employ RCA 21-in. tube and 25 receiving tubes, "using a combination of RCA circuitry and our own."

Set will be introduced in June, he said, and company will "go into immediate production for the fall market." He stated that Hallicrafters' entry into color now is significant because "we have been one of the few major companies in the industry who did not give way before the many hysterically premature surges on color which skyrocketed overnight -- only to burn themselves out before returning to the ground." He estimated industry will produce 100,000-150,000 color sets this year.

In contrast to Halligan's enthusiasm, GE v.p. Dr. W.R.G. Baker, in his first statement on color in many months, expressed doubt that even a \$500 set would be the key to mass market. Speaking to MIT Club in New York April 27, he said that sales of more than 500,000 annually aren't likely until 1957, that 1,000,000 rate won't come before 1958. If programming is sufficient, he said, sales of 5,000,000 annually may be expected in 1960 and thereafter.

Dr. Baker said that surveys conducted at color demonstrations indicate that 3 out of 4 people would buy color when the price is "substantially less than \$500," though how much less wasn't determined. He said that 9 out of 10 prefer color to monochrome but insist on 3-4 hours of color programs each evening before buying.

Reason for concluding that \$500 won't bring mass market, according to Dr. Baker, is that mass market has several levels. He said a "class" group may be willing to pay up to 40% more than high end of black-&-white line (an average of \$600 for color set), but he predicted that lower income groups wouldn't be willing to pay more than 25% extra for color receivers.

A major manufacturer, who asked us not to name him, confessed to us that he has done a lot of "soul searching" about color and avowed he was as anxious as anybody else to get it going. He will make "a few" of the new-chassis sets, he said, and will price them competitively -- but is dubious about their saleability. He also is skeptical about the round tube. "The tube absolutely has to be rectangular," he said. "We've tested audiences, and they don't like the round tube." Moreover, he added, glass tubes are superior.

RCA is turning out some 3000 metal-coned tubes a month at Lancaster, can push this up to 30,000 (Vol. 11:16) -- and it's an open secret that it has been stockpiling them against expected orders from other manufacturers. It's committed to 21-in. rounds as least expensive to make, strongest and most stable. Prime mover for 22-in. glass rectangular, CBS-Hytron, which has sampled its tube to the set makers, is waiting for demand before undertaking production.

On bullish side, Packard-Bell report to stockholders states that company has made "great strides in research and development," is now in "actual production planning stage," will be "among the first companies in the country to produce color TV sets that will meet the practical requirements of the public."

Right picture tube still isn't available, according to Zenith pres. E.F. McDonald (see p. 14), who told stockholders he had color set taken out of his home 3 weeks ago because he was tired of servicing needed to keep it working.

Topics & Trends of TV Trade: "Terrific fall season" in TV-radio trade, but only nominal profits on TV receivers due to consumer preference for low-end, seems to express consensus of leading manufacturers as they prepare new lines for summer marts and distributor convention displays. It's usual seasonal slacking-off time right now, hence talk of "lower business" and "trend downward." With some exceptions, factory output has slowed down, though it's still running well ahead of 1954 in both TV & radio. In some instances, workers have been temporarily furloughed.

TV production during week ended April 22, according to RETMA, was 151,593 units, slightly ahead of preceding 2 weeks; radio production was 275,176 units (140,098 auto), up slightly from preceding week. It was year's 16th week, and cumulative output of TVs is about 2,625,000 compared with about 1,790,000 in same 16 months last year; of radios, about 4,475,000 vs. 3,140,000. (Note: Cumulative figures are subject to revisions by RETMA when it makes monthly recapitulations.)

Here's a tabulation of the weekly output figures for TV and radio, with comparisons with comparable 1954 weeks. It points up fact that lower output rate in recent weeks is seasonal; it also shows how TV & radio production has been running ahead of some 1954 periods every week thus far:

Week Ending	TELEVISION		RADIO	
	1955	Comparable 1954	1955	Comparable 1954
Jan. 7	190,895	106,525	278,371	225,481
Jan. 14	166,522	95,915	267,544	221,372
Jan. 21	150,985	111,188	262,949	215,976
Jan. 28	154,421	110,156	226,054	202,837
Feb. 4	171,624	107,853	264,693	192,523
Feb. 11	171,434	107,702	261,827	190,207
Feb. 18	176,030	110,544	271,942	173,833
Feb. 25	176,887	105,721	275,648	192,949
Mar. 4	166,461	113,026	297,457	188,526
Mar. 11	160,995	118,484	297,595	181,710
Mar. 18	164,478	118,284	307,549	202,893
Mar. 26	163,042	124,343	300,568	191,149
Apr. 1	163,746	123,280	287,740	180,726
Apr. 8	150,453	124,771	275,849	198,461
Apr. 15	146,472	108,752	273,639	182,685
Apr. 22	151,593	109,619	275,176	178,752

DISTRIBUTOR NOTES: Sylvania appoints big McKesson & Robbins drug firm as distributor for radios & phonographs to be sold through drug stores; 14 M&R branches have thus far been lined up in what may develop into nation-wide arrangement over and above regular channels of distribution to appliance, furniture & dept. stores . . . Hallcrafters appoints Rogers & Baldwin Hardware Co., 315 South Ave., Springfield, Mo. . . Bendix appoints Hynes & Waller, 1015 Ninth St. NW, Washington, D. C. . . Philco Distributors, Philadelphia, reports resignation of northeast district rep Wm. Taschner, who plans to open appliance outlet in Lakewood, N. J. . . F. B. Connelly Co. (Sylvania) transfers Richard L. Connelly from Seattle to Portland, Ore., as temporary mgr., succeeding Eldon N. Dean, resigned . . . Westinghouse Electric Supply, San Francisco, promotes Edward G. Marten to TV-radio sales mgr. . . Stromberg-Carlson appoints Archie Jones, 925 E. Flagler St., Miami, and Mechanical Engineering Corp., 228 Bank St., Norfolk (G. A. Bering, pres.) . . . Admiral appoints Associated Radio Distributors, 1929 Market St., San Francisco (Cecil D. Roarke, owner) for radios only in northern Calif.; Admiral also appoints Coffin & Wimple Inc., 142 Broad St., Bangor (Milton F. Coffin) for Maine and north-east N. H.; firm has sub-distributing operation at 51 Main St., Portland (Harold I. Hamm, mgr.).

Philco's James H. Carmine is subject of *Fortune's* May "Portrait"—a splendid shot by Myron Ehrenberg, in full-page color—and writeup recounting how "he sold his way out of the troubles." Starting with Philco as a salesman in Pittsburgh 32 years ago, Jimmy Carmine became pres. last year at age 51. Article says: "Mr. Carmine exemplifies Philco's corporate personality, noted for hard-working and fast-moving management ever since the company shifted to radios from storage batteries in 1928 and in just 2 years outsold every competitor."

Mrs. Ruth S. Tay, wife of Clarence S. Tay, gen. mgr. of Admiral distributing branches, died April 23 in Evanston, Ill. Besides her husband, a daughter survives.

Trade Personals: Harold J. Schulman, CBS-Columbia director of product service, onetime DuMont service director, named asst. to pres. Seymour Mintz in charge of coordinating all company plans & activities; Henry Hinz, chief mechanical engineer and asst. to Mintz, has resigned to form Henry Hinz Assoc., 1888 Grant Ave., E. Meadow, L. I., design engineering consultants . . . C. W. Taylor, recently mgr. of tube parts & machinery sales, appointed to newly created position of mgr., color kinescope marketing, RCA tube div. . . Nils G. Anderson promoted to mgr. of Camden plant of RCA engineering products div., reporting to S. N. Lev, gen. plant mgr. . . Kenneth R. Johnson elected sales v.p. and Jean P. Gleis manufacturing v.p., Packard-Bell . . . Irving Sarnoff, Bruno-N. Y., due back May 5 from tour of Orient, during which he and Mrs. Sarnoff visited their son stationed in Japan . . . S. G. Patterson promoted to pres. & gen. mgr., Rogers Majestic Electronics Ltd. . . E. Arthur Hungerford Jr., mgr. of TV dept., General Precision Lab, named exec. director, Metropolitan Educational TV Assn., whose chairman is Dr. David D. Henry, vice chancellor, New York U . . . Edward F. Hamilton, ex-Admiral, named to newly created post of special representative, Hallicrafters sales dept. . . Dan Creato, v.p. & gen. counsel, RCA Service Co., picked for 1955 "Friends of Service" award by National Alliance of TV & Electronic Service Assns., according to Frank J. Moch, NATESA pres. . . Clarence C. Dixon appointed Southeast district sales mgr., Hoffman radio div., headquartering in Dunedin, Fla. . . Gene Walter, ex-Motorola & Crosley, named district mgr., Granco Products, at Richmond . . . P. T. McCauley, ex-Motorola, elected secy-treas., James Vibrapower Co. . . G. E. Lewis appointed mgr., GE radar & precipitation transformer sales, Holyoke . . . Ned Landon named mgr. of public information, GE research labs, Schenectady . . . Gordon Mead appointed Seattle district mgr., Motorola . . . Wm. T. Higgins, ex-pres., Higgins Distributing Co., Baltimore, joins Zenith Radio's marketing development dept. . . Milton Emmer named national sales mgr., Claremont Tube Corp., Long Island City . . . Dr. Harry E. Tebrock, Sylvania medical director, awarded fellowship in Industrial Medical Assn. . . Edward P. Steele promoted to Admiral mgr. of market research, succeeding Robert L. Anderson, resigned.

Muntz TV Inc., though operating under trusteeship in Chapter X proceedings, claims it earned net operating profit of \$374,246 in 5 months through March; this week, it disclosed plans to manufacture 10-tube receiver (including rectifier & picture tubes) to sell for \$99 for 21-in., \$129 for 24-in., both table models. Recently, Ulysses Sanabria's American Television Inc., Chicago, announced 17-in. plywood table model with 9 tubes and without transformer to retail for \$77 (Vol. 11:15).

Guaranteed annual wage is principal demand in negotiations with RCA, which IUE-CIO spokesman revealed were begun April 12 in behalf of 14,000 RCA employes at Camden, Cincinnati and west coast. Spokesman described the talks to date as "tough going," but expressed confidence in "amicable conclusion."

Excise tax collections from manufacturers of radios, phonographs, TVs, components, etc. totaled \$129,148,000 in calendar 1954, down from \$152,971,000 in 1953, according to Internal Revenue Service.

Dr. Vladimir K. Zworykin left by air April 29 with Mrs. Zworykin for month's visit to Japan to meet with leaders of Japanese electronics industry and deliver several lectures on color TV.

Maj. Gen. J. D. O'Connell becomes chief of Army Signal Corps May 1, succeeding Maj. Gen. George I. Back.

Electronics Reports: First transistorized auto radio to be announced as ready for production was demonstrated in Detroit April 27 by Philco and Chrysler Corp. The 11-transistor unit will be special equipment on Chrysler and Imperial cars this fall.

Every maker of car radios has been working on transistorized versions—and Philco-Chrysler announcement is probably first of many. Because of their low power drain, elimination of power components, long life and size-reduction potentiality, transistors are a "natural" for auto radios. Principal use of transistors in consumer products to date has been in hearing aids, although Raytheon and Regency have transistorized portable radios on market.

Auto radio uses Philco Surface-Barrier transistors in place of tubes, eliminating vibrator, power transformer & rectifier. It requires less than 1/10th the battery power used by standard auto radios. Thoroughly tested in laboratory and on road, Philco says radio will withstand severe shock and vibration. Electrical hum and mechanical noises are said to be completely eliminated, and radio starts to operate immediately without warmup. Compactness of transistorized radio makes possible receivers small enough to be installed practically anywhere in the car.

Radio will be priced about \$150, and eventually—perhaps in 1957—it will also be available for Plymouth, Dodge & DeSoto cars. Production will start as soon as tooling has been completed at Philco's Sandusky, O. plant.

* * * *

Importance of electronics in atomic energy program is pointed out in April bulletin of Television-Electronics Fund. Net assets of atomic program, article states, are now approximately \$7.5 billion, of which about 15% (or more than \$1.1 billion) has been for electronics equipment. "In the nuclear instrument field alone, the volume of business done by electronic manufacturers has reached an approximate annual rate of around \$25,000,000. Projecting the past growth over the next 5 years, it is expected that a yearly volume of about \$50,000,000 will be done at that time." In the reactor field, bulletin states that specifications for an atomic reactor suitable for driving a steam-power plant provide an allowance of about \$90,000 for electronic instrumentation—or 4% of cost of complete nuclear power package including building.

Technical details of Project Tinkertoy, now known as Modular Design of Electronics (MDE) and Mechanized Production of Electronics (MPE), have been released to industry in 5 reports published by Commerce Dept.'s Office of Technical Services. They contain summary of the system, techniques for converting from conventional to modular design, hand fabrication technique & photographic processing, mechanized production and manufacturing cost determination. The reports are numbered PB 111275-78 & 111315, priced at \$14 for all 5.

For transistorized portable radios, CBS-Hytron this week announced new matched pair of p-n-p junction transistors, known collectively as type 2N108, designed for Class B push-pull audio amplifier stage.

Gen. Walter Bedell Smith, member of RCA board, named chairman & pres. of AMF Atomics Inc., new atomic energy subsidiary of American Machine & Foundry Co.

John J. Christian, ex-chief of armament staff unit, Boeing Airplane Co., joins Avco's Crosley div. as mgr. of plans & programs for defense operations.

Wm. S. Yeager is appointed to new post of mgr., industrial defense planning, Western Electric; he was supt. of labor relations, manufacturing div.

Lawrence A. Apley, pres. of American Management Assn., elected a director of Sylvania; he's also a director of Standard Oil (Ohio), Dayton Rubber Co., Ohio Wesleyan U.

Financial & Trade Notes: Zenith first-quarter earnings climbed to \$2,074,960 (\$4.21 a share) from \$827,521 (\$1.68) a year ago, sales to \$40,371,812 from \$29,335,190, paced by TV sales which exceeded previous quarterly unit record (in 1953) by more than 20%. However, pres. E. F. McDonald Jr. told stockholders that dollar volume did not increase correspondingly because of competitive conditions and increased proportion of table models. He added that he expected sales momentum to "carry into the second quarter."

He reiterated Zenith's opposition to present color TV tubes, said the medium is no further advanced than it was a year ago. "When Zenith feels it has found the answer to the color tube, we will go all-out in color TV," he said, "but we have no intention to make guinea pigs out of the public or helping the RCA patent pool."

Pointing to company's use of transistors in hearing aids, he said Zenith is "the second largest user of transistors outside the telephone company." He said Zenith soon will introduce line of special gadgets for the hard-of-hearing, including headphone amplifier for use with Zenith clock radio. Directors boosted quarterly dividend from 50¢ to 75¢.

* * * *

Sylvania's net income for first quarter totaled \$3,247,655 (\$1.03 on 2,923,394 shares), best first quarter in company history, on sales of \$73,979,627. First quarter income last year was \$2,121,487 (67¢ on 2,677,726 shares) and sales were \$66,995,451. Pres. Don G. Mitchell said 1955 unit sales of TV sets were highest for any first quarter, though intense competition "prevented dollar volume from being equally strong." He warned that industry-wide TV inventories are increasing, but predicted sales and earnings for 1955 should be ahead of 1954. He added that favorable conditions in the industry and in the general economy "should prevail for the balance of the year," estimating 1955 earnings will exceed \$4 per share. [For 1954 figures, see Vol. 11:11.]

Hoffman Electronics Corp. reports consolidated sales of \$8,988,928 for first quarter, down from \$14,147,572 same 1954 period, with net profits to \$309,906 (43¢ on 719,396 common shares outstanding) from \$470,238 (65¢). Reductions, said pres. H. Leslie Hoffman, resulted entirely from unavoidable delays in production for govt. contracts due to new scheduling. Operations for second quarter are expected to be about same as last year when sales were \$8,768,925 and profits \$348,445; improvement is expected in second half of year from seasonal increase in TV sales and large-scale production of Tacan flight system and other electronic equipment. Profit ratio on govt. work remains about same as 1954, said Mr. Hoffman, while rate of profit on TV production is better than last year.

DuMont Laboratories Inc. shows \$27,000 loss after taxes on sales of \$15,989,000 in 12-weeks ended March 25, which compares with net profit of \$508,000 (20¢) on sales of \$19,770,000 in corresponding 1954 period. Broadcasting losses exceeded manufacturing profits of \$700,000, and statement also reflected elimination of income from Pittsburgh TV station (now KDKA-TV) which was sold last year to Westinghouse.

Olympic Radio & Television Inc. reports sales for first 1955 quarter were \$4,800,986 compared with \$4,860,015 for same 1954 period—higher TV, radio and high-fi sales maintaining volume despite decline in military shipments. Net profit was \$82,631 (19¢ a share) compared to \$58,072 (13¢). Stockholders this week approved increase in authorized shares from 500,000 to 1,000,000.

Standard Coil Products Co. reports sales of \$16,325,635, net profit of \$116,599 (8¢ a share) for first quarter 1955, compared to \$18,971,300 & \$406,306 (28¢) for same 1954 period.

More 1954 officer-director compensation reports to add to those published in Vol. 11:15-16: IT&T—Sosthenes Behn, chairman, \$130,825 (16,747 shares); Wm. F. Halsey, chairman, All America Cables & Radio Inc., \$33,630 (900); Wm. H. Harrison, pres., \$134,115 (43,600); Ellery W. Stone, pres., American Cable & Radio Corp., \$64,413 (14,100); Mark A. Sunstrom, exec. v.p., International Standard Electric Corp., \$53,168 (20,200). Hoffman Electronics Corp.—H. L. Hoffman, pres., \$50,000 (116,192 shares, or 16.15% of total; additional 40,313 held by family); C. E. Underwood, v.p. & treas., \$52,500 (5000); Howard C. Briggs, v.p., Hoffman Laboratories Inc., \$33,333 (2000).

Webster-Chicago sales for first quarter 1955 totaled a record \$8,321,976, with profit of \$192,255 (37¢), compared with 1954 period's sales of \$6,899,586 and profit of \$205,946 (39¢). Pres. Norman C. Owen told annual meeting company has \$14,000,000 military order backlog and prospects for rest of year appear very good. He said Webcor is first to use printed circuits in phonographs, and more than 75% of all amplifiers for company's products in 1955-6 will utilize printed circuitry.

Packard-Bell Co. net income was \$319,238 (46¢ a share) on sales of \$11,038,882 in 6 months ended March 31, compared with \$328,647 (48¢) on \$11,118,097 in same 1954 period. In addition to report on color sets (see p. 12) and military aircraft equipment, exec. v.p. Robert S. Bell stated that company is developing "an amazing transistor wrist radio, for which the company has great plans" and a "greatly improved automatic door, operated on electronic principles."

Trav-Ler Radio Corp. has filed SEC statement covering proposed \$1,250,000 debenture issue to be offered for public sale about mid-May. Funds will be used for working capital. Twelve-year 6% debentures would be issued in denominations of \$500 & \$1000, entitling holder to buy warrants for 50 & 100 shares of Trav-Ler common at unstated subscription price. Lee Higginson Corp., N. Y. and Straus, Blosser & McDowell, Chicago, are principal underwriters.

Magnavox reports sales of \$14,365,079, net profit of \$577,738 (73¢ a share) for quarter ended March 31, compared to \$15,227,147 & \$328,552 (41¢) for corresponding 1954 period. For 9 months ended March 31, net sales were \$42,383,971, profit \$2,110,147 (\$2.65 a share) vs. \$51,147,940 & \$2,030,912 (\$2.55) for same period preceding year.

Skiatron Electronics & Television Corp., promoter of Subscriber-Vision system of subscription TV, had gross income of \$223,119 in 1954, nearly all from govt. contracts, and earned net profit of \$1943—leading pres. Arthur Levey to state in annual report that firm is now paying own way. Deficit from time of organization Feb. 8, 1948 to last Dec. 31 is given as \$58,864. Matty Fox advanced \$129,999 up to Dec. 31 out of committed \$300,000 under his Skiatron TV Inc. franchise deal. Expended up to now on processing of subscription TV application before FCC was \$51,339, on engineering research and designing costs \$48,261. Dean James M. Landis, counsel, is disclosed as holding option on 30,000 shares (out of 1,337,317 outstanding) at \$1.87½, with credit of 12½¢ per share in consideration of legal services.

Dividends: Zenith Radio, 75¢ (up from usual 50¢ quarterly) payable June 30 to stockholders of record June 10; Standard Coil Products Inc., 25¢ May 18 to holders May 9; Servomechanisms, 10¢ May 16 to holders May 2; Stanley Warner, 25¢ May 24 to holders May 4; Westinghouse, 50¢ June 1 to holders May 9; Television-Electronics Fund, 8¢ May 31 to holders April 29; P. R. Mallory, 50¢ June 10 to holders May 23.

STROMBERG-CARLSON has no intention of forsaking either the TV-radio set manufacturing or the TV-radio broadcasting business as result of projected merger with General Dynamics Corp. (p. 11). Fact that General Dynamics proposes to utilize Stromberg's electronic know-how in big way, and probably expand facilities at Rochester, was manifest by arrival of several of its top executives in that city day after proposed merger was announced, April 26. They wanted further look-see at plant and personnel.

Stromberg-Carlson is heavily in govt. work, but a spokesman said it does not want to depend entirely on that kind of business. "We need a wider base," he said, "and in every way this seems to be the right move for us in order to add financial strength and expand our operations." Dynamics pres.-chairman John Jay Hopkins said his firm seeks to broaden its base of operations in electronics, and "Stromberg-Carlson's civilian commercial business, particularly its telephone, radio-TV and sound equipment production would consist of a sound source of diversification for Dynamics."

In TV & radio broadcasting, Stromberg's pioneer WHAM-TV has always been a substantial earner and, until the diminution of network revenues, so was its 50-kw radio WHAM. Many offers to buy the stations have been received, but always rejected. Whether General Dynamics will want to continue in TV-radio broadcasting, time alone will tell; the broadcasting operations, headed by Wm. Fay, will have to be separately incorporated and operated as a subsidiary because General Dynamics has 2 Canadians on its board and the law does not permit foreigners on the boards of U. S.-licensed stations.

In the TV-radio receiver business, Stromberg-Carlson has never been a major factor, but it enjoys a fairly good distributor setup which largely overlaps with Kelvinator distributorships.

Firm is particularly strong in the less-publicized telephone equipment business, selling phones and switchboards to some 5300 independent telephone companies. Since it was founded in Chicago in 1894 by Alfred Stromberg and Androv Carlson, young Swedish immigrants, it has

made and sold some 8,000,000 telephones. The business moved to Rochester in 1902. Its payroll is about 5200. Last year, its sales were \$63,509,429, net earnings \$1,981,754, or \$3.65 per share on 509,115 common shares outstanding as of Dec. 31 (Vol. 11:9). It paid \$1.52½ common dividend, had current assets of \$34,450,978, working capital of \$17,389,513, total net worth of \$19,411,348. [For first 1955 quarter sales & profit, see below.]

As of March 31, Stromberg-Carlson had 530,892 common shares outstanding and 58,457 preferred. The preferred are convertible into 1.4 shares of common.

General Dynamics sales zoomed from \$82,600,000 in 1951 to \$134,500,000 in 1952, \$206,600,000 in 1953, \$648,641,000 in 1954, according to Standard & Poor's. Its net income over same span was \$3,870,000 (\$2.27 per share) in 1951, \$4,920,000 (\$2.86) in 1952, \$6,220,000 (\$3.51) in 1953, \$20,800,000 (\$4.72) in 1954 (giving effect to 2-for-1 split in March 1955). It operates through 4 divisions: Convair, with plants in San Diego, Pomona, Cal., Ft. Worth & Daingerfield, Tex., which make many types of military and commercial planes and guided missiles; Canadair Ltd., Montreal, a subsidiary which makes jet planes and guided missiles for Canadian Govt.; Electric Boat, Groton, Conn., which is sole private producer of submarines for Navy and holds orders for 3 more atomic powered subs; Electro-Dynamics, Bayonne, N. J., which makes electrical motors and generators for marine & industrial uses. On April 30, 1954 it merged with Consolidated Vultee. It employs 55,000.

As of March 31, 1954 General Dynamics' stock capitalization was 4,377,991 shares. It has no preferred. It recently sold public issue of \$40,000,000 in 3½% convertible debentures due in 1975. Its current dividend rate is \$2.20. [For first quarter sales & profit, see below.]

No management changes are planned in either corporation, according to Dynamics chairman-pres. John Jay Hopkins. Robert C. Tait, Stromberg pres., will continue as div. pres. and will also become a senior v.p. and director of Dynamics. Wesley M. Angle, Stromberg chairman, and Bernard E. Finucane, pres. of Security Trust Co. of Rochester and a Stromberg director, will also go on Dynamics board.

Sperry Rand Corp. will be name of new company resulting from merger of Remington Rand Inc. and Sperry Corp., with Gen. Douglas MacArthur as chairman; James H. Rand, vice chairman; Harry F. Vickers, pres.; John Sanderson, v.p. & secy.; Bernard O. Reuther, v.p. & treas. Plan is to convert each share of Sperry common into 3¼ of Sperry Rand, each share of Remington Rand into 2 of Sperry Rand. One share of Sperry Rand preferred would replace each share of Remington Rand preferred. Assets of new company would be about \$484,000,000. Approval requires vote to two-thirds of outstanding stock of each company, will be voted on at Sperry meeting May 26, Remington Rand meeting May 27.

General Dynamics Corp. had backlog of \$1,035,000,000 in unfilled orders at end of March, chairman-pres. John Jay Hopkins reported to stockholders meeting April 28. Its net sales for first quarter increased to \$142,248,000 from \$129,353,000 last year, estimated earnings to \$3,914,000 (89¢ a share) from \$3,313,000 (74¢). Mr. Hopkins said he expected good 1955, and estimated Stromberg-Carlson's 1955 net income would be \$5.70 a share after allowing for conversion of all preferred as against 1954 earnings of \$3.65.

Stromberg-Carlson first quarter sales were \$17,009,385, net income \$604,577, or \$1.07 per share on 530,892 shares outstanding vs. \$16,285,006 & \$571,553 (\$1.13 on 504,118) in same 1954 quarter. At stockholders meeting this week, all officers and directors were re-elected.

Sales of consumer products were up, heavy apparatus & industrial products about same, defense items down during first 1955 quarter, GE pres. Ralph Cordiner reported to stockholders meeting in Schenectady April 19. Nevertheless, quarter's total volume of \$765,907,000 was up 7% over the \$715,596,000 of same 1954 quarter, and profit increased to \$50,569,000 (58¢ per common share) from \$48,029,000 (56¢). The 1954 quarter came within 2% of record high achieved in first quarter 1953.

Borg-Warner Corp. to merge with Byron Jackson Co., San Francisco, maker of electronic devices & nuclear power components as well as pumps and oil field tools, on basis of 4 shares of former for 5 of latter. Borg-Warner 1954 sales were \$380,317,000, earnings \$24,460,000 (\$3.72 per share). Byron Jackson 1954 sales were \$31,890,000, net income \$1,641,087 (\$3.10). Their total assets as of Dec. 31 would have amounted to \$292,473,000.

IT&T has bought Kuthe Laboratories Inc., Newark (vacuum tubes). Dr. Herman Kuthe, who developed the hydrogen thyratron tube at the MIT Radiation Lab, continues as pres. of new IT&T unit.

In list of 33 non-financial corporations having total assets of \$1 billion or more, compiled by UP, only ones identified with electronics industries are AT&T, \$16.51 billion; GE, \$1.69; Westinghouse, \$1.32; Western Electric, \$1.07. Leader by far is AT&T, then Standard of N. J., \$6.61; General Motors, \$5.13; U. S. Steel, \$3.34; Pennsylvania R.R., \$3.04; DuPont, \$2.74; N. Y. Central, \$2.60.

FREE TV-RADIO TIME for political candidates—with U. S. Treasury helping out if it's too heavy a burden on broadcasters—was advocated by Comr. Hennock this week before Senate Rules subcommittee. It was strongly opposed by spokesmen for CBS & NBC, both of which revealed some of their plans for 1956 political telecasting. At issue is S-636, introduced by Sen. Hennings (D-Mo.), to increase national political committees' expenditure ceiling to \$12,300,000, mainly on account of high cost of TV time (Vol. 11:16-17).

Comr. Hennock proposed that Hennings bill be amended to authorize creation of a "joint Congressional & Presidential committee" to develop program which could enable Congress to start free-time policy by the next Presidential election.

NBC financial v.p. Joseph V. Heffernan told Senators the network has several plans to make time more readily available to candidates and at the same time save them money. These included: (1) Cutting short regular 30-min. and hour programs to make available 5-min. segments to candidates and parties in 1956 campaign on "rotation of schedule basis." (2) Offering 1-min. political announcements in *Today, Home & Tonight* shows. (3) Withholding from sale to regular commercial sponsors "a reasonable number" of prime evening periods so that these can be purchased by political parties without necessitating pre-emption charges, which amounted to \$175,000 on NBC-TV alone during 1952 campaign. Hennings thanked Heffernan for "specific and constructive recommendations."

CBS v.p. Richard Salant said his network might be forced to provide less TV-radio coverage of 1956 campaign than it did in 1952. He said if all networks and stations gave 30-min. of free time to all Federal candidates, it would cost broadcasters \$30-50,000,000 every 4 years, and \$7.5-15,000,000 during off-year campaigns. If network donated one half-hour to one presidential candidate, it would eventually cost it and its affiliates \$7,200,000 — because of the demands for free time from all other presidential candidates, of which there were 18 in 1952.

Questioning Comr. Hennock about her free-time plan, Sen. Curtis (R-Neb.) wanted to know what would prevent any number of individuals from organizing political parties merely to take advantage of the free time. The commissioner suggested her plan be confined to "major parties," at least at the start. Sen. Hennings said he's not ready to commit himself on free-time issue, but agreed that TV's growth poses many new problems.

Anti-trust complaint being prepared by Justice Dept. against American Newspaper Publishers Assn., American Assn. of Advertising Agencies and other trade associations doesn't affect NARTB, said NARTB officials after early reports this week indicated it too might be involved. Attorney General Brownell said complaint is based on associations' adherence to flat 15% commission to ad agencies, which he called a price-fixing conspiracy. He said he hoped complaint could be dismissed upon voluntary compliance of associations in dropping the fixed percentage practice. Action was sparked, it was disclosed, by small agencies with insufficient capital to gain membership in AAAA and by big advertisers who sought to build own "house" ad agencies.

First post-freeze station KFEL-TV, Denver (Ch. 2) is revealed in April 26 press release as subject of recent trade ad offering itself for sale at \$750,000, through brokers Blackburn-Hamilton. No longer network-affiliated, KFEL-TV owner Gene O'Fallon issued release, it was indicated, to counteract alleged competitor rumors that "soon there will be only 3 channels in Denver."

Like Storer Broadcasting Co.'s huge upsurge in revenues and profits after it entered TV (Vol. 11:14), Gross Telecasting Inc. (WJIM-TV & WJIM, Lansing, Mich.), which this week marketed 193,000 shares of common stock at \$15.75 (Vol. 11:17), reveals in its prospectus how it too surged upward after it began telecasting service in 1950. Here are its gross revenue and net profit figures, after taking into account chief owner Harold F. Gross' annual salary of \$15,000 and 1950 bonus of \$31,304; 1951, \$68,312; 1952, \$132,282; 1953, \$166,753. In 1954, bonus would have amounted to \$207,070 but was restricted to maximum of \$60,000:

Year	Gross Revenues Television	Gross Revenues Radio	Income Before Taxes	Net Income
1950	\$ 194,070	\$321,247	\$ 177,391	\$107,149
1951	575,615	330,909	387,100	196,508
1952	1,114,939	337,592	749,599	357,077
1953	1,539,951	317,375	927,933	419,891
1954	1,973,031	268,558	1,320,464	639,464

Tenth anniversary of telecasting will be theme of "TV morning," May 26, at NARTB convention in Washington —featuring participation of the presidents of 4 networks in discussion of growth of TV since 1945 and looking ahead to 1965. Session will open with review of events leading up to establishment of TV, by Clair McCollough, WGAL-TV, Lancaster, chairman of Management Conference on TV Day. Other highlights: "First Years of TV," by Dr. Allen B. DuMont. "Management & Growth," tracing development of industry to the present, discussion by pres. Robert E. Kintner of ABC; Harold Hough, WBAP-TV, Fort Worth; John E. Fetzer, WKZO-TV, Kalamazoo & KOLN-TV, Lincoln, Neb. "Television 1955-1965," NBC pres. Sylvester L. Weaver Jr., discussing TV's program structure, and CBS pres. Frank Stanton, examining role of TV in society. Afternoon will be programmed by TvB, featuring talks by director of station relations Norman Cash; co-chairman Richard Moore, KTTV, Los Angeles and pres. Oliver E. Treyz.

Though deadline for comments on AT&T's off-air microwave proposal has been extended until May 20 at request of RETMA and NARTB, quite a few comments were filed this week, most of them from stations urging that they be permitted to build own private microwaves unless AT&T can provide service at same cost. Comments in that vein were submitted by ABC; KOA-TV, Denver; WCMB-TV, Harrisburg, Pa.; WNOW-TV, York, Pa.; WSIL-TV, Harrisburg, Ill.; Dage TV div.; WEAU-TV, Eau Claire; KYTV, Springfield, Mo.; KQTV, Ft. Dodge, Ia. ABC and several others questioned whether community TV systems should also be permitted to use AT&T's off-air service, stating: "In some instances the use of community antenna systems for which the public is obliged to pay is detrimental to the development of free TV service in the area." On other hand, community system operator Cable-Vision Inc., Key West, Fla., urged that they be permitted to obtain such service.

Telecasts from the moon are promised Russian viewers by Soviet scientists. Moscow Radio reports plans to explore the moon with a rocket-borne remote control caterpillar tank which will beam TV signals to the earth. Tank would be unmanned, controlled by radio. Broadcast said that the "mooncasts" would be beamed to home TVs as well as to scientific observatories. It didn't say when.

Coast-to-coast closed-circuit color transmission will be staged by NBC-TV May 5, when 8 live commercials "with full production treatment" will be beamed from N. Y. to Santa Barbara convention of Assn. of National Advertisers, with NBC pres. Sylvester L. Weaver giving commentary for 30-min. presentation.

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS—May 7, 1955

DuMONT REORGANIZATION, with new banker-director, aims to ameliorate friction with Paramount, spin off telecasting from electronics business (p. 1).

44th UHF QUILTS in Stockton, Cal., as revivals of off-air uhfs in Mobile, Houston & Norfolk are promised; New Orleans uhf plans 1-megawatt (pp. 3 & 8).

MILLION-WATT UHF power enlarges coverage area, fills in "blind spots" in Wilkes-Barre; first-hand survey of the world's most powerful stations (p. 3).

GRANTS AUTHORIZED in Hattiesburg, Miss., Ephrata, Wash. & Milwaukee, Wis.; one vhf drop-in proposed for Massachusetts, another denied for Buffalo (p. 5).

TOLL TV BATTLE AT FCC, still hotly in publicity phase, getting down to legal specifics as counsel prepare cases and pros & antis line up (p. 6).

PROFITS FROM COLOR sales next year forecast by Sarnoff, announcing \$795 set to stockholders; sees color trade "break-through" by next Xmas (p. 10).

TV SET PRODUCTION for first 4 months of 1955 totals 2,770,000, well ahead of the 1,904,000 produced during same period of 1954; radio output up, too (p. 10).

DISTRIBUTOR SHIPMENTS of TV sets by states reported by RETMA for 9 years through 1954; total of 35,677,818 shipped compares with 37,668,819 produced (p. 11).

RCA SALES & EARNINGS at new record highs first quarter, auguring \$1 billion year; about 20% govt. contracts; Sarnoff's report to stockholders (p. 13).

MARCH NETWORK BILLINGS show CBS-TV & NBC-TV at record highs, radio up from Feb.; combined TV networks did nearly \$100,000,000 in first quarter (p. 14).

REORGANIZATION IN THE OFFING AT DuMONT: New banking blood is coming into Allen B. DuMont Laboratories Inc. shortly -- with these immediate purposes:

(1) To eliminate "bifurcation," as one of banking principals put it, referring to setup whereby Dr. DuMont's management group has 5 directors while biggest stockholder, Paramount Pictures Corp., has 3 -- with resultant differences & clashes.

(2) To spin off the telecasting properties -- WABD, New York and WTTG, Washington, both Ch. 5 -- from the manufacturing business and set them up as separate corporate entities, in which DuMont stockholders would be given the shares.

Basic idea is first to eradicate main source of friction between Dr. DuMont and Paramount, arising primarily out of moviemens' undisguised conviction that the pioneer set & tube manufacturer, who also pioneered telecasting, cannot successfully operate what's essentially show business "from a factory office in Passaic, N.J."

New director slated to be elected at a special board meeting next week is Armand G. Erpf, partner of Carl M. Loeb, Rhoades & Co., nominated by a protesting minority at annual DuMont stockholders meeting May 2. Only 36,302 shares were voted for him, though his firm claims to own or control some 20% of the 1,801,054 shares of Class A common stock outstanding.

Mr. Erpf said his nomination at this week's meeting was a mere preliminary, after which he set about to persuade Dr. DuMont to have his directors elect him at a special meeting. Otherwise, he threatened to conduct a proxy fight. He's represented by Dewey, Ballantine, Bushby, Palmer & Wood law firm -- the "Gov. Dewey firm."

All 560,000 shares of the Class B are owned by Paramount, which held 43,200 shares of Class A (about 2.4%) as of last Jan. 31 but has recently bought more to increase these holdings to 68,000 (about 4%). The shares have equal value save in elections of officers and directors. Paramount votes 3: Barney Balaban, Paul Rabinovitch, Edwin L. Weisl. Dr. DuMont's directors, in addition to himself, are Admiral Stanley F. Patten, v.p.; Bruce T. DuMont, a brother; Thomas T. Goldsmith Jr., v.p. research; Percy M. Stewart, partner of Kuhn-Loeb & Co.

It's expected Bruce T. DuMont may yield his directorship to Mr. Erpf, and there's sentiment also to elect Wm. H. Kelley, v.p. & gen. mgr., to the board.

The quid pro quos of the agreement to elect Mr. Erpf aren't clear yet, but

the motivations are. With his claimed 20% Class A holdings and Paramount's 4%, it was apparent his proxy fight would start with a head of steam -- for such combined holdings exceed the 47,800 shares owned or controlled by Dr. DuMont, the 3100 by Dr. Goldsmith, 400 by Adm. Patten, 200 by Bruce DuMont. Mr. Stewart has 1000 shares.

Most of the Class A common is publicly held, traded on the American Stock Exchange, where this week it rose to high of 17½ from low of 14%, closing at 16% Fri.

There's no bad blood, so far as can be learned, between the bankers and Dr. DuMont himself. The bitterness is all vis-a-vis Paramount, which Dr. DuMont blames for thwarting his purposes consistently, including failure of last year's negotiations for a merger with ABC (Vol. 10:46). This Paramount vehemently denies. Paramount blames him for the heavy losses suffered in the telecasting business, forcing the DuMont network to curtail to a mere skeleton (Vol. 11:1, 13) and to sell its profitable WDTV, Pittsburgh (now KDKA-TV) to Westinghouse for \$9,750,000 (Vol. 10:49).

Company's 1954 report shows assets of \$32,954,000. Common stock's book value is \$12.28. Paramount's 1954 report shows it carries its 560,000 Class B and 43,200 Class A (as of Dec. 31, 1954) at \$164,000, that having been its aggregate investment some 20 years ago in Dr. DuMont's then struggling tube-making company.

Dr. DuMont has long sought to get Paramount to sell out, but unavailingly. Paramount operates a TV station of its own in Los Angeles (KTLA) and like other film producers is evincing an eager interest in the TV film market. But it disavows any desire to take over the DuMont Network or its stations; in fact, its votes were required for approval of the sale of the Pittsburgh station.

It won't be surprising if WTTG in Washington is sold, for the bankers' plans seem to concentrate on WABD, and Dr. DuMont has great hopes for his Electronicam, a combination TV & film camera which has given impressive demonstrations (Vol. 11:6, 8, 13, 16). The Electronicam is already shooting for ad agencies, Ford Foundation, et al, and DuMont is considering going into film producing & syndicating business.

The Electronicam will not be sold, only leased-- and its application to efficiency & quality of theatrical movie production appears to be as important as to TV.

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There's no disposition to oust Dr. DuMont as head of the TV receiver & tube manufacturing business, which he told stockholders last week earned 3% after taxes both last year and in 1953. Last year, company did a gross business of \$99,570,000 and showed net earnings of \$7,597,000 -- but profit figure included \$6,727,000 after capital gains on the sale of the Pittsburgh station.

Report blames telecasting network operations for low net earning power, and latest 12-week report (to March 25) showed \$27,000 loss on sales of \$15,989,000 in contrast to \$508,000 profit (20¢ a share) on \$19,770,000 in same 1954 period.

Dr. DuMont told the stockholders that network operating losses from inception were \$16,000,000, last year's running \$5,000,000, but he showed that profits from the 3 owned-&-operated stations cut losses down to \$5,500,000. Some saw hint that he might be willing to dispose of both remaining stations when, after pointing out the \$6,725,000 net capital gain after taxes realized from Pittsburgh sale, he said:

"Should it become desirable to translate the market values of our remaining broadcasting properties into liquid assets, it is a matter of simple arithmetic to figure that from the beginning our gains, as a result of being in the broadcasting business, will exceed our total operating losses by more than \$7,000,000 after taxes. This amounts to approximately \$3 a share more in terms of shareholders equity."

But neither the bankers nor Paramount seemed impressed by such figures, if it's contemplated to continue in network telecasting with only 2 stations that are not good earners. They make it plain they want Dr. DuMont to tend to his electronic knitting -- and in that burgeoning field they indicate they have no intention of interfering with him so long as the manufacturing company does well.

Said a banking spokesman: "Dr. DuMont is a first-rate fellow, with certain talents along certain lines. There is no intention to thwart those talents." And Mr. Erpf, apparently satisfied that the situation is well in hand, departed May 6 for 2 weeks in England.

44th UHF QUILTS AIR, 3 REVIVALS PLANNED: One more uhf quit the air this week -- KTVU, Stockton, Cal. (Ch. 36) which signed off April 30 after some 16 months of operation. It's the 44th uhf to go off air, leaving 107 uhf out of 429 stations now operating.

This bad news for the uhf protagonists came simultaneously with information that New Orleans' WJMR-TV, authorized to shift from Ch. 61 to Ch. 20 and planning new GE 1-megawatt transmitter, has not only completed arrangements to take over now-silent WKAB-TV, Mobile (Ch. 48) and operate it as satellite, but is also planning to revive KNUZ-TV, Houston (Ch. 39), off air since last June 25.

And new owner of WTOV-TV, Norfolk (Ch. 27), silent since Oct. 3, still says he plans to reinstate it (Vol. 11:11,17) -- but gives no date.

Plan of WJMR-TV is to specialize in all 3 cities in Spanish-language & Negro programming, according to exec. v.p. George Mayoral, who also contemplates other expansions (see p. 8). Whereas 18-month-old WJMR-TV, with CBS & ABC affiliations in one-vhf New Orleans, is in black and on upgrade, according to Mayoral, Stockton's KTVU was victim of intermixture after Ch. 13 KOVR got on air with Mt. Diablo transmitter and final coup came when new KBET-TV, Sacramento (Ch. 10) got going in March.

Only 60 mi. east of San Francisco and 45 mi. down valley from Sacramento, KTVU went on air Dec. 19, 1953 with \$250 hourly rate, soon boosted to \$385 but later cut to \$175. CP is retained by Brown Industries, which publishes daily Richmond Independent and Fontana Herald and the weekly LaMesa Scout.

MILLION-WATT UHF IMPACT IN WILKES-BARRE: Power makes a world of difference in uhf. It still doesn't change it into vhf, nor is it a substitute for programming -- but the brute force of 1,000,000 watts can overcome many of the finicky shortcomings in local reception and distant coverage which have plagued uhf operators.

This week we visited Wilkes-Barre, Pa., "mother of megawatts," where GE's and RCA's pilot million-watt installations have been in operation since January for NBC-affiliated WBRE-TV (Ch. 28) and ABC-affiliated WILK-TV (Ch. 34). We talked to the station operators and personnel, TV and parts distributors and servicemen, and found all reactions strongly on the plus side.

Wilkes-Barre area is an acid test for uhf, from the technical point of view. Heart of the hard coal mining area, its landscape is a never-ending series of convolutions of high ridges and low valleys -- the enemy of good uhf coverage.

From another point of view, it is ideal uhf country: It's almost completely "un-intermixed". Uhf is the only service in Wilkes-Barre, and the dominant service to its sister-city Scranton, 16 mi. northeast. But that doesn't keep it from being a fiercely competitive market -- between them, the 2 cities have 5 stations, all uhf.

While there is no conversion problem in Wilkes-Barre-Scranton area, there is nevertheless a constant battle for survival -- as 5 TV stations fight it out for the viewer's attention and the advertiser's dollar. And that's why it wasn't too surprising when 2 of the area's outlets announced last winter -- separately -- that each would be "the world's first million-watt TV station."

WBRE-TV chose RCA's new 25-kw transmitter and huge 46-gain antenna. WILK-TV has GE 45-kw klystron-powered transmitter with conventional type antenna. No area measurements have been completed to show individual signal strength and coverage, and during our visit we found no tendencies to make sharp comparisons. In some locations, one signal may be slightly better; in some the other has the edge. In some spots, there's been no signal improvement at all -- but in vast majority of difficult-reception locations the change has been for the better.

Both transmitters are located on same 2000-ft. mountain ridge near edge of city -- 3 mi. apart -- with good line-of-sight to most heavily populated areas. But both stations were plagued from the start with close-in "shadows" where the signals stubbornly refused to penetrate. The most important of these have been filled in as result of the power boosts. The worst problem areas -- most of them fortunately sparsely populated -- may never respond to any power treatment.

There's no question that coverage area has been enlarged, fringes moved out. Shuffling through stations' mail, we saw many cards and letters of the "we-couldn't-get-you-before-but-now-you're-clear-as-a-bell" variety. Stations' best coverage is

to the southwest, where line-of-sight signal follows rich Wyoming Valley, bringing clear pictures as far as 80 mi. To the north it's blocked by mountains (and Binghamton's vhf territory), with consistent good reports coming from 35 mi. or so in that direction. To south and northeast, heavy mail and good reception reports are consistent up to about 40 miles.

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From local trade sources come these typical reports: Admiral distributor R.B. Wall Co. -- "There's been quite a bit of difference. Wherever the signal used to be weak, our sales have increased, particularly in areas like Berwick [22 mi.], Bloomsburg [35], Danville [45] and Milton [55]." Dahl W. Mack, big Scranton parts distributor -- "There's no question that the signal has been increased considerably in the former fringe area. But the biggest improvement we've noticed has been behind obstructions, in the former 'holes'. I myself live in Clark's Summit, well out of line of sight of both the transmitters. Formerly, I couldn't even pick up their audio. Now both come in strong, though the signal has to bend 1000 ft. In town and in nearby places the signal is much easier to pick up now, allowing us to use lower price antennas and lead-in, with the customer saving money."

How does coverage compare with vhf? That's the inevitable question. There is no easy answer, because there's no vhf to compare it with. But for all the improvement, best estimate is that it's still not as good at filling in shadows and providing long-distance coverage as top-power vhf.

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Both stations are pleased with their new power plants, though they know they will have to hustle all the more to meet the additional original costs and upkeep (power bill runs about \$1400-\$2000 a month, and total operating costs with the high power add about \$50,000 a year to the stations' bills). Neither station reports any major troubles with the new equipment.

Both stations concentrate on local productions and local selling -- using the "one million watts" to advertising advantage. WILK-TV managing director Thomas P. Shelburne goes in strongly for building up local "personalities," even has daily 90-min. early evening variety show, sold on participation basis. Some 40% of WILK-TV's programming is local live, 40% ABC network. WILK-TV employs over 60, WBRE-TV over 70.

WBRE-TV, with the stronger NBC program lineup and well in the black, also emphasizes Main St. -- and especially since the power boost, it's not only Wilkes-Barre-Scranton's main street, but those in dozens of other communities in the service area. Station has 10 roving newsreel photographers -- many full-time -- stresses local newsfilm coverage in every nearby community. Both stations count their new high power as only a part of the competitive battle for local telecasting supremacy.

They've received quite a few mail inquiries about their high power from other uhf operators, and some have come to give the installations the once-over. But most uhf stations -- particularly in mixed markets -- are struggling now just to stay on the air, and 1,000,000 watts is a luxury they can't even afford to think about yet.

Under what circumstances should uhf operators "go to a million"? We asked managers of both stations. WBRE-TV's exuberant v.p.-gen. mgr. David M. Baltimore replied without hesitation: "Every uhf man in the country ought to have one -- if he can meet the expenses of it." WILK-TV's Shelburne outlined these conditions: "If he wants the edge over his competition; if he wants heavy saturation of power in his primary area, comparing to strong vhf, and if his fringe population is big."

New TV excise tax bill was introduced in Senate this week--by Sen. Long (D-La.). Identical to measure which died with 83rd Congress last year, S-1898 provides for credit of \$7 against manufacturers' 10% excise tax for each set with built-in uhf tuner. Set manufacturers have indicated they will not support such a bill, and uhf telecasters have noted it provides no incentive for production of all-channel sets. Spokesman for Sen. Long said the Senator merely felt the bill "was good last year and ought to be good this year." The bill backed by set makers is

HR-4070, introduced by Rep. Ikard, which would completely exempt all-channel sets from excise tax (Vol. 11:18). Growing impatient with Treasury's apparent unwillingness to state its position on the measure, Ikard this week got House Ways & Means Committee to write to Treasury Dept.

NARTB's mgr. of employer-employee relations Charles H. Tower testified before Senate Labor subcommittee May 4 in opposition to \$1.25 minimum wage proposal as economic hardship for small market stations.

Personal Notes: Clair McCollough, pres. of WGAL-TV, Lancaster, Pa. and gen. mgr. of the Steinman stations, to be given honorary degree of Doctor of Commercial Science by Franklin & Marshall College at its 168th commencement June 13; he's TV chairman of NARTB & co-chairman of its upcoming convention . . . Wm. Lodge, CBS engineering v.p., leaves on European trip, returns in mid-June . . . Paul Whiteman resigns as ABC v.p., will devote more time to Jackie Gleason Enterprises . . . Gordon Gray, v.p. & gen. mgr. of WOR-TV & WOR, elected a director of N. Y. Better Business Bureau . . . Milo Frank, head of CBS-TV talent & casting dept., N. Y., transfers to Hollywood as director of casting & new talent . . . Jack McCabe, from Toronto staff, named CBC asst. supervisor for sports . . . John M. Keys, mgr. of adv. & promotion, promoted to sales director, WNBQ & WMAQ, Chicago, with Charles Dresser moving to staff of NBC-TV network's central div. sales v.p. Edward R. Hitz . . . Wm. Veneman, ex-KTTV, Los Angeles, named exec. asst. for TV to J. Elroy McCaw, owner of KTVW, Tacoma, and part owner of KONA, Honolulu . . . Robert F. Stolfi, ex-CBS-TV network sales dept., named sales promotion director of Notre Dame's projected WNDU-TV (Ch. 46), due next July . . . Wm. W. Joyce named midwest TV sales mgr., Roy Miller radio sales mgr., Chicago office, Katz Agency, reporting to v.p. Charles H. Gunst . . . Ted Huston transferred from N. Y. to head new TV commercial production dept., Lennen & Mitchell, Beverly Hills, Cal. . . Robert W. Rawson named TV-radio director, Sherman Lawrence Adv., Newark . . . Harold V. Phillips, ex-WMBD, Peoria, named sales mgr., WTVH-TV, Peoria, under gen. mgr. Edward G. Smith . . . Dr. Frances Horwich, whose *Ding Dong School* originates from N. Y. after June 1, moving from Chicago to N. Y. to add duties of NBC supervisor of children's programs . . . Wm. S. Hedges, NBC v.p., elected pres. of Rotary Club of N. Y. . . . Samuel Dana, ex-McCann-Erickson, named TV promotion supervisor, NBC Spot Sales . . . John F. Manning, ex-TV-radio director, Foote, Cone & Belding, San Francisco, rejoins Chambers & Wiswell, Boston.

Joseph H. McConnell, who at 47 quit the presidency of NBC in Feb. 1953 to become pres. of Colgate-Palmolive Co. under 5-year contract, has resigned in an apparent policy disagreement with chairman E. H. Little. An attorney, he rose from RCA Victor legal staff to become RCA finance v.p., then NBC exec. v.p., then pres. of network. It's expected he may enter practice of law after a vacation.

Paul D. Miles, engineering asst. to FCC Comr. Rosel H. Hyde, becomes exec. secy. of Interdepartment Radio Advisory Committee (IRAC), replacing Carl W. Loeber, who in turn replaces Christian E. Rogers Jr. as special asst. to Harold M. Botkin, ODM asst. director for telecommunications; last week, Rogers was named engineering asst. to FCC Chairman McConaughy.

New officers of Assn. of Federal Communications Consulting Engineers, elected at annual meeting in Atlantic City April 29: T. A. M. Craven, pres.; Everett L. Dillard, v.p.; Robert L. Kennedy, secy.; John Creutz, treas.; Robert M. Silliman, Russell P. May & George P. Adair, exec. committee.

CBS-TV affiliates hold their general conference May 19-20 in Waldorf-Astoria, N. Y.

John Trevor Adams Jr., 37, sales mgr. of WABC-TV, N. Y. and its former gen. mgr., died May 1 of a heart attack at his home in Larchmont, N. Y. He was once TV-radio director of N. Y. Yankees, and for a while with DuMont Network as asst. sales chief. He also was one of principals in application for Ch. 8 in St. Petersburg, Fla., which went to *Tampa Tribune*. Survivors include his widow and a son.

PPROMPT GRANTS of unopposed applications are order of the day at FCC which issued 3 CPs this week: Hattiesburg, Miss., Ch. 9, Lion TV Co.; Ephrata, Wash., Ch. 43, Basin TV Co.; Milwaukee, Wis., Ch. 31, WFOX. All were filed within last 2 months, the one in Ephrata less than month ago.

Hattiesburg grant followed dropout of WFOR, went to Dave A. & Harold M. Matison and Milton J. Fine, each owning one-third; they own Fine Bros.-Matison Co. clothing store.

Principals of KIMA-TV, Yakima (Ch. 29), headed by Thomas C. Bostic, are owners of Ephrata grant, will make station a satellite of Yakima, as they did now-operating KEPR-TV, Pasco (Ch. 19); they also hold CP for KLEW-TV, Lewiston, Ida. (Ch. 3), and are applicants for Ch. 8, Walla Walla.

Grantee WFOX, Milwaukee (dairyman Joseph A. Clark, 100% owner) felt that with high uhf conversions and with CBS owning uhf in Milwaukee, another uhf station would have fighting chance, hence quest for Ch. 31.

Two-way competition for Ch. 4, Roseburg, Ore., vanished this week when merger was agreed upon by owners of KVAL-TV, Eugene (Ch. 13), who will own 50%, and principals of KIEM-TV, Eureka (Ch. 3) & KBES-TV, Medford, also 50%.

Efforts of WBUF-TV, Buffalo (Ch. 17) to get Ch. 8 assigned there were turned down by Commission which said it was unable to get Canada to agree to the necessary channel shifts. In passing, FCC said that if it had placed the channel in Buffalo, it wouldn't simply turn it over to WBUF-TV, as requested by station, but would have given all applicants a crack at it. Sale of WBUF-TV to NBC for \$312,000 awaits FCC approval (Vol. 11:11).

Favorable action on a vhf "drop in," first in month, was issuance of proposed rule-making to place Ch. 6 in Nashaquitsa, Mass., on Martha's Vineyard. Petition had been filed by WNBH, New Bedford, which once held CPs for WBOS-TV, Boston (Ch. 50) and WTEV-TV, New Bedford (Ch. 28).

NBC's proposal to buy WKNB-TV, New Britain, Conn. (Ch. 30), and move it to Mt. Higby (Vol. 11:2) was held up by FCC which sent "McFarland Letter" indicating a hearing is necessary. Action parallels that in case of WSTV-TV, Steubenville, O. (Ch. 9), which CBS proposed to buy and move to Pittsburgh (Vol. 10:47).

Commission decided to look further into another sale—transfer of CP for KNAC-TV, Ft. Smith, Ark. (Ch. 5), to broadcaster-publisher Donald W. Reynolds (Vol. 11:8)—ordering a hearing to determine whether there has been "trafficking" in a CP.

Storer's petition to deintermix Miami by deleting Ch. 7 & 10 and moving WTVJ to uhf was amended this week to leave WTVJ on Ch. 4—amendment stating that uhf station can survive in city with only one vhf competitor. At same time, it filed for Ch. 10, saying it would withdraw application if FCC deintermixes area. Storer operates Miami's WGBS-TV (Ch. 23).

Lamb hearing was postponed this week until May 9, with further postponement until May 16 probable, as FCC personnel connected with case trooped to Washington district court where turnabout witness Mrs. Marie Natvig is being tried on 6 counts of perjury. During week's trial proceedings, 2 FBI agents and FCC investigator Robert Leahy testified Mrs. Natvig told them she had been a Communist and presumed Lamb to be one. Govt. charges Mrs. Natvig lied in Feb. when she recanted certain testimony she had given earlier. Govt. abandoned one of its perjury charges this week—the one that Mrs. Natvig lied in February when she said she told FBI investigators she did not want to testify at Lamb hearing.

Telecasting Notes: "A good story's worth repeating because there are so few of them," stated noted producer Leland Hayward in *Variety* interview this week—adding another voice to those deploring the economic and artistic waste in TV's failure to re-run most of its hit programs (Vol. 11:17-18). He went on to note that a major success retains or even enhances its pulling power as it's transferred from one medium to another, citing as example movie version of TV's original *Marty*, which is clearly headed for top international awards, according to this week's reports from film festival in Cannes, France. Though working currently only on movies and theatre, Hayward considers TV "the medium that has the greatest excitement, [but] it must be live TV, of course" . . . Similar comment on repeats was made by *New York Times* TV-radio critic Jack Gould this week; praising CBS-TV's May 1 repeat of Reginald Rose play *Almanac of Liberty* under sponsorship of B'nai B'rith Anti-Defamation League, he noted: "*Studio One* has other treasures in its vaults. Why not bring them out?" . . . Columbia Pictures' Screen Gems was among first to show value of film repeats, and this season is no exception. All 39 programs of 1954-55 *Ford Theatre* series have been sold—13 of them currently being shown on NBC-TV as *Kodak Request Performance*, Wed. 8 p.m., 13 to be run as *Ford Summer Theatre* starting on NBC-TV July 7, Thu. 9:30 p.m., 13 bought by Bulova for spot placement this fall . . . Two points on film and film re-runs were made last week by Nielsen v.p. George Blechta, who told N. Y. TV Film Council that research discloses no difference between film and live TV in audience pulling power and that summer re-runs of network film shows garner audiences just as large as those reached by new summer replacements . . . Emulating *Peter Pan* pat-

tern, DuMont's WABD will present stage production *Shoe-string Revue* May 12, 7:30-8:30 p.m., 2 days before its scheduled closing at President Theatre; revue had opened Feb. 28, is believed to be first stage production to appear on TV before closing in theatre . . . Republic Pictures-Consolidated Film Laboratories has acquired N. Y. site on W. 47th St. between 10th & 11th Avenues, for modern film processing labs needed because of increasing demands of TV, expected to be ready by Sept.; plant on W. 57th St. will be absorbed, with theatrical printing continuing at Ft. Lee plant . . . "Britain Falls for the Huckster" titles excellent appraisal of commercial TV prospects there by Robert Lewis Shayon in May 7 *Saturday Review*; having done some first-hand reporting on the subject ourselves (Vol. 10:45), we recommend this article for factual accuracy, despite its somewhat cynical approach . . . Delays in A-bomb blast, first scheduled April 26 and finally set off May 5, cost networks estimated \$5000 daily . . . Another TV play to movies: F. W. Durkee's *Watch Me Die*, presented recently on NBC-TV's *Phileo-Goodyear Playhouse*, has been bought by Lou Walters . . . ABC-Paramount, still casting about for acquisition of a record company, reported looking over Cadence Records (Sam Clark) which brought out best-selling *Ballad of Davy Crockett*; it's said General Teleradio (MBS) also wants in on recording business.

Permanent injunction against TV satire on a movie property was granted May 6 by Los Angeles district court. Jack Benny and CBS were permanently barred from burlesquing on TV the 1944 MGM murder drama *Gaslight*. MGM first obtained temporary injunction when Benny proposed building TV show around the film in 1953.

BATTLE OF TOLL TV before FCC won't deal in generalities, if questions raised by opposition are indicative. In last few weeks, firm of Cohn & Marks, counsel for Joint Committee on Toll TV, has filed with Commission mass of economic and technical questions which it says must be answered so that FCC can "determine where the public interest lies in this matter." Prepared by consultants Dallas Smythe and John V. L. Hogan, questions include:

Will receiver decoders be sold, leased or loaned to public—at what price?

Will commercials be carried? If so, what income is expected from what rates?

How fast would sets be equipped with decoders, broken down according to vhf-uhf composition of each market?

What revenues are expected from subscription TV?

How many hours will be devoted to it?

Will there be different prices for programs—if so, how will they be fixed?

What are the estimated revenues, expenses and profits for next 5 years — for stations, equipment makers and program suppliers?

What is circuitry involved for monochrome and color transmitters and receivers to be converted to scrambled basis?

What have been results of technical field tests of equipment?

Is there a "universal" unscrambler for sets, or will several types be needed, and what are their precise specifications?

Who owns patents?

Are the several systems compatible?

These are mere sample of the scores of questions. It's assumed that pay-TV proponents were prepared to answer some of them anyway, but significance of the list is that it emphasizes that major rule-making proceedings of the FCC are never casual or quickie affairs—and that time involved can usually be measured in years, as was case in color and end-of-freeze hearings.

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Paramount's International Telemeter Corp. seems to be well aware of delays involved, for this week v.p. Paul MacNamara disclosed that thought is being given to inauguration of pay system on closed-circuit basis—confined to cables and requiring no FCC approval—in 2 undisclosed cities, one with 100,000 population, other with 50,000. They'd be financed by local exhibitors, he said.

Telemeter did attempt such an operation in Palm Springs, Cal. with a few hundred subscribers but dropped it because movies wouldn't make enough features available. However, MacNamara says that Telemeter could have gone to court and obtained the film, that producers can't refuse to sell for fair price—but that Palm Springs operation wasn't worth it.

Telemeter has own subsidiary, "Ampli-Vision," manufacturing community antenna equipment of type needed for closed-circuit work—but has been trying to sell the subsidiary recently.

MacNamara says system could start with 5000 subscribers. Several community systems already have that many customers, may be willing to consider pay-as-you-look operations—though some are leary of offending TV stations whose signals they now feed to customers. Largest community system, serving more than 6000 homes, is in Williamsport, Pa., was recently sold for reported \$1,200,000 to Texas group (Vol. 11:12).

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Organizations continue to take sides, meanwhile. For example, Brooklyn Dodgers pres. Walter O'Malley said he was in favor of pay system, would like to charge 50¢ per set per game. This brought protest from the Father Duffy Post, Catholic War Veterans. Organizations for Free-TV, through co-chairmen Alfred Starr and Truman Rembusch, promptly cited O'Malley's statement as evidence that toll TV would convert free programs to fee, since Dodgers' games are now on TV. Miami-Dade County Chamber of Commerce voiced opposition to subscription TV in resolution, forwarded to FCC, asking preservation of "the public's freedom to look and freedom to listen without paying any fee." George Trautman, pres. of minor baseball leagues, wrote FCC that he thinks subscription TV is "one ray of hope" for dwindling gate receipts—which he blamed largely on major league telecasts. N. Y. State American Legion said it would ask national organization

to take stand against toll TV, Adjutant Maurice Stember declaring that thousands of sets were donated to veterans in hospitals and "we see no reason why all these donated sets should be converted to 'bedside slot-machines' requiring wounded, sick and disabled heroes to pay for programs they now enjoy without charge."

Debate on CBS-TV May 1, though complicated by so many participants, revolved around same arguments as in past. Zenith counsel W. Theodore Pierson argued that pay system would be supplementary; that present free programs wouldn't be converted to subscription basis because "we have no means of getting the people to pay for them if they can get them without paying." Victor Sholis, v.p. of WHAS-TV, Louisville, insisted that pay-as-you-see operators would outbid free system for present top-rated programs, taking them off present system. Sholis added another factor:

"These proponents are now asking the Govt. to give them a slice of this scarce public resource and they want to use it free of any responsibility or obligation or burden of serving the broad public interest . . . The wonderful glories Mr. Pierson talked about—educational programs, all the cultural things—are not going to be presented because they are not good box office . . . I am very much concerned over what happens to the well-rounded TV programming service which is now our obligation. Who goes to Yucca Flats to present the bomb? Who goes to Ann Arbor to present a roundup on the Salk vaccine? They are not box office."

Next televised debate was scheduled for May 8 on NBC-TV, Zenith sales v.p. H. C. Bonfig taking 15 min., opponents' Alfred Starr taking 15 min.—latter adding "box office" in form of Faye Emerson, who will interview Starr.

Zenith will take advantage of NARTB convention in Washington week of May 22 to conduct Phonevision demonstrations, closed-circuit and off-air, latter using facilities of WMAL-TV. Equipment will be kept in Washington for demonstrations after convention.

Network Accounts: Encouraged by record surge of new business and renewals, ABC-TV plans to start daytime programming next fall, along with a couple of heavy-duty week-end evening shows. According to current plans, weekday programming will move up from present 7 p.m. starting time to 3 p.m., with 2 one-hour shows preceding the sold-out *Mickey Mouse Club* 5-6 p.m. Also in works is Sun. 7:30-9 p.m. show produced by an unidentified major Hollywood studio, and Sat. 8-9 p.m. drama series by Alex Segal & Herb Brodtkin, producers of current *U. S. Steel Hour* & *Elgin Hour*. Network has written total of \$34,600,000 in orders during last 12 weeks, or more than its total billings for 1954 . . . Johnson & Johnson plans \$250,000 saturation campaign for new Baby Shampoo, buying 15 min. every Wed., May 4 thru June 22, on each of 3 NBC-TV shows: *Ding Dong School*, *Tennessee Ernie Show* & *Pinky Lee Show*; agency is Young & Rubicam . . . Dodge to sponsor live coverage of final round of 55th National Open golf tournament from San Francisco on NBC-TV, June 18, Sat., 8-9 p.m., thru Grant Adv. . . Miles Laboratories buys John Daly newscasts on ABC-TV beginning July 4, Mon.-Wed.-Fri. 7:15-7:30 p.m., thru Wade Adv., Chicago . . . Quaker Oats to sponsor *Sgt. Preston of the Yukon* on CBS-TV next fall, Thu. 7:30-8 p.m. thru Wherry, Baker & Tilden . . . Reynolds Aluminum replaces *Mr. Peepers* with as-yet-untitled summer do-it-yourself show featuring actor-comedian Dave Willock on NBC-TV beginning June 26, Sun. 7:30-8 p.m., thru Clinton E. Frank Inc., Chicago . . . General Dynamics Corp., which is merging with Stromberg-Carlson (Vol. 11:18), begins sponsorship with institutional commercials of *Youth Wants to Know* on NBC-TV May 15, Sun. 2:30-3 p.m., thru Morey, Humm & Johnstone.

Station Accounts: Houston Oldsmobile dealer Harlan Lane has bought all-night telethon on KGUL-TV May 6, running 10:30 p.m. to 7 a.m., with 2 hours of simulcasting on radio KNUZ and costing reported \$6000, besides fee for comic Jerry Colonna, m.c. Report isn't in yet whether he sold all 100 new & used cars on floor—but gimmick of having salesroom as "studio," letting customers be televised signing up, serving doughnuts & coffee, all heralded in full-page ads in city's newspapers, is unique in TV's commercial annals. Dynamic 28-year-old dealer, one of Olds' tops, has avowed sales goal of 500 new & 500 used cars monthly . . . Colgate-Palmolive, for its after-shave lotion, and American Greeting Card Co. tie up for joint Father's Day (June 19) campaign using TV-radio to back up drugstore, co-op & magazine promotion . . . Pepsodent introducing Dove, new toilet soap, in test markets, thru Ogilvy, Benson & Mather, N. Y. . . J. & J. Slater and Hanan & Son, big shoe retailers, sign 40-week contract with WRCA-TV & WRCA, N. Y. for news and weather cut-ins on *Today* and for partic. in various other shows, thru Wendell P. Colton Co., N. Y. . . Burnham & Morrill (B&M Oven-baked Beans), using TV only, no other media, in isolated 6-mo. test on WBAY-TV, Green Bay, Wis., budgeted at \$12,500, upped sales 75% in first 11 weeks, 370% in first half of April, according to preliminary report in May 2 *Sponsor Magazine* . . . Bristol-Myers (Ipana), thru Doherty, Clifford, Steers & Shenfield, and Xlnt Spanish Foods Inc., thru Hixson & Jorgensen, buy alt. sponsorships of second half of *Western Varieties* on KTLA, Los Angeles, Fri. 9:30-10 p.m., Cliquot Club sponsoring first half weekly . . . Among other advertisers currently reported using or preparing to use TV: Resolute Paper Products Corp., N. Y. (wax paper), thru Ettinger Adv. Agency, N. Y.; Lady Esther, Div., Zonite Products Corp., New Brunswick, N. J. (whirled-in-lanolin face powder), thru Biow-Biern-Toigo, N. Y.; American Home Products Corp., N. Y. (Aero shave), thru Geyer Adv., N. Y.; Kretschmer Corp., Carrollton, Mich. (wheat germ), thru Gleason Adv., Detroit; Union Oil Co. of California, Los Angeles (Purple Royal Triton motor oil), thru Young & Rubicam, Hollywood; Purex Corp., South Gate, Cal. (Trend liquid detergent), thru Foote, Cone & Belding, Los Angeles; Parfums Charbert, N. Y. (Breathless Mist cologne), thru Sterling Adv. Agency, N. Y.

Rate increases: CBS raises rates of 3 o-&o outlets—WCBS-TV, New York, adds new Class AA hour (7:30-11 p.m. Mon.-Sat. & 6-11 p.m. Sun.) at \$6500, min. at \$1700, Class A hour going from \$6000 to \$6250; WBBM-TV, Chicago raises base hour from \$3000 to \$3300 and adds new Class AA min. only rate (6:59-10 p.m. daily) at \$650; KNXT, Los Angeles, raises base hour from \$2700 to \$3200, adds new Class AA min. only rate (7:59-10 p.m. daily) at \$600. WOOD-TV, Grand Rapids adds new Class AA hour (8-10:30 p.m. daily) at \$950, min. at \$180, Class A hour going from \$800 to \$875; WHO-TV, Des Moines, raises base hour from \$550 to \$650, min. \$110 to \$130; KCMC-TV, Texarkana, Tex., from \$200 to \$260 & \$40 to \$52; WDXI-TV, Jackson, Tenn., \$150 to \$200 & \$20 to \$40. Rate adjusted: WOAY-TV, Oak Hill, W. Va. now has \$200 base hour & \$40 min. rates, changed from \$350 base in effect when sold only in combination with now defunct WKNA-TV, Charleston, W. Va.

"Strangers Into Customers" titles film depicting power of TV as an ad medium, based on study for NBC by W. R. Simmons & Assoc., to be shown at NARTB convention May 26 after TV Bureau of Advertising presentation.

Gotham Adv. consolidates with Irwin Vladimir & Co. July 1 to form Gotham-Vladimir Adv., with Gotham's Duncan Sutphen Jr. as chairman, Irwin Vladimir as pres.

New reps: KCOP, Los Angeles, to Weed (from Katz); WOAY-TV, Oak Hill, W. Va. to Pearson (from Weed).

EXPANDING in both uhf & vhf fields, Supreme Broadcasting Co. Inc. (Chester F. Owens, pres. & George A. Mayoral, exec. v.p.) has plans (1) to install GE 1-mega-watt plant for its Ch. 20 WJMR-TV, New Orleans, soon to shift from Ch. 61; (2) to revive WKAB-TV, Mobile (Ch. 48) which has been acquired from Mrs. Louise Pursley for \$200,000 debts, owed mainly to GE, and operate it as a satellite of WJMR-TV; (3) to revive, with KNUZ mgr. David Morris, KNUZ-TV, Houston (Ch. 39), off air nearly year; (4) to acquire 30% of upcoming WORA-TV, Mayaguez, Puerto Rico (Ch. 5), remaining 70% to continue in hands of CP holder Radio Americas Corp., headed by Alfredo Ramirez de Arellano Jr., chemical engineer & sugar cane grower; (5) to apply for Ch. 11 in Caguas, suburb of San Juan, P.R. and Ch. 7 in Ponce. However, Caguas project will be dropped if current negotiations are completed for purchase of 60% of Jose Ramon Quinones' WAPA-TV, San Juan (Ch. 4), in which Cuban telecasters Goar & Abel Mestre hold 14% ownership. Mayoral is an ex-GE engineer, who also does consulting work on Central American TV projects.

GE reports shipment of 20-kw transmitter to WTOCTV, Savannah (Ch. 11) and 5-bay helical antenna to WENS, Pittsburgh (Ch. 16). New GE orders: for upcoming WKRG-TV, Mobile (Ch. 5), 35-kw transmitter, 4-bay antenna, film & live studio equipment; for WSIX-TV, Nashville (Ch. 8), 12-bay antenna, July delivery.

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

WAGE-TV, Marquette, Mich. (Ch. 6), has ordered 5-kw GE transmitter & 6-bay batwing antenna, plans July 5 test patterns, mid-July programming, reports 66% owner Jerome Sill, also gen. mgr. & 21% owner of radio WMIL, Milwaukee, which dropped Ch. 6 application there last week. It will use 700-ft. Kimco tower, now is working on prefabricated studio-transmitter building. Rep not chosen.

KTRE-TV, Lufkin, Tex. (Ch. 9), with 5-kw GE transmitter ordered for mid-May delivery and 6-bay antenna month later, plans July 15-Aug. 1 start, writes v.p.-gen. mgr. Richman Lewin. It will use 500-ft. Andrews tower, plans to operate as satellite of KPRC-TV, Houston. Specific targets will be set when FCC grants CP for microwave with Houston. Boyd Porter Jr. will be program director; Murphy Martin, commercial mgr. Base rate will be \$150. Rep will be Venard, Rintoul & McConnell.

WILL-TV, Champaign-Urbana, Ill. (Ch. 12, educational), which recently changed call from WTLC, expects to have 12-bay GE batwing antenna installed by June 20 on Memorial Stadium's northwest tower, reports director Frank E. Schooley for grantee U of Illinois. Later, antenna may be moved to school's Blaw-Knox FM tower in nearby Monticello, Ill. Although 5-kw transmitter donated by GE is "practically ready," targets haven't been set for test patterns or programming.

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CKVR-TV, Barrie, Ont. (Ch. 3), has ordered 5-kw transmitter & antenna from Canadian GE for mid-summer installation, plans Sept. 1 test patterns. Microwave link to Toronto 55 mi. to south is already under construction and interconnected programming is scheduled to begin Sept. 15, reports Ralph Snelgrove, gen. mgr. and pres. of newly-formed Ralph Snelgrove Television Ltd. Among board members are former Barrie mayor Peter A. Sinclair; Canadian sales rep Paul Mulvihill; R. Stanley Dilworth, pres. of Dilworth Equipment Co., Toronto. It will use Stainless tower at site 2 mi. south of Barrie, where new building will house TV studios & transmitter as well as radio CKBB studios. Base rate will be \$240. Reps will be Adam Young & Paul Mulvihill.

Box Office Television Inc., closed-circuit TV producer headed by Wm. P. Rosensohn, announced this week it will soon "open an experimental TV studio laboratory to facilitate agency-client coordination of TV commercial production." According to trade reports, BOTV is cutting its staff and will subordinate closed-circuit activities to new laboratory project, probably even changing corporate name. Other closed-circuit TV news this week: (1) Theatre Network TV Inc. (Nathan L. Halpern) has signed 81 theatres to carry May 16 Marciano-Cockell heavyweight title bout. (2) TNT announced nationwide labor agreement with IATSE-AFL covering technical employees operating closed-circuit equipment. (3) Second nationwide closed-circuit AMA "Videclinic" will be presented before audience of 25,000 physicians in 34 cities under sponsorship of Smith, Kline & French Labs. Topic will be mental disease.

Telerad Inc., 2226 Television Lane, Pueblo, Colo., has taken over management of KCSJ-TV, Pueblo (Ch. 5) and radio KGA, Spokane (1510 kc, 50-kw, ABC) for owners Bankers Life & Casualty Co. in arrangement which its pres. Ray J. Williams states provides "same thing for the broadcasting business that Conrad Hilton does for hotels." He and v.p. Dave Baylor, with Chicago attorney N. M. Michaels and Bankers Life investments v.p. C. L. Little, constitute planning committee for Telerad Inc., which states it's backed by 3 investment firms "in addition to Texas oil interests" and plans to finance, plan, build and provide personnel "for all classes of stations, new, distressed or stations dissatisfied with present profits." It claims proposals are under discussion with 3 stations, and plans to handle up to 10.

Sarkes Tarzian Inc., which built equipment for its own pre-freeze WTTV, Bloomington, Ind. (Ch. 4), has appointed F. Dan Meadows, ex-gen. sales mgr. of Dage TV div. of Thompson Products Inc. and onetime RCA district sales mgr., as commercial mgr. of its broadcast equipment dept. He will merchandise complete line of TV studio equipment, including vhf & uhf transmitting equipment, vidicon film & studio cameras, relay switching, audio control, 16mm film and automatic slide projectors, microwave equipment.

Senate communications subcommittee under Sen. Pastore (D-R. I.) holds first public hearings May 19 on 2 bills requested by FCC: S-1549, to give Commission authority to levy small fines on non-broadcast licensees; S-1456, to amend common carrier section of Communications Act. FCC will be first to testify. Also due for early hearing by subcommittee is Commission's request for modification of "protest" procedure.

Latest private microwave is 2-hop link granted by FCC this week to KVEC-TV, San Luis Obispo, Cal. (Ch. 6)—an off-air pickup to get programs of KABC-TV & KNXT, Los Angeles. Cost of Raytheon equipment is \$19,942, and transmitters are to be located at McKittrick Summit and Black Mt. Station reported it had sought estimates for microwave service from phone company, received indefinite answers.

DuPont "Kinetic" Chemicals Div., Wilmington, Dela. (attention F. R. Zumbro) is making available on request copies of its 1954 architectural file folder setting forth consulting engineers' views on air conditioning of TV studios, among other structures; one of authorities cited is C. A. Rackey, NBC mgr. of audio-video engineering.

Ban on TV, radio and photos in Manhattan & Bronx courts was upheld this week by appellate div. of N. Y. Supreme Court, which ruled that Justice Diserio of Bronx Children's Court violated rule when he permitted TV and news photographers to operate last March at arraignment of 9 boys on delinquency charges.

Color Trends & Briefs: GE's continuous-motion color & monochrome film scanner, after long development period, is now in production and will be installed in stations beginning in about 45 days. GE officials are enthusiastic about performance, admitting that early models had troubles which they say are now completely eliminated. They will make scanner major feature at their NARTB convention exhibit.

The unit's optical system, developed with Eastman Kodak, employs rotating mirror principle which, GE claims, "affords many times more light than any other flying spot scanner system, and gives a crisper, brighter, cleaner picture with a minimum amount of noise."

System is designed so that station may start with monochrome-only, if it chooses. Prices of components: color scanner channel, \$25,500; monochrome scanner channel, \$13,000; dual 2x2 slide scanner, \$7000; film scanner, including continuous motion projector, \$18,000. Thus, station can start with equipment to handle black-&-white film & slides for \$38,000, then add color at any time for \$12,500 more.

GE shipped first such scanner to KING-TV, Seattle, year ago (Vol. 10:25), has been field-testing it since. DuMont and RCA, meanwhile, had substantial jump on GE, selling scores of film chains in interim. GE now aims to make up for lost time.

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RCA's 2 new 21-in. color sets (see p. 10) are \$795 "Seville" lowboy console and \$895 "Director" open-face console, both with 26 tubes including kinescope, both available in mahogany and light woods. Announcing new sets, consumer products exec. v.p. Robert A. Seidel said that dealers would be offering limited numbers in early June and that production would mount each month thereafter. Sets have same circuits, except that "Director" has two 8-in. speakers, "Seville" one—and latter has detachable legs. Seidel attributed reduction in number of tubes to: (1) New circuits. (2) New production techniques, such as use of printed circuits. (3) New dual-purpose rectifier and triode-pentode tubes.

Winners of 1954 McCall's Awards to women in TV-radio, as announced at this week's convention of American Women in Radio & Television in Chicago: top award, Angela McDermott, for *TV Schooltime* on WRGB, Schenectady; executive, service to community, Dorothy Daniel, WQED, Pittsburgh, for work in launching unique citizen-supported educational TV station; executive, service to women, Bee Baxter, KSTP-TV, St. Paul, for nurse recruitment program *Operation Tender Loving Care*; executive, service to youth, Josephine Wetzler, WLS, Chicago, for slogan contest on her *School Time*; broadcaster, service to community, Marian Young Taylor (Martha Deane) for series on juvenile delinquency on WOR, N. Y.; broadcaster, service to women, Mary Jones, WFIL, Philadelphia, for making possible "Mary Jones Hearth" shelter for homeless young women; broadcaster, service to youth, Mary Koehler Rowe, KPIX, San Francisco, for *Adventure School*.

Nationwide search for comedy writing talent was announced this week as "Phase 1 of NBC's multi-million dollar talent and show development program" (Vol. 11:18). Under supervision of program development director Leonard Hole, NBC will solicit aid of colleges, little theatres and affiliates to find promising writers, best to be brought to New York and Hollywood, attached to NBC staff on salary for training and apprenticeship. Calling comedy writing search the "most critical" phase of talent project, Hole said: "It stems from the fact that TV burns out comedy material so enormously fast and the fact that it's so hard to find and develop new comedy writers."

Color TV tape, now undergoing field testing by NBC-TV, is considerably improved over first public showings at RCA Princeton Labs (Vol. 9:49) but "not quite ready for commercial use," according to RCA-NBC experts. Asked whether tape equipment would be commercially available within a year, one stated, "It's too close to be able to pinpoint it. In some ways it's superior to kines now, other ways it's still not as good," he said, "but I'm very optimistic about it." Asked whether tape equipment might not be too expensive, except for network use, he stated: "I'm not at all worried about the price. I believe it will compare favorably with film equipment, coming within price range of individual stations." On May 12-13, Minnesota Mining & Mfg. Co., which supplies TV tape stock, will feature demonstration of color tape at dedication of research center in St. Paul, Minn., with closed-circuit program microwaved from NBC-TV, N. Y.

Upcoming network color schedules: NBC-TV—May 11, *Kraft Theatre*, "Judge Contain's Hotel," 9-10 p.m.; May 19, *Home segments*, 11:04-11:12 & 11:50-11:57; May 20, *Coke Time*, color commercials only, 7:30-7:45 p.m.; May 22, *Max Liebman Presents*, "Promenade," with Judy Holiday, Herb Shriner, Janet Blair & Kay Starr, 7:30-9 p.m. CBS-TV—May 12, *Shower of Stars*, "High Pitch," with Marguerite Piazza, Tony Martin, Vivian Vance, Wm. Frawley & Mel Allen, 8:30-9:30 p.m. NBC-TV reports tentative plans to offer daily 5-6 color show this fall comprising combination of *Pinky Lee* and *Howdy Doody* shows.

Raytheon is doubling color servicing course in Chicago, having trained 200 since start of school in Sept. According to v.p.-mgr. Henry F. Argento, standards are kept so high that only 70% get diplomas. School is conducted by Ken Kleidon under supervision of Frank Loasby, director of TV-radio sales engineering. Servicemen are picked from dealers' crews by Raytheon distributors.

Among first uhf stations to order color film chain is McClatchy's KMJ-TV, Fresno (Ch. 24), buying 3-V unit from RCA. Uhf WBRE-TV, Wilkes-Barre (Ch. 28) is planning to start out with live camera chain.

There-ought-to-be-a-law dept.: Political telecast of the future, if Sen. Neuberger (D-Ore.) has his way, might be preceded or followed by an announcement that "the speaker on this program uses pancake makeup and a Teleprompter." He has introduced bill (S-1909) providing that all political telecasts shall include announcement of whether speaker is using cueing aids and what facial makeup, if any, he is wearing. He told Senate he's concerned over "tendency to substitute play-acting for reality [in political campaigns], to try to make men seem to be something which they are not." Sen. Goldwater (R-Ariz.) arose to ask Neuberger if he would also include toupees in the bill. Neuberger then invited Goldwater to sponsor such an amendment. Goldwater concluded humorous exchange with: "I suggest that we are splitting hairs."

Sponsor Magazine to stage another dinner for the 108 pre-freeze stations on eve of Washington NARTB convention; at party Sun. night, May 22, George Abrams, adv. mgr. of Block Drug Co., will be speaker. Note: Same evening rival *Broadcasting-Telecasting* is holding reception honoring FCC members in National Press Club, and next morning *Billboard* will host breakfast featuring panel discussion on films in TV.

RCA Chairman David Sarnoff disclosed at this week's stockholders meeting that his long visit with Gen. Eisenhower March 15 (Vol. 11:12) had to do with a memo he submitted, dated April 5, titled "Program for Political Offensive Against World Communism," which will be released shortly.

RCA SEES COLOR MAJOR FACTOR IN 1956: Startling prediction on color receiver sales, given by RCA chairman David Sarnoff at May 3 stockholders meeting in N.Y.: "I expect that in 1956 and the years ahead, RCA earnings from sales of color TV sets will substantially exceed its earnings from sales of black-&-white sets during those years."

Announcement of prices on new line of color sets accompanied Gen. Sarnoff's prediction -- and he stated that consolette would be \$795, console \$895. New line, coming off Bloomington, Ind. production lines this week, has 26 tubes, including picture tube, and the \$795 consolette is \$100 less than price of now-discontinued 38-tube line. [For details of sets, see p. 9.]

There had been speculation that the price drop would be greater (Vol.11:16). Hallicrafters' \$695 price, announced late last week (Vol.11:18), thus stands as the lowest to date. Other sets makers who have had modest color production going to meet any growth in demand -- such as Admiral & Hoffman -- haven't indicated whether they'll also offer a set at \$795 or less.

In response to question at meeting, in which a stockholder asked why RCA had set a "high price" on color sets while other manufacturers were said to be offering \$500 sets, Gen. Sarnoff stated: "A man with \$795 will be able to buy an RCA color set. Come and tell me when you can walk into a store and actually buy a set for \$500." He said it would be a year to two, "depending on volume," before good color sets could be purchased at \$500.

No manufacturer has yet offered a \$500 set, though Chromatic TV Labs has said it would demonstrate, late this month, a receiver which it believes could be manufactured for "substantially" less than \$500 (Vol.11:15). Chromatic doesn't plan to produce sets or tubes itself, but hopes to license others to do so.

Though many industry leaders see color eventually supplanting black-&-white as their major product, none has gone as far as Gen. Sarnoff in predicting that this will start next year. Most have said it would take 3-5 years -- or more.

Reinforcing his statement on color, Gen. Sarnoff told stockholders: "Color TV, I firmly believe, will 'break through' and be well under way before Christmas of the present year. A reasonable number of color programs will be broadcast with regularity and this number will increase rapidly as more color sets are installed in homes. We are confident that we can sell all the color sets and tubes we will produce between now and the end of this year."

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TV production sagged to year's low for week ending April 29 -- only 131,627 units. It was year's 17th week, which means one-third of 1955 has been counted, and it means that approximately 2,770,000 TVs have been made thus far this year compared with about 1,904,000 in same 1954 period. (For unrevised RETMA weekly figures for each of first 16 weeks, see p. 12, Vol. 11:18.)

RETMA revises its weekly figures when it makes monthly recapitulations, and this week its monthly recap for first quarter came out: 654,582 in Jan., 702,514 in Feb., 831,156 in March -- total 2,188,252 for quarter. That's about 40% ahead of same 1954 quarter's 1,447,110.

Radio output continues to hold steady -- 278,054 (142,108 auto) for week ending April 29, bringing 17-week total to approximately 4,745,000 vs. 3,326,800 for same 1954 period. Radio figure, revised only through first quarter, shows 1,086,146 in Jan. (280,121 home sets, 47,303 portables, 573,837 auto, 166,885 clock); 1,089,724 in Feb. (232,831 home, 109,120 portable, 597,742 auto, 150,031 clock); 1,482,274 in March (300,840 home, 233,465 portable, 774,025 auto, 173,944 clock).

First quarter's radio output, totaling 3,640,144 breaks down as: 813,792 home sets, 389,888 portables, 1,945,604 auto, 490,860 clock.

Topics & Trends of TV Trade: From 1946 through 1954, distributor shipments of TV sets to dealers throughout the U. S. and its territories totaled 35,677,818, according to a recapitulation released this week by RETMA. The aggregate shipment figure compares with production total over same 9-year period of 37,668,819, to which can be added some 2,770,000 sets known to have been produced thus far this year. Latest NBC estimate of sets-in-use, dated March 1, places that figure at 35,028,000 (Vol. 11:16). The new RETMA recapitulation of shipments for 1946-1954:

State	Total	State	Total
Alabama	361,689	New Hampshire	120,842
Arizona	123,925	New Jersey	1,664,853
Arkansas	179,862	New Mexico	66,768
California	3,129,919	New York	4,754,300
Colorado	231,379	North Carolina	555,087
Connecticut	635,586	North Dakota	56,736
Delaware	108,845	Ohio	2,592,978
District of Columbia	351,174	Oklahoma	412,549
Florida	554,183	Oregon	218,476
Georgia	559,164	Pennsylvania	3,112,857
Idaho	70,295	Rhode Island	229,881
Illinois	2,487,747	South Carolina	225,468
Indiana	1,029,462	South Dakota	49,153
Iowa	565,117	Tennessee	461,774
Kansas	310,223	Texas	1,366,244
Kentucky	427,405	Utah	156,224
Louisiana	391,164	Vermont	52,622
Maine	176,297	Virginia	556,496
Maryland	631,803	Washington	492,729
Massachusetts	1,448,063	West Virginia	297,733
Michigan	1,682,313	Wisconsin	724,469
Minnesota	573,162	Wyoming	15,211
Mississippi	146,951	U. S. Total	35,616,771
Missouri	918,661	Alaska	5,496
Montana	39,396	Hawaii	55,551
Nebraska	278,876	Grand Total	35,677,818
Nevada	20,660		

TV set sales by Canadian factories for first quarter of this year totaled 166,462 sets, production 215,918, reports Canadian RTMA. This compares with sales of 111,399, production of 122,625 in same 1954 period. Projected production estimate for April-June period is 145,222 more sets. March sales totaled 55,076 at average price of \$292, production 75,560. Inventory at end of March was 97,340 compared to 76,856 at start of month. Toronto led in March sales with 9422; Montreal second, 8883; British Columbia, 5364; Manitoba, 4550; other Ontario, 4286; Nova Scotia, 4137; Alberta, 3727; Ottawa & eastern Ontario, 3201; New Brunswick & Prince Edward Island, 2859; Quebec City, 2809; Hamilton-Niagara, 2367; Saskatchewan, 1665; Windsor, 1605; other Quebec provincial areas, 195; Newfoundland, 6.

Failures in retail TV-radio-appliance trade during first 1955 quarter totaled 107, involving \$3,758,000 in liabilities, reports Dun & Bradstreet. They compare with 128 involving liabilities of \$17,604,000 in same 1954 period. In all of 1954, there were 457 such failures with liabilities of \$29,920,000. Dun & Bradstreet failure record includes concerns involved in court proceedings or voluntary actions likely to end in loss to creditors, does not cover discontinuances with outside obligations paid in full. In table of retail failure rate per 10,000 operating concerns, the appliance-radio-TV category shows 105 in 1954, 80 in 1953—second highest after infants' & children's wear.

While IUE (CIO) locals were reported demanding guaranteed annual wage and 5% pay increase from RCA plants at Camden and elsewhere, involving some 14,000 workers under 2-year contract expiring in April 1956, same union's Philco locals this week ratified new one-year contract calling for 5¢-an-hour pay boost and certain fringe benefits involving some 5500 employes. New Philco minimum wage rate is \$1.53 an hour, maximum \$2.71, and covers 10 plants.

Old John Wanamaker Store at Broadway & 8th St. (1,500,000 sq. ft.) will be converted and modernized into what will be known as Merchandise Mart of New York, an international display & trading center for hard goods, under plans of new owner Astor-Broadway Holding Corp.

DISTRIBUTOR NOTES: Dick C. Klein assigned to chief of Raytheon factory-owned TV-radio branch distributorships, his former duties as director of marketing taken over by Henry F. Argento, v.p. & gen. mgr., and Cliff Knoble, director of merchandising; Raytheon has own branches in Chicago, Milwaukee, Peoria, Harrisburg . . . Philco opens Cleveland factory branch in former quarters of Strong, Carlisle & Hammond Co., which gave up franchise . . . Sylvania appoints Interstate Distributors, 808 W. 14th St., Kansas City . . . CBS-Columbia Distributors Inc., N. Y., names Howard Gross, ex-Motorola Eastern regional sales mgr., as gen. mgr., succeeding Martin L. Scher, resigned . . . Crosley-Bendix franchise for Syracuse-Rochester area acquired from O'Donnell Distributors by Artec Distributors, Middletown, which will continue to operate temporarily from O'Donnell offices in Syracuse . . . Admiral names General Merchandise Co. Inc., 207 N. Milwaukee St., Milwaukee, as additional distributor for radios only; Admiral Distributors-Milwaukee Div. remains area distributor for entire Admiral line . . . Admiral-N. Y. promotes John Klein to sales promotion mgr. for chain store accounts in metropolitan area; Bernard Kaiser succeeds him as lower Manhattan district sales rep . . . GE Supply Co. sets up new mid-Atlantic region with headquarters at 705 Edgewood St., NE, Washington, with C. T. Shropshire as v.p. & regional mgr., M. W. Ryner mgr. for consumer goods . . . Admiral Distributors-Boston Div. takes over New England territory formerly handled by Alexander Distributors Inc., Springfield, with Boston gen. mgr. Thomas J. Hodgens supervising office at 214 Birnie Ave.

Sightmaster Corp., New Rochelle, N. Y., immediately upon confirmation of Chapter XI reorganization plan for Transvision Inc., same city, whereby creditors are to receive 15%, reported it has become largest stockholder in Transvision and proposes to recapture Transvision's former \$3,500,000 business in the TV kit business. New kit has been designed and is now being marketed, said Sightmaster pres. Michael L. Kaplan, and plans call for a color kit by fall along with high fidelity equipment, test instruments, community antenna systems, amplifiers. Sightmaster has endorsed notes to creditors whereby they will be paid 3% now and 1% every 2 months until the 15% is paid. Sightmaster takes over stockholdings of Emanuel Cohen. When Transvision schedules were filed in Oct. 1953, liabilities were put at \$722,589; tax carryover loss is \$750,000, said Mr. Kaplan, which "will be very advantageous to Sightmaster."

Chapter XI petition filed this week by Fada Radio & Electric Co. (Jacob M. Marks, pres.), with factory in Belleville, N. J., estimates liabilities at \$1,604,945 and assets at \$2,451,137 and proposes to pay in full all creditors under \$250 within 90 days after confirmation and all others 5% as initial installment and 5% quarterly thereafter.

Setchell-Carlson Inc., New Brighton, Minn., reports it's producing new 17-in. 20-tube portable TV weighing under 40 lb., to retail at \$180. Cabinet is aluminum, finished in Fabrikoid. It's offered in 3 colors, and factory states it's making 100 a day.

Rokville Co., 1099 So. Logan, Denver, maker of cabinets, again reports it will manufacture color TV sets before end of year; it's RCA-licensed, and pres. is R. L. Pierzina.

Total of 119 different types of receiving tubes are used in 150 models of 1954 & 1955 TV sets surveyed by GE tube dept. The sets surveyed had total of 2950 sockets, or just a shade under 20 tubes per set.

Philco's midsummer distributor convention, where 1956 TV-radio lines will be introduced, will be held at Miami Beach's Fountainbleau Hotel, June 26-28.

Electronics Reports: "Lots of Glamor, But Little Cash" headlines article in May 5 *Journal of Commerce* detailing difficulties of smaller electronics companies in financing expansion needs. Causes of these troubles, as enumerated by writer Ben Weberman: (1) Technological advances render production models obsolete almost as fast as they are developed; therefore substantial sums are needed to keep up with progress. (2) Because Govt. is electronics industry's biggest customer, sales are subject to cancellations, stretch-outs and obsolescence—and this hazard in forecasting long-term prospects has caused wariness on part of bankers and other investors. (3) Tremendous expansion of the industry has stiffened competition and held profits to rock bottom.

"Unable to sell stock to the public without a historical record of earnings gains backed by growth of civilian business," says article, "the companies have been forced to merge with older, financially strong companies; have sought venture capital from wealthy individuals; received bank credit against firm govt. contracts, and, especially, have plowed net income back into the business." It concludes that financial problem will be eased when civilian demand for electronic products grows more important in relation to govt. orders.

* * * *

Motorola's entry into transistor manufacturing was announced this week with disclosure that ground is about to be broken for new \$1,500,000 plant in Phoenix, first section of which will be ready early in 1956. Volume use of transistors is now anticipated, pres. Paul V. Galvin stated, in portable and car radios and in communications equipment. "Transistors," he said, "will revolutionize the design of car radio, and we will announce our first transistorized car radio models in early 1956."

Newest transistor portable radio: Introduced by Emerson, shipments begin next week on tiny set containing 2 transistors, 3 tubes, 2 batteries. Weighing less than 1 lb., it's 6-in. wide, 1¼-in. high, sells for \$44. Other transistorized radios introduced to date: 4-transistor Regency pocket set at \$49.95; 8-transistor Raytheon portable at \$79.95.

"Mural TV," system whereby light amplifier is used to produce flat picture (Vol. 11:6), is a creation of RCA, said Chairman Sarnoff, responding to question at this week's stockholders meeting. However, he added, it's still in lab stage, only 30 or 40% completed.

Trade Personals: John J. Anderson named mgr. of portable appliances, Westinghouse appliance div., Mansfield, O., succeeding Robert M. Oliver, resigned . . . Douglas Wallace May 1 succeeded E. W. Cashman, retired, as Graybar v.p. & director . . . J. J. Harris, gen. mgr. of Philco Distributors Inc., N. Y., elected to board of N. Y. Better Business Bureau . . . Robert M. Fichter, ex-adv. mgr. for major appliances & electric housewares, named adv.-promotion mgr., Westinghouse TV-radio div. . . . Wm. R. Bush, ex-aide to chief of naval research, named asst. gen. sales mgr., Hoffman Labs . . . Joseph S. Wright, gen. counsel & director, onetime Federal Trade Commission attorney and onetime secy. to ex-Sen. Wheeler, named Zenith Radio v.p. . . . Charles Lloyd, ex-Nashville regional sales mgr., named Motorola's eastern regional sales mgr. succeeding Howard Gross, now gen. mgr. of CBS-Columbia Distributors Inc., N. Y. . . . Daniel Newman, ex-DuMont, named CBS-Columbia director of product service, succeeding Harold J. Schulman, now asst. to pres. Seymour Mintz . . . George Cohen, Emerson eastern regional sales mgr., promoted to director of service sales; Floyd Makstein continues as mgr. of service sales . . . Loyd Dopkins, ex-Crosley, Majestic & Zenith, named sales v.p., Granco Products Inc., Long Island

Standard Electronics div. of Hupp Corp. will be name of new division formed by Hupp's purchase of electronics business of Brown-Allen Chemicals Inc. (Vol. 11:10,16). [New division is not to be confused with Standard Electronics Corp., transmitter-making subsidiary of old Claude Neon.] Brown-Allen electronics operations were carried on its books as of Dec. 31 at \$798,000, less depreciation and amortization reserve of \$343,800. Hupp made initial payment of \$250,000 in cash, plus 125,000 shares of its common stock, with contingent additional payment during next 5 years through issuance of not over 120,000 shares of common, based on and payable from net earnings of electronics div. Principal products of electronics div. will be cadmium sulfide photocells and quartz crystals.

RCA's move into business "brain" field heralded by announcement by Chairman David Sarnoff at this week's stockholders meeting (see pp. 10 & 13) that company's new "Bizmac" data processing system is designed to handle such business tasks as invoicing, inventory control, etc. First Bizmac system is being built for delivery next fall (at \$5,000,000) to Army Ordnance Tank-Automotive Command in Detroit, where it will be used for stock control of parts, replacing 350 clerks. Gen. Sarnoff also announced RCA has received from United Air Lines its largest order for airborne radar—\$2,500,000. Radar will become standard equipment in all UAL planes.

Hycon-Eastern Inc. is new firm formed by leading MIT scientists Dr. Jerrold R. Zacharias & Dr. Jerome B. Weisner, to specialize in research and product development in fields of nuclear instrumentation, microwaves and computers. It's principally owned by Hycon Mfg. Co., Pasadena, Cal., with the 2 scientists holding substantial equity. It plans to acquire facilities near Cambridge, Mass.

Claude Neon Inc. has changed name to Dynamics Corp. of America, the better to identify it with its electronics activities which include manufacture of TV-radio transmitters (through subsidiary Standard Electronics Corp.), radar, guided missiles, quartz crystal oscillators, automation, fire control, analog computers.

Two new 10-kw vhf transmitters will be introduced at NARTB convention in Washington, May 22-26: Standard Electronics will show "economy model" priced at \$55,000, and GE will display its first unit in that power range.

Efficiency of solar battery (Vol. 10:18) has been increased from 6% to 11%, Bell Labs reports, stating that this is comparable to efficiency of best gasoline engines.

City, N. Y. . . . N. J. Litherland, ex-Servel Inc., appointed Magnavox comptroller . . . George M. Hakim has resigned as adv. director, Hoffman Electronics . . . John Belieff, ex-Fairchild Publications, named Sparton Baltimore area district merchandiser . . . Alexander E. Blazis, ex-foreman of Raytheon receiving tube plant at Quincy, named mgr. of newly opened sales office & warehouse at Franklin Park, Ill.; C. R. Hammond, asst. Raytheon v.p., is equipment sales mgr. there . . . Everett W. Olson appointed director of adv. & public relations, Webster-Chicago, succeeding S. T. Seaman, now with John W. Shaw Adv., Chicago, newly appointed to handle Webcor account . . . Richard P. Axten, ex-Alexander Smith Inc. (carpets) joins Raytheon June 1 to direct public relations for all its operating divisions . . . Lawrence W. Kanega, ex-gen. sales & merchandise mgr., elected v.p.-operations mgr., RCA Victor record div.

Harold Harris, v.p. of Channel Master Corp., is author of "Eyes & Ears of TV," 3-p. article on antennas, included in 1955 *Book of Knowledge Annual*.

R. Karl Honaman, on leave from Bell Labs, where he is publications chief, named deputy asst. secy. for public affairs, Defense Dept.

Financial & Trade Notes: RCA is by way of becoming a \$1 billion company this year, based on record first-quarter sales of \$256,305,000, up 13% from 1954 quarter's \$226,609,000, reported by chairman David Sarnoff at annual stockholders meeting May 3. Quarter's net profit was \$12,568,000 (84¢ a share), gain of 25% over 1954 quarter's \$10,066,000 (66¢). In all of 1954, RCA achieved record sales of \$940,950,000, net profit of \$40,525,000, or \$2.66 a share (Vol. 11:9).

Those figures highlighted session at which Gen. Sarnoff also disclosed that TV manufacturing, telecasting & servicing represents about 52% of RCA's business; that govt. sales & services in first quarter amounted to \$52,000,000, or about 20% of total volume; that unfilled govt. orders on March 31 amounted to \$300,000,000 and deliveries this year are expected to approach 1954 figure of \$221,000,000; that RCA has contract for guided missile launching system for which mechanical engineering phase is being handled by American Machine & Foundry Co.; that its govt. service dept.'s "global electronics field engineering program" for U.S. armed forces includes several thousand RCA-trained field engineers; that RCA International's 1955 first-quarter sales were at record level.

The headline news in Gen. Sarnoff's statement, however, was his surprise prediction that earnings from the sale of color TV sets "in 1956 and years ahead" will exceed those from black-&-white, along with announcement of new \$795 color console and \$895 color console now in production (see p. 10).

Stockholders sided with management to vote down proposals for annual instead of staggered election of all directors and for limitation of extra incentive compensation to executives to \$200,000 ceiling or 100% of base pay for any one individual. They reelected to board Edward F. McGrady, Gen. Walter Bedell Smith, Wm. E. Robinson, Dr. E. W. Engstrom, John T. Cahill — and they unanimously approved resolution urging Gen. Sarnoff to remain with RCA for at least 5 more years from next March 1 when his present employment contract terminates and when he will have completed 50 years with the company. On Feb. 27, 1956 he reaches 65, company retirement age, which can be waived by board.

* * * *

International Resistance Co. pres. Charles Weyl reported to annual stockholders meeting this week that sales for first 15 weeks of 1955 rose to \$4,112,722 and earnings to \$199,457 (15¢ a share on 1,342,598 common shares outstanding) from sales of \$3,525,802 and earnings of \$69,378 (5¢ on 1,331,163 shares) for like 1954 period. For all 1954, sales were \$13,207,649, earnings \$603,320 (45¢). IRC during first quarter acquired Hycor subsidiaries in Calif. & Puerto Rico whose sales this year are expected to exceed \$1,000,000. Mr. Weyl said company is planning another acquisition, undisclosed.

Motorola first-quarter sales, despite reduced military billings, went up to \$51,873,179 from \$48,006,800 in same 1954 quarter — and pres. Paul V. Galvin, in letter to stockholders, called it second best first quarter in firm's history and attributed improvement mainly to black-&-white TV. Earnings went up to \$2,153,038 (\$1.11 per share) from \$1,644,084 (85¢). For full year 1955, Galvin said, business should exceed previous high of \$217,000,000 of 1953. [For 1954 profit-&-loss report, see Vol. 11:12.]

Tung-Sol reports first quarter sales of \$11,892,273, net profit of \$756,714 (\$1.09 on 641,787 shares), compared to \$9,516,287 & \$450,304 (78¢ on 554,952) same period last year.

Dr. Edward H. Litchfield, dean of Cornell School of Business & Public Administration, elected Avco director.

A. P. Barton, ex-asst. gen. mgr. of Elgin National Watch Co. ordnance div., heads new electronics division that embraces recently acquired Neomatic Inc., L. A.; American Microphone Co., Pasadena; Advance Electric & Relay Co., Burbank. Gordon Odell, former Elgin mgr. of commercial development, has been named west coast plant mgr. Elgin pres. J. G. Shennan told L. A. press conference that about 10% of 1955 volume will be in electronics, or about \$5,000,000.

Collins Radio Co. last week offered 122,500 shares of 4% cumulative preferred stock, \$50 par, convertible into B common through May 1, 1965, to holders of its Class A and Class B common at rate of one share for each 12 common held. Collins stockholders previously approved reclassification as of April 25 of \$5 common, whereby each share is changed into 1½ shares—the Class A having voting rights. New stock is convertible into Class B at initial price of \$27.

Texas Instruments Inc. is issuing to holders of its common stock rights to subscribe at par to 165,945 shares of new 4.48% \$25 par cumulative convertible preferred stock at rate of one share for each 18 of common held, rights expiring May 19. New preferred is convertible into common at any time before May 1, 1965 at rate of one preferred for each 1½ common.

National Co., Malden, Mass., recently backed by Easy Washing Machine Co., Syracuse (Clint Murchison) to extent of \$2,000,000 (Vol. 11:17), has elected as directors Mrs. H. Paul Nelligan, v.p. of Easy Washing Machine Co. and Howard W. Sluyter, associated with the Murchison Brothers in Texas.

* * * *

Loew's Inc., parent of MGM and biggest of movie producer-theatre firms (Vol. 11:17), earned net profit of \$3,274,451 (64¢ per share) on gross revenues of \$92,399,000 in 28 weeks ended March 17 compared to \$3,199,166 (62¢) on revenues of \$97,106,000 in corresponding 1954 period. For the 16 weeks ended March 17, net was \$1,753,102 (34¢) on gross of \$52,613,000 vs. \$2,065,273 (40¢) on \$56,096,000 in same 1954 period.

National Theatres Inc. reports net income for 6 months ended March 26 totaled \$1,280,549 (46¢ a share), compared with \$1,307,050 (47¢) same period last year. For quarter ended March 26, net income was \$734,133 (27¢) vs. \$651,468 (24¢) same 1954 period.

Stanley Warner Theatres reports, for 6 months ended Feb. 26, net profit of \$1,621,600 (73¢ on 2,208,680 shares), compared with \$1,191,400 (50¢ on 2,367,696) same period last year.

Twentieth Century-Fox income for 52 weeks ended Dec. 25 was \$115,715,815 compared to \$113,513,260 in comparable 1953 period. Earnings jumped to \$8,044,524 from \$4,560,887.

Paramount Pictures Corp. gross income in 1954 was \$110,069,588, net profit \$9,003,802 (\$4.10 per share) vs. \$112,803,066 & \$6,779,563 (\$3.06) in 1953.

Columbia Pictures reports net earnings of \$3,655,000 (\$4.37 a share) for 39 weeks ended March 26, vs. \$2,644,000 (\$3.12) for corresponding period last year.

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Dividends: CBS "A" & "B" 3-for-1 stock split payable May 20 to stockholders of record April 29; Tung-Sol, 25¢ June 2 to holders May 20; Aircraft Radio, 20¢ May 25 to holders May 18; Globe-Union, 30¢ June 10 to holders June 1; Consolidated TV & Radio Broadcasters Inc. (Bitner group), 28¢ July 1 to holders June 15; RCA, 25¢ July 25 to holders June 17.

Ralph S. Euler, senior v.p., Mellon National Bank & Trust Co., Pittsburgh, appointed a director of Consolidated TV & Radio Broadcasters Inc. (Bitner group).

Network TV-Radio Billings

March 1955 and January-March 1955

(For February report see *Television Digest*, Vol. 11:15)

COMBINED NETWORK TV billings for first quarter fell just short of record \$100,000,000 total after CBS-TV climbed to new monthly high of \$16,036,896 and NBC-TV to record \$14,122,193 in March, according to Publishers Information Bureau report. The quarter's aggregate \$99,319,468 compared with \$74,208,152 in same 1954 period. Network radio, meanwhile, showed a substantial improvement in March—up about \$1,000,000 from Feb., but quarter's \$32,237,038 was still running about \$7,000,000 behind same 1954 period. The PIB figures:

	NETWORK TELEVISION			
	March 1955	March 1954	Jan.-March 1955	Jan.-March 1954
CBS	\$16,036,896	\$11,379,631	\$46,562,763	\$32,058,441
NBC	14,122,193	10,981,690	39,714,529	30,466,775
ABC	3,806,425	2,640,699	11,092,316	7,923,645
DuMont	628,625	1,205,526	1,949,860	3,759,291
Total	\$34,594,139	\$26,207,546	\$99,319,468	\$74,208,152

	NETWORK RADIO			
	March 1955	March 1954	Jan.-March 1955	Jan.-March 1954
CBS	\$ 4,391,864	\$ 5,456,351	\$12,524,418	\$15,372,037
NBC	2,953,486	3,639,278	8,282,310	10,208,000
ABC*	2,445,765	2,764,547	7,320,805	8,089,938
MBS	1,445,035	2,034,961	4,109,505	5,715,338
Total	\$11,236,150	\$13,895,137	\$32,237,038	\$39,385,313

	NETWORK TELEVISION—January-March 1955				Total
	ABC	CBS	DuMont	NBC	
Jan.	\$ 3,718,195	\$15,831,141	\$ 723,960	\$13,172,695†	\$33,445,991†
Feb.	3,567,696	14,694,726	597,275	12,419,641†	31,279,338†
Mar.	3,806,425	16,036,896	628,625	14,122,193	34,594,139
Tot.	\$11,092,316	\$46,562,763	\$1,949,860	\$39,714,529	\$99,319,468

	NETWORK RADIO—January-March 1955				Total
	ABC	CBS	MBS	NBC	
Jan.	\$2,487,140	\$ 4,181,787†	\$1,372,532	\$ 2,744,204	\$10,785,663†
Feb.	2,387,900†	3,950,767	1,291,938	2,584,620	10,215,225†
Mar.	2,445,765	4,391,864	1,445,035	2,953,486	11,236,150
Tot.	\$7,320,805	\$12,524,418	\$4,109,505	\$ 8,282,310	\$32,237,038

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

† Revised as of March 4, 1955.

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

Signs of good TV times: CBS first quarter sales & earnings, soon to be reported, will be ahead of year ago; last year's constituted record (Vol. 11:13) . . . CBS pres. Frank Stanton, personally, heads 399 Park Ave. Corp., planning big new office structure opposite modernistic Lever House, which probably accounts for rumors about projected "TV City" to occupy Park to Lexington Aves. between 53rd & 54th Sts. . . NBC has blueprinted office building opposite its big Burbank studios . . . Ziv TV business reported up 32% in first 1955 quarter from same 1954 period; it's closed corporation, so figures aren't made public . . . WRCA-TV, NBC-owned N. Y. key, which reputedly represents gross billings around \$20,000,000 (about same as CBS key WCBS-TV), reports 23% increase in time sales first quarter.

Rush of sponsors to be charter advertisers on NBC Radio's new *Monitor* week end radio service (Vol. 11:15) is reported by the network, which says it has sold nearly 500 1-min. participations, though program doesn't begin until June 12. Taking advantage of "introductory dividend plan" are such advertisers as Gruen, American Motors, Western Union, Carter Products, RCA, Mid-Continent Petroleum, Coppertone, Bronze Tan & Seaforth—said to account for total of \$450,000 in orders.

It's open season for "nominating" candidates for the FCC again, what with Comr. Hennock's term expiring June 30. White House isn't saying anything about names submitted, but President Eisenhower is expected to pick the Democratic nominee momentarily, and he must of course be persona grata to the Democratic leadership. One strongly-backed name definitely before Mr. Eisenhower is that of Richard Mack, chairman of the Florida Public Utilities Commission, endorsed by both Senators (one of whom, Sen. Smathers, is on Senate Interstate Commerce Committee) and by all Florida Congressmen save the single Republican member from St. Petersburg, Wm. C. Cramer, who has made no objection. Mr. Mack is from Coral Gables.

The \$3,000,000 sale of WNBC-TV, Binghamton, N. Y. (Ch. 12), with radio WNBC to Walter Annenberg's Triangle Publications by John C. Clark interests (Vol. 11:11) was approved by FCC this week. Agreement stipulates actual transfer will take place in 20 days, or by May 24, but closing date is not yet settled. It will be operated under direction of Triangle's WFIL-TV mgr. Roger W. Clipp, with gen. mgr. Geo. Dunham and other key personnel remaining at WNBC-TV. In addition to operating WFIL-TV & WFIL, Philadelphia, Annenberg also owns 50% of radio WHGB, Harrisburg, and publishes *Philadelphia Inquirer*, *New York Telegraph*, *TV Guide*, *Seventeen* and other publications.

Backlog of TV applications was principal subject of questioning by Sens. Magnuson (D-Wash.) and Saltonstall (R-Mass.) as FCC members appeared this week before Senate Appropriations subcommittee headed by Magnuson at preliminary hearing on budget for fiscal 1956. Chairman McConaughy said backlog can be cut down to the "hard core cases" if Senate approves full appropriation. House already has approved FCC budget, adding \$90,000 for processing backlog and \$80,000 for Commission study of networks, to the \$6,700,000 estimated in budget request (Vol. 11:14). Magnuson said he would call Commission back in about 2 weeks to discuss investigation and other "policy matters." He also said Govt. ought to get to work to provide suitable office space for FCC.

Control of KGNC-TV, Amarillo, Tex. (Ch. 4) & KGNC, together with *Amarillo News* and *Globe-Times* and *Lubbock Avalanche* and *Journal* and Lubbock radio KFYO is sought in application filed with FCC this week by Roy N. Whittenburg family which now owns 35.6%. Group proposes to increase holdings to 91.8% by acquiring 64,409 shares of Globe-News Pub. Co. for \$3,864,540 from Parker Prouty group. Wes Izzard would remain TV mgr. Feb. 28 balance sheet of Globe-News Pub. Co. lists \$8,308,296 total assets, \$1,228,072 current assets, \$703,392 current liabilities, \$5,439,831 surplus. Globe-News and subsidiaries show \$506,208 net earnings for 1953, \$277,173 for 1954. TV station lists \$1,026,461 total assets, \$1,044,519 current liabilities, \$119,267 deficit.

"Play Marco," bingo-type program conducted by KTLA, Los Angeles (Vol. 11:10) seems to be an illegal lottery, in eyes of FCC which this week told station it was scheduling "cease-&desist" hearing in which burden would be on KTLA to prove otherwise. However, station informed Commission it would drop program June 2—and it's presumed hearing will be called off, license renewed.

TV applications filed this week: For Miami, Ch. 10, by Storer Bestg. Co. (see p. 5); for Laredo, Tex., Ch. 8, by Midland, Tex. architect H. C. Avery Jr. & contractor David H. Cole. [For details, see *TV Addenda 20-Q* herewith; for complete listings of all grants, new stations, applications etc., see *TV Factbook No. 20* with Addenda to date.]

Russians celebrated May 7 as 60th anniversary of invention of radio by—guess who?—Alexander Popov.

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS—May 14, 1955

HELP-UHF TAX BILL has little chance of passage this session in view of Administration's opposition to new tax legislation; telecasters push for action (p. 1).

BANKER ELECTED TO DuMONT board, presaging sale of one or both stations or else separate operation; plans for Electronicam this summer (p. 2).

SET MAKERS SITTING OUT subscription TV fight, with exception of pro-pay stand of Sylvania and opposition of those owning networks and stations (p. 3).

SUBSCRIPTION TV proponents have popular side of fight, a tough obstacle for opponents; FCC calm about deluge of mail, awaits formal arguments (p. 4).

CONGRESSIONAL PROBES into virtually all phases of TV broadcasting and manufacturing demanded as vote-conscious lawmakers eye "glamour" industries (p. 8).

"EXPLODING CONSUMER DEMAND" forecast at convention of security analysts; RCA strike vote authorized; fair trade repeal doubtful (p. 10).

CBS ACHIEVES RECORD revenues of \$104,206,067 for first quarter, profit of \$3,892,677 is highest in company's history (p. 13).

SINGLE CP GRANTED, to KWGB, Goodland, Kan., as FCC works on vhf drop-ins, channel shifts; CBS affiliation practices examined in Albany hearing (p. 9).

NEW STATIONS ABOUT TO GO into 3 non-TV towns: Twin Falls, Ida.; Rapid City, S. D.; Lafayette, La. Notes on shipments and other upcoming stations (p. 9).

RICHARD A. MACK, Florida utilities commissioner, definitely in line for FCC post to be vacated by Comr. Henneck June 30 (p. 14).

DIM OUTLOOK FOR UHF EXCISE TAX BILL: Against heavy odds, vhf & uhf telecasters embarked this week on full-steam campaign for a law to exempt all-channel TV receivers from the manufacturers' 10% Federal excise tax.

Virtually all Congressmen are familiar with plight of uhf -- and sympathetic -- but most key lawmakers hold out little hope for Congressional action this session. Biggest block is Administration's stated policy to consider no tax bills this year. Congress' determination to adjourn in July also raises the obstacle of time.

HR-4070, introduced by Rep. Ikard (D-Tex.), member of Ways & Means Committee, would provide the exemption, wiping out price differential between all-channel and vhf-only sets. Set manufacturers, meeting with the Senate Commerce Committee last month, endorsed measure, agreed it could cause vhf-only sets to disappear from the market (Vol. 11:10). Bill has been referred to Ways & Means Committee, which has asked Treasury Dept. to give its views on the measure.

Industry is currently concentrating its lobbying efforts on influential members of Ways & Means Committee and on the Treasury Dept. -- spokesman for the Administration on tax matters. NARTB is committed to support measure, and a group of powerful vhf telecasters backed the proposal at last year's Potter subcommittee uhf hearings. This week, NARTB govt. relations v.p. Ralph Hardy, officials of CBS & NBC and several other telecasters made separate visits to important members of the Ways & Means Committee -- spoke with Chairman Cooper (D-Tenn.) and Reps. Mills (D-Ark.), Boggs (D-La.), Simpson (R-Pa.), among others.

Their goal is to get Committee to schedule hearings. If hearings are on the calendar by time of NARTB convention May 22-26, it's evident that telecasters who converge on Washington at that time will be able to do some good by explaining to their individual Congressmen why the bill is needed.

* * * *

Industry representatives found Congressional reaction divided along party lines. Republicans, while sympathetic to bill's objectives, pointed to Administration's opposition to tax legislation this session -- particularly excise taxes. They pointed out that any excise tax action would be likely to bring pressure from every industry with an excise axe to grind.

Warmer reception came from Democrats. Generally, they felt public opinion was in favor of bill, and expressed view that if Ways & Means Committee approves measure it will easily sweep through the full House. But Chairman Cooper, while friendly, made no commitment on hearings.

Keystone to future of bill is Treasury Dept. attitude. Backers of bill point out that despite an immediate loss to the Govt. of \$75-\$100,000,000 in annual excise taxes, ultimate result will be far greater tax returns because of increase in number of taxpaying TV stations, employes, servicemen, etc.

A high Treasury official held out little hope for a favorable report. He told us it may still be some time before report is sent out. Declining to discuss the specific legislation, he outlined his department's policy on excises:

"I don't see how the Treasury can back any changes in excise taxes, in view of the President's recommendations that there should be no changes in this field this year. The Administration is very strongly against any patchwork changes in the tax structure, but believes the whole excise tax field is due for a complete overhaul -- wants to take a look at the whole thing, possibly next year. I suspect, too, that Congress is not eager to get into taxes at this time."

To avoid "special interest" label, set makers are generally staying aloof from lobbying on bill, though RETMA and an overwhelming majority of TV manufacturers have endorsed it. Its proponents stress that it's not a "tax relief" or "special interest" bill, will put no money in pockets of set makers. Rather, they say, it's "broad public interest" legislation to remove an artificial restriction to growth of nationwide competitive TV system by encouraging the public to buy "a complete TV set" -- one with all 83 channels.

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While endorsement of Ikard Bill is virtually universal throughout the industry, unreserved enthusiasm for it is not. Some uhf telecasters express fear that the measure is being regarded as the be-all-&-end-all for uhf. They back the bill, but call it "little more than a palliative," and urge that equal attention be given to such questions as program and network availability, competition in intermixed areas, cost and performance of uhf transmitters, allocation problems, etc.

One active uhf telecaster group, UHF Industry Coordinating Committee, headed by Harold Thoms (WISE-TV, Asheville, N.C.), has called meeting of uhf operators May 22 in Washington, to discuss easing of equipment payments, deintermixture, addition of vhf assignments, "market straddling," AT&T network costs and private microwaves, production of all-channel sets, obtaining network programs, subscription TV.

Summing up chances for all-channel tax exemption, those who visited Congressmen put it this way: Odds are heavily against passage this session, but educational work being done now may turn the tide next year.

NEXT PROBABLE STEPS IN DuMONT SHAKEUP: Armand G. Erpf, a partner in Wall Street investment house of Carl M. Loeb, Rhoades & Co., was elected this week to replace Bruce T. DuMont on the board of directors of Allen B. DuMont Laboratories Inc., as predicted (Vol. 11:9) -- and it can now be assumed the board not only will seek to resolve DuMont-Paramount policy differences but will undertake to:

(a) Sell one or both of the remaining TV stations (WABD, New York & WTTG, Washington) as well as the valuable big Tele-Centre on East 67th St., or

(b) Spin off the telecasting properties from the TV-electronics manufacturing business, and place their ownership in the hands of DuMont stockholders. This is the plan first favored by Mr. Erpf, presently on a 2-week trip to England.

Either way, the DuMont Network as such, already curtailed to a mere hookup of the N.Y. & Washington stations, ready for expansions as ordered but with only 6 "network" sponsors remaining, seems doomed to extinction -- unless revived by a buyer.

There have been conversations looking to sale of the properties, but nothing came of them, though at one juncture it looked like a N.Y. combine was ready to pay \$11,000,000 for the "package". Another valuation had \$5,500,000 on WABD, \$3,500,000 on WTTG, \$1,000,000 for the Tele-Centre.

The bankers, perhaps eyeing the successful ownership of stations by other big industrial corporations, are said to be inclined to the belief that the 2 stations can be operated profitably as independents, hence should be spun off. But the Washington station has been a loser, though is said to be holding its own now, and may be sold separately; several local broadcasting interests have approached DuMont, but none felt \$3,500,000 evaluation justified by past, present or potential earnings.

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DuMont's Electronicam TV-filming system, which can produce theatre-quality film at the same time it shoots a live TV show and which was first discussed as the basis for a "film network" (Vol. 11:16), will become available this summer on a lease basis, terms still undetermined, in both 16 & 35mm versions. DuMont is unlikely itself to go into the film production and syndicating business, but will make device available to film makers on a lease-&-service basis along the lines of IBM with its large business machines & computers.

For Hollywood, educational & govt. uses, leasing will be arranged through the DuMont plant at Clifton, N.J. Pilot 16mm Electronicam is now in use at Tele-Centre, where some educational films are being made for the Educational TV & Radio Center at Ann Arbor, Mich. James L. Caddigan is in charge, reporting to Ted Bergmann.

Compared with conventional film-making methods, Electronicam is said to cut production costs in half. One labor question apparently was solved this week when DuMont signed pact with Screen Actors Guild providing same pay scale that prevails in the TV film industry -- somewhat higher than AFTRA's live & kinescope TV rates.

FEW MANUFACTURERS CONCERNED ABOUT FEE TV: Most setmakers have little to say about pay-as-you-look TV, for few see how it affects them one way or the other. Those owning networks or stations -- like RCA and CBS -- have shown their aversion to it. But others prefer not to get into a hassle over something which they feel holds no dangers -- though some are a bit irked by fact that Zenith "is getting a priceless amount of free publicity and advertising," as one of them put it. (Other interests continue to have plenty to say about it, meanwhile -- see p. 5.)

We queried a score of top manufacturers, have an even dozen replies to date, and foregoing is the pattern of responses from those with no telecasting interests. There was one exception -- and he, incidentally, was the only one who agreed to let us quote him by name. Here's what Sylvania chairman-president Don G. Mitchell thinks:

"There is no question but that programming costs have reached the point where they are acting as a major deterrent to broadening the scope and increasing the quality of TV programs...The major consideration seems to be that any potential solution to the over-all cost problem now confronting the broadcasters and sponsors deserves most careful consideration, and specifically, that subscription TV field tests should be authorized so that reasonably conclusive evaluation can be made.

"Under the American free market system, the consumer or purchaser makes his choice every day -- not only to buy or not to buy, but which brand he will buy. There is nothing basically different about subscription TV; if it is not sound and there is no demand for it, the public will not buy it."

Contrary view is expressed by a manufacturer who is also a telecaster. He says: "I never agreed with either Comdr. McDonald or Dr. Millard Faught...No prediction that either has made about the inability of our present system of TV to provide service has been proven true, and yet every year those of us who pioneered in TV have been told that we are doing something that could not be possible.

"The most recent approach by Zenith, whereby stations would take on 'phone-vision' for a couple of peak hours each day only for paid subscribers is simply ridiculous. We spend tremendous amounts of money to build audiences and I can not conceive of getting anything out of Zenith during these periods, when we are off the air and denying the public our service and the service to which they are entitled under our license, to recompense us for entering into any such ridiculous situation."

Another manufacturer puts it this way: "I am all for doing anything that will enable us to sell more equipment or that will give the customer better programs, which will enable us to sell more equipment. But I haven't been convinced yet (a)

that subscription TV will do this, or (b) that anyone has a practical approach to the technical, legal and social problems that subscription TV raises."

Not much interested in toll TV per se, but concerned about "side effects," another set maker observed: "My opinion is that we can take it or leave it. I doubt whether the proponents can put it over. In the meantime, too much publicity may be another deterrent to TV sales as many people are not very analytical in their reading and may think that it's another new device that will obsolete their current TV investment. I think a clarification to the public on this would be in order."

Another is dubious, saying: "The thought of putting slot machines in every American home, and expecting people to pay for something whose only present cost is the slight irritation of a commercial, appears rather impractical."

Rest of them are staying out of the squabble for the present, making such comments as: "Have not crystallized my thinking." "Haven't formulated a policy." "It is rather unusual to find me not vocal about almost anything, but I should like to stay out of the middle of this particular subject." "Do not actually have any real definite opinion." "Not sufficiently familiar with the matter."

Personal Notes: Arthur Hull Hayes, recently named pres. of CBS Radio to replace Adrian Murphy, who resigned to retire from active business, elected a v.p. & director of parent CBS Inc. this week . . . Donald H. McGannon, v.p. & gen. exec., elected to board of Westinghouse Bestg. Co., which moves headquarters about June 1 to Chanin Bldg., 122 E. 42nd St., N. Y.; Joseph E. Baudino, WBC exec. v.p. in old Washington headquarters, elected v.p.-Washington; W. C. Swartley, gen. mgr. of WBZ-TV, elected v.p.-Boston . . . Thomas F. Flanagan, managing director of Station Representatives Assn. for last 7 years, retires shortly but continues as consultant with offices in SRA; no successor has yet been chosen, according to SRA pres. Adam J. Young Jr. . . James W. Beach, sales mgr. of WBKB, Chicago, promoted to director of ABC-TV central div., Chicago, replacing Gerald Vernon, resigned . . . Jerry Danzig, ex-CBS-TV, named gen. exec. for programming for NBC-owned TV-radio stations, reporting to v.p. Charles R. Denny . . . Lawrence L. Wynn promoted to sales mgr. of WABC-TV, N. Y., succeeding the late Trevor Adams . . . Marvin H. Hult promoted to mgr. of WMBD, Peoria, under pres. Charles C. Caley, who also has engaged Robert O. Runnerstrom, ex-WLOK-TV, Lima, O., in an executive capacity; Harold V. Phillips, WMBD sales mgr., recently resigned to take similar position with WTVH-TV, Peoria . . . John C. Mullins has taken over as pres. of KBTV, Denver, which he and partner Frank Leu bought for \$1,000,000 from local business group (Vol. 11:13) . . . John Rossiter resigns as v.p. & gen. mgr., KBMT, Beaumont, Tex., and management has been taken over by Randolph C. Reed, pres. & 50% owner . . . Thomas B. Coulter, ex-radio KYSM, Mankato, Minn., named asst. to NARTB radio v.p. John F. Meagher . . . Alex W. Monahan, ex-Bitner stations in Indianapolis & Evansville, joins WWTW, Cadillac, Mich., as program director under David F. Milligan, gen. mgr.; Daryl Sebastian shifted from operations to promotion & mdsg. mgr. . . Tom Gavin returns to Duluth area (from WIRL, Peoria) to be gen. sales mgr. of Ridders' WDSM-TV & WDSM under v.p. Rodney Quick . . . John Esau, onetime gen. mgr. of KTUL, Tulsa, recently pres. of KTVQ, Oklahoma City, on May 23 becomes business mgr. of *Television Age* (Sol Paul, publisher) . . . Wayne Oliver resigns as Associated Press TV-radio editor, will announce new post shortly . . . Bob Mendelson resigns as v.p. of *Sponsor* to head group acquiring several radio stations . . . Brent Kirk promoted to station mgr. of KUTV, Salt Lake City; John P. Brophy named sales mgr., Alan F. Frank program-production mgr. . . W. Gordon Swan, WBZ-TV, Boston & Paul A. Loyet, WHO-TV, Des Moines, to address National Fire Protection

Assn. convention May 18 in Cincinnati on "Promoting Fire Prevention on Radio & TV" . . . Ted Eiland will be gen. mgr. of WJNO-TV, Palm Beach, Fla., having resigned as pres.-gen. mgr. of WTAP, Parkersburg, W. Va., which he and Baer-Chernoff families sold to Zanesville Publishing Co., operators of WHIZ-TV (Vol. 11:14) . . . John H. Bone, ex-gen. mgr. of WNEM-TV, Bay City, Mich., named gen. mgr. of WNAO-TV, Raleigh, N. C. . . Marcy Tinkle, ex-Petry, joins promotion dept. of ANPA's Bureau of Advertising . . . John Jackson, mgr. of RCA adv. services, named program chairman of Assn. of National Advertisers accounting seminar May 20 at New York's Hotel Plaza . . . Howard W. Coleman promoted to adv., promotion & merchandising mgr. of WNBQ & WMAQ, Chicago, succeeding John M. Keys, now sales director . . . Aubrey Williams, ex-TV-radio director, Fitzgerald Adv., joins with E. V. Brinckerhoff to form Brinckerhoff & Williams Agency, New Orleans . . . Brooks Elms, ex-McCann-Erickson, named TV-radio director, Birmingham, Castleman & Pierce . . . Edward H. Feldman, ex-TV-radio director of Biow-Beirn-Toigo in Hollywood, elected v.p. of Desilu Productions (*I Love Lucy*), in charge of commercial div. . . Meredith M. Daubin, since 1938 with Dow, Lohnes & Albertson, Washington law firm specializing in TV-radio, has resigned to join the George O. Sutton law firm . . . Milton F. (Chick) Allison, with CBS Radio Spot Sales since 1949, last 2 years as eastern sales mgr., promoted to asst. to gen. sales mgr. Henry R. Flynn . . . George Lindsey promoted to sales mgr. of Weed TV, Chicago.

John H. Battison, who installed and for a while managed CHCT-TV, Calgary, and who before that was with Capitol Radio Institute and in consulting practice in Washington, has resumed his consulting business with office at 4515 Saul Rd., Kensington, Md. (phone Olympic 7-9593); first client is U of Georgia's new Continuing Education Center, Athens, Ga., where Ch. 8 is reserved for education.

White House press secy. James C. Hagerty picked by Radio & Television Executives Society of N. Y. for its award for distinguished service to the broadcasting industry in opening up the President's news conferences to TV-radio. Presentation will be at White House soon.

Agnes McGillvra, wife of station rep Joseph McGillvra, has filed application for new Kingston, N. Y. AM (1-kw daytime, 1300 kc). She has minority interests in WOKO, Albany, N. Y. and KXL, Spokane, Wash.

Theodore Streibert, director of U. S. Information Agency, was to leave May 15 for inspection of USIA outposts in Africa, returning to Washington June 8.

POPULAR SIDE of the subscription TV struggle is undoubtedly in favor of the proponents—indicated not only by fact that FCC up to May 13 had received some 8500 endorsements vs. about 1800 oppositions, but by fact that most editorial opinion in general publications, including TV columns, has a pro-pay flavor.

Opponents of pay-as-you-see are becoming aware of this, and accordingly are seeking to tailor arguments with full knowledge of public temper. But they have much more difficult row to hoe than do proponents—who evoke tremendous enthusiasm by simply promising great shows, while opposition can merely issue dark warnings that free TV might go out the window.

Most of FCC commissioners and their staff members, however, seem unimpressed by volume of mail, brushing it aside as “results of promotion.” They’re waiting for formal answers June 9 to the very searching and pertinent questions raised in notice of rule-making (for full text, see Special Report, Feb. 12). They’re extremely sophisticated about intra-industry fights and are really holding off judgment until pros-&-cons are firmly nailed down.

Most of FCC people have always been skeptical about subscription TV, and the betting among them today is strongly against possibility that pay system will be approved—yet all concede that battle has scarcely begun.

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Idea of authorizing fee-TV on limited basis as a “commercial test” is approached very cautiously at Commission, where there’s some feeling that such a move might ultimately prove to be simply a final decision in proponents’ favor—that it would take the power to make an ultimate decision out of Commission’s hands. Not much thought has been given to idea, however.

It’s probable that full, formal oral hearing will eventually be conducted, just as it was in color and allocations rule-makings. Several parties will definitely petition for such hearings in June 9 filings, on grounds that conflicting factual information must be tested in cross-examination, and Commission is likely to accept that contention. There’s also opinion around FCC that Congress will—or should—take decision off Commission’s hands; that issues of public policy transcend FCC’s jurisdiction. Furthermore, there’s the cynical view that it’s a fine political football, basic principles of which aren’t buried in technicalities.

* * * *

Two leading TV columnists tackled subject this week, both coming up with pro-pay conclusions. *N. Y. Times’* Jack Gould on May 8 wrote:

“This corner has supported the principle of toll TV and still does so, but we are distressed to see the blithe assumption that it will magically solve all the TV medium’s very real cultural problems. It certainly will not do so without more searching study and preparation . . . The competitive economics of show business being what they are, the pay-as-you-see contention that toll video will not

touch the existing TV structure but merely add a new wing seems naive, indeed. It is up to the toll TV advocates to spell out in crystal-clear affidavits to the FCC, not in publicity handouts, where they stand on over-all balance in TV programming . . .”

N. Y. Tribune Syndicate’s John Crosby concludes in May 13 column that “subscription TV is inevitable, as I thought sponsored TV was inevitable for Great Britain to meet TV’s ever-mounting costs. How and when it’s coming, I have no idea.” Crosby lists arguments on both sides, evidently feels pros have the edge. He says he can understand exhibitors’ opposition but can’t fathom lack of support from networks and stations which, he says, “could conceivably wind up even richer than they are now in spite of themselves.” He says best argument against toll TV is that “it’s an infringement of your rights” because scrambled picture makes channel temporarily useless to those who won’t or can’t pay.

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Bickering continued on many levels, meanwhile. A fact-finding committee of 25 AFL show business unions in New York resolved against pay system, saying it would impose burden on low income groups, deprive invalids of free TV, usurp free airwaves, etc. Among letters to FCC was one from Mrs. Franklin D. Roosevelt, stating that toll TV “appears to be to a very good idea, and one that I would like to see tried.” Also on file is letter from U of Pittsburgh athletic director Rear Adm. T. J. Hamilton stating: “If revenues received from subscription TV can be properly distributed to insure preservation of national athletic and physical training programs in colleges and schools, much benefit will accrue to our country.”

Sponsor Magazine reports that majority of advertising executives interviewed don’t believe that subscription TV is a “clear threat” to free TV; that public acceptance will be limited; that competition of pay systems might improve free TV. Other developments:

(1) International Telemeter’s talk of using closed-circuit for pay system (Vol. 11:19) prompted Leon P. Gorman, WABI-TV, Bangor, Me. to invite Paramount-controlled Telemeter to join “Organizations for Free TV,” wiring Telemeter v.p. Paul MacNamara that “you can count on me to back your proposal because this is the exact way that I think pay-as-you-see TV should be handled.”

(2) Zenith rejected invitation of Hollywood Ad Club for another Faught-Starr debate (Vol. 11:16), stating that opponent Alfred Starr is hiding behind “false front” instead of coming out and emphasizing his theatre ownership. Starr said of Zenith’s action: “As far as the opposition of the theatre owners is concerned, is there anything wrong or un-American about this? Is Comdr. McDonald’s ambition so lofty and lily white that nobody can stand in his way?” Telemeter’s MacNamara will appear instead.

(3) First returns on *Saturday Review’s* poll showed about 65% for toll systems, 26% against, 10% uncommitted.

Largest theatre-TV hookup to date has been announced by Nathan L. Halpern’s Theatre Network TV Inc. for May 16 Marciano-Cockell heavyweight title bout from San Francisco at 11 p.m. Fight will be carried in 83 theatres with total seating capacity of 250,000. It won’t be available on home TV (but will be carried on radio) nor will it be shown in any theatres west of Denver. California theatres are blacked out under terms of contract. In New York area, it will be carried by unprecedented total of 17 theatres.

N. Y. Herald Tribune’s new digest-size *TV-Radio Magazine* makes its first appearance May 15 as regular Sun. supplement; its editor is columnist Hy Gardner; managing editor is Al E. Davies, ex-asst. night editor.

CBS-TV Pacific Network has been awarded exclusive rights to 8 Pacific Coast Conference football games this fall on dates when NCAA game-of-the-week is not being televised nationally (on NBC-TV). Schedule: Sept. 16, Texas A&M at UCLA; Sept. 24, Illinois at California & Stanford at Oregon State (night); Oct. 8, USC at Washington; Oct. 22, Stanford at Washington & USC at California (latter in Los Angeles area only); Nov. 5, Oregon at Washington State; Nov. 12, Oregon State at California. NBC-TV will air Notre Dame-Southern Methodist game in midwest only, on Sept. 24.

Bangkok, Thailand gets first TV station in June, operated by Thai Television Co.; it’s an RCA installation, and 1000 RCA sets have been imported.

Telecasting Notes: Spectaculars a la NBC's are reasonably certain to be offered by CBS-TV next season. Times haven't yet been determined, but they will be 90-min. drama & variety shows, some in color. Shows will rotate, pre-empting regular sponsorships, according to present plans, and there's even talk that some will come Sat. nights opposite some of NBC's. Unconfirmed, but probable, is that first color spectacular will feature Noel Coward in 90-min. version of his Broadway hit *Present Laughter* on a Sat. 10-11:30 p.m., which would put it opposite NBC's George Gobel . . . Fanning flames of controversy over spectaculars, ABC-TV Research has issued report based on Nielsen data, purporting to show that advertisers get more for their money with conventional programs than with spectaculars . . . Effectiveness of repeats of live TV drama (Vol. 11:17-19) is further illustrated by Trendex rating of May 10 *Fearful Decision* on ABC-TV's *U. S. Steel Hour*; it attained 18.1, compared with 11.6 when first presented June 22, 1954—though precise comparisons can't be made because level of viewing is normally lower in late June than in May . . . Washington Star TV columnist Bernie Harrison commended *Fearful Decision* repeat, observing that "TV ought to demonstrate some gumption and repeat more of its 'live' hit shows—especially the plays. What really whips me is that TV is forever trying to wangle more first class movies out of Hollywood—yet refuses to dip into its own growing library." He called for repeats of *No Time for Sergeants*, *Appointment in Samarra*, *Bachelor Party & Marty* . . . Stratospheric values of TV-radio program properties are underlined by this week's report from Lone Ranger Inc., recently purchased from King-Trendle by Jack Wrather, stating sponsors General Mills and American Bakeries are paying his firm \$5,213,000 for program rights for 4 years while another \$2,500,000 will be derived from 85 manufacturers licensed to use the name and from newspaper, comic book and recording rights . . . Walt Disney's merchandising mgr. Vincent Jefferds tells *Film Daily* that Disney this year will realize more than \$1,000,000 in royalties from *Davy Crockett* merchan-

dise . . . Biggest single program entity in TV-radio is believed to be Arthur Godfrey, who represents well over \$20,000,000 of CBS's annual billings; Dave Garroway's *Today* on NBC-TV is running ahead of that in billings, but of course isn't pegged so closely to one personality . . . NBC scouting local theatre groups for TV shows, signs up Dallas State Fair production of *One Touch of Venus* for Aug. 27 spectacular, may tie up with famed Phoenix Theatre; Jack Rayel, exec. producer, handling long-range planning . . . More proof of TV's growing affinity with movies: Ed Sullivan (*Toast of the Town*) signed to produce and star in major independent feature film to be released by Warner Bros. . . . Gertrude Berg will test her new play *Mind Over Momma*, which she wrote with James Yaffee, on ABC-TV May 31, after which she plans to produce it on Broadway; her last stage play was *Me and Molly* in 1948 . . . Paddy Chayevsky's *Marty*, first done on *Philco Playhouse*, then made into movie, wins Golden Palm grand prize this week at International Film Festival in Cannes . . . Dan Petrie to be chief director of *U. S. Steel Hour* when it moves from ABC-TV to CBS-TV July 6, Wed. 10-11 . . . American Psychiatric Assn. signs with Hal Roach Studios to produce TV film series on mental health . . . Novel contest: WTVW, Milwaukee, preparing for "T-Day," when new 1105-ft. tower now at 500-ft. mark will be completed, offering 12 prizes ranging from Plymouth car to watches to viewers whose guesses come closest to actual completion time.

Organization committee headed by Guild Films' David Savage has been formed to develop plans for new TV film distributors' trade assn., following meeting May 10 of 30 major syndicators called by General Teleradio's Dwight Martin, sparkplug of movement. In addition to Savage & Martin, members of committee to draw up proposals for organization objectives and membership qualifications are Jay Williams, Official Films; Lou Friedland, MCA; Ralph Cohn, Screen Gems; Frank Reel, Ziv; Arche Mayers, Unity; Herb Gelbspan, Hal Roach Studios.

Color tape program microwaved by NBC from New York to St. Paul, Minn. for dedication of Minnesota Mining & Mfg. Co. research labs (Vol. 11:19) was termed a "historic occasion" by RCA-NBC chairman David Sarnoff, whose appearance had been recorded on the tape. Dr. Harry F. Olson, who headed development for RCA, using MM&M tape, said: "Some problems remain to be solved. These involve both the machine and the tape. We are certain that these problems will be solved . . . We are confident that electronic photography will be an important tool first in TV and later in industry and the home."

Fully-equipped color broadcasting studio will be demonstrated by RCA during NARTB convention in Washington week of May 22. It will also demonstrate a new type of color camera chain (Model TK-41), color effects equipment, a universal multiplexer for color broadcasting, new "Ampliphase" AM broadcast transmitter and high-power microwave system (TVM-1A).

Continued improvement of black-&-white reception of color programs is being achieved by networks, though there are still occasional complaints of "fuzziness," etc. (Vol. 11:8). According to RCA operations engineering v.p. O. B. Hanson, improvement is due to "the gradual cleaning up of a lot of little things," not to any new technique or equipment.

Upcoming network color schedules: NBC-TV—May 19, *Home* segments, 11:04-11:12 & 11:50-11:57 a.m.; May 20, *Coke Time*, 7:30-7:45 p.m.; May 22, *Max Liebman Presents*, "Promenade," with Tyrone Power, Judy Holiday, Herb Shriner, Janet Blair, Kay Starr, 7:30-9 p.m.

Canadian Broadcasting Corp. is in no hurry to move into color. At convention of Assn. of Canadian Advertisers in Toronto last week, CBC chairman A. Davidson Dunton stated: "We believe that the sensible time for the CBC to move into color will be when the manufacturers can turn out sets of assured performance at a price people can pay, say \$400 or \$500." Furthermore, he said, CBC hasn't sufficient funds to colorcast as much as 3-4 hours weekly. CBC asst. gen. mgr. Ernest L. Bushnell, after observing color kine shown at convention by NBC-TV, declared: "If that is what the Canadian public is going to get in color, the CBC is not going to spend the public's money on it. When we're sure we can deliver to the public something good, then we'll be ready."

Several hundred color sets employing Chromatic TV Labs' one-gun tube are being built by Telechrome Inc., with demonstrations scheduled for June 6 by Chromatic's parent Paramount Pictures. Sets will have 26 receiving tubes, use 22-in. rectangular picture tubes. Chromatic officials have declared that receivers using their tube can be retailed at less than \$500 (Vol. 11:15).

A 5-hour color show 7-12 p.m. May 7 in Ft. Worth's Will Rogers Memorial Coliseum drew 5000 spectators, WBAP-TV reports; demonstration was solely to show color sets in operation. Station presents 6 hours of color weekly in addition to color programs from NBC-TV.

Improved color film process, said to increase definition and color rendition, will be offered to motion picture industry by Technicolor Inc. at present price scale.

Some 60 "Multi-Scanner" film chains are in use, of which 15-20 are equipped for color, according to DuMont.

Station Accounts: Ted Cott's experiment for late-evening viewing on DuMont's WABD, N. Y., is *Featwama*, consisting of 3-to-12 min. filmed short subjects, cartoons & newsreels 11:10-midnight weekdays, 11-midnight Sat. & Sun., starting May 23. Partic. sponsors will use breaks between shorts for commercials at rates to be disclosed next week. Newsreels will be changed daily, rest of bill changing each Mon. & Thu. To be extended later to Washington's WTTG, program is frankly designed to "approximate the kind of program shown at newsreel movie houses all over America," said DuMont . . . Levitt & Sons, builders, sponsoring 13 half-hour documentaries on big Levittown, Pa. development, titled *Miracle City*—using WFIL-TV, Philadelphia, in first test of TV, thru Al Paul Lefton Co., Philadelphia . . . Professional Laundry Foundation, Newark, organization of laundries in north Atlantic states (Harold Buckalew, mgr.), to conduct one-year spot campaign directed at housewives on WCAU-TV, Philadelphia, starting June 1, thru Feigenbaum & Wermen, Philadelphia; similar campaign is planned later in N. Y. . . Carnation Milk buys alt. week sponsorship of filmed *Annie Oakley* in 70 markets, thru Erwin, Wasey & Co., Los Angeles; Continental Baking Co. will sponsor series in 58 additional markets starting next Jan. 1, thru Ted Bates & Co. . . Brock Candy Co. buys NBC film div.'s *Steve Donovan*, *Western Marshal* for 7 Southern markets, thru Liller, Neal & Battle, Atlanta; in western states, Royal Baking Co. and Langendorf United Bakeries is sponsor . . . Studebaker to spend nearly \$8,000,000 on all media this year, its biggest campaign in history, thru Roche, Williams & Cleary Inc. . . UHU Products Corp. (concentrated all-purpose glue) plans TV campaign using glue-it-yourself theme, thru David J. Mendelsohn Adv., N. Y. . . Seasonal natural: *Fishing Digest* on KHJ-TV, Los Angeles, Thu. 7:30-7:45 p.m., sponsored by Par-T-Pak Beverages, thru Raymond R. Morgan Co. . . Among other advertisers currently reported using or preparing to use TV: McKesson & Robbins, N. Y. (Tartan sun oil), thru Ellington & Co., N. Y.; J. B. Williams Co., Glastonbury, Conn. (Skol sun tan lotion), thru J. Walter Thompson, N. Y.; Kleen King Home Products Co., Los Angeles (copper & aluminum cleaners), thru Mottl & Siteman Adv., Los Angeles; Jacuzzi Bros., San Leandro, Cal. (pumps), thru Gerth-Pacific Adv., San Francisco; Kerns Foods, Los Angeles (preserves), thru Mottl & Siteman, Los Angeles; Barrett Div., Allied Chemical & Dye Corp., N. Y. (Arcadian fertilizer), thru Albert Sidney Noble Adv., N. Y.; California Prune Advisory Board, San Francisco (promotion), thru Botsford, Constantine & Gardner, San Francisco; Lakeside Mfg., Milwaukee (Servit Hot trays & carts), thru Biddle Co., Bloomington, Ill.

Rate increases: WBAP-TV, Fort Worth, raises base hour from \$800 to \$900, min. \$160 to \$200; WKY-TV, Oklahoma City, base hour from \$750 to \$800, with min. rate added at \$175; WSM-TV, Nashville, adds new Class AA hour (7-10 p.m. daily) at \$700, min. at \$140, Class A hour remains \$600; WMBR-TV, Jacksonville, adds new Class AA hour (7-10:30 p.m. Mon.-Fri. & 6-10:30 p.m. Sat. & Sun.) at \$700, 20 sec. at \$180, Class A hour remains \$600.

Gross sales of more than \$1,000,000 are reported by NBC for its upcoming *Monitor* weekend radio service which debuts June 12 (Vol. 11:15, 19). Some 58% of network time availabilities have been sold, network states, latest sponsors being Chevrolet (buying \$325,000 worth of partic.) thru Campbell-Ewald, and Philip Morris, thru Biow-Beirn-Toigo.

NBC Radio, capitalizing on ABC-TV's *Disneyland* hit, on May 30 starts 5-min. strip, *Stories of Davy Crockett*, Mon.-thru-Fri. 5:55-6 p.m.

Network Accounts: Alcoa's cancellation of Ed Murrow's Tue. 10:30-11 p.m. *See It Now* on CBS-TV, effective after July 5 program, doesn't represent any yielding to controversial program's critics, says company; it merely reflects shift in its advertising concept from institutional-type public service programming to mass-appeal programs designed to sell consumer products. Network spokesman said no replacement had been signed yet, promised the prize-winning program will return in fall as sustainer if necessary . . . Elgin Watch Co. cancels *Elgin Hour* on ABC-TV alt. Tue. 9:30-10:30 p.m., effective June 14, will become alt. sponsor of Ed Murrow's *Person to Person* on CBS-TV starting Sept. 2, Fri. 10:30-11 p.m., thru Young & Rubicam . . . Ford Foundation's TV-Radio Workshop announced it would retain commercially-successful *Ominibus* on CBS-TV for 4th season next fall, scotching rumors it would shift to NBC-TV . . . Wildroot (hair tonic) and Johnson & Johnson (baby products) to be alt. sponsors of *Robin Hood* filmed series, featuring all-British cast and filmed by Sapphire in historic Sherwood Forest, on CBS-TV starting Sept. 26, Mon. 7:30-8 p.m., thru BBDO & Young & Rubicam . . . Kleenex to sponsor *Midwestern Hayride* on NBC-TV starting July 8, Fri. 8-8:30 p.m., thru Foote, Cone & Belding . . . Borden Co. to sponsor panel show, *Make the Connection*, on NBC-TV starting June 30, Thu. 8:30-9 p.m., thru Young & Rubicam . . . Farm State Insurance Co. to sponsor *Red Barber Show* on NBC-TV following weekly boxing bouts starting Fri. May 13, thru Needham, Louis & Brorby . . . Gerber Products (baby foods) to sponsor Fri. 3:30-3:45 p.m. segments on alt. weeks of *Bob Crosby Show* on CBS-TV, thru D'Arcy Adv. . . Scott Paper to sponsor Thu. 10-10:15 a.m. & Fri. 10:15-10:30 a.m. portions of *Garry Moore Show* on CBS-TV starting June 9 and Thu. 3:45-4 p.m. portion of *Bob Crosby Show* on CBS-TV starting June 23, thru J. Walter Thompson . . . Gold Seal Wax is 5th partic. sponsor on *Perry Como Show* on NBC-TV this fall, Sat. 8-9 p.m., thru Campbell-Mithun, Minneapolis; others are Noxzema, Kleenex, Dormeyer & Warner-Lambert Co. . . Dow Chemical buys 7 of 15-min. post-NCAA football game programs on NBC-TV in fall, thru MacManus, John & Adams (games themselves have no sponsor yet) . . . A&P grocery chain buys 7 partic. on NBC-TV's *Today* starting May 30, Mon.-thru-Fri. 7-9 a.m. . . Ciba Pharmaceuticals to sponsor *For Doctors Only*, medical program with live remotes from hospitals, thru J. Walter Thompson; time & network are undetermined.

Signs of the TV times: Procter & Gamble, TV's largest single advertiser, is spending \$44,000,000 on TV this year, out of a total advertising budget of \$71,000,000, reports *Sponsor Magazine* in first of 3 articles on company. Of that sum, \$33,000,000 is going to network TV, \$11,000,000 to spot. An additional \$11,300,000 is going to network radio, \$1,750,000 to spot radio. Its emphasis is shifting from predominantly daytime programs, this year spending about \$17,000,000 each on day & evening shows. Currently it has at least one program on a TV network every evening except Thu. Last year P & G spent total of \$44,151,220 on advertising, of which \$23,701,228 went to network TV, \$12,339,668 to network radio.

All-night auto-sales telethon on KGUL-TV, Galveston-Houston (Vol. 11:19) was great success, according to station which reports that Houston Oldsmobile dealer Harlan Lane sold more than 100 cars.

ABC affiliates, both TV & radio, will hold their annual convention May 26 at Washington's Sheraton-Park Hotel during NARTB convention.

Mutual affiliates hold their meeting in Washington Hotel Sun. May 22 in advance of NARTB convention.

IS TROUBLE BREWING on Capitol Hill for TV broadcasting & manufacturing industries? As the nation's newest "big businesses," TV and electronics are getting more and more mention in Congress—with more and more pleas for investigation of various phases. With an eye to next year's elections, legislators are not unmindful of the glamour of the 2 industries—and the Democrats, who head the committees of Congress, are in many cases anxious to keep their "trust-busting" reputations.

The granddaddy of all TV investigations—by Sen. Magnuson's Commerce Committee—appears dormant, but it's not dead. Chief counsel Sidney Davis is in throes of organizing the probe, amassing information, etc. This will go slowly, and hearings aren't in prospect soon. There's no word when they'll begin; they may not start until next fall.

House Commerce Committee headed by Rep. Priest (D-Tenn.) has been tied up in natural gas legislation, which it hopes to dispose of in week or two, then will have executive session to work out program for rest of term. It has several TV bills pending, as well as a number of requests for TV investigations. Senate Judiciary Committee's monopoly subcommittee under Sen. Kilgore (D-W. Va.) has indicated it will at least touch on TV-electronics during its current anti-trust inquiry.

Its House counterpart headed by Rep. Celler (D-N. Y.) opened hearings this week on over-all review of anti-trust laws. As witnesses, it heard several lawmakers discuss monopoly problems. Their references to TV industry give good indication of the pressures on Capital Hill today:

Rep. Reuss (D-Wis.) accused FCC of accelerating the tendency to TV monopoly, as he did in House speech last month (Vol. 11:15). Appearing before committee, he

blamed FCC's multiple ownership rule for situation in Milwaukee, where he charged "a healthy uhf station was forced out of business because CBS cancelled it out, and another uhf station was purchased by CBS."

Subscription TV is certain to come up for Congressional investigation before long, and Congressmen have been subjected to strong barrage of mail on subject—preponderantly in favor. At this week's anti-trust hearings, Rep. Byron Rogers (D-Colo.) asked Reuss whether fee TV would "upset this monopoly." Reuss replied he didn't know, but "it should be thoroughly and sympathetically studied by the appropriate committees of both houses of Congress."

Former GOP national chairman Rep. Scott (D-Pa.), member of the subcommittee, commented on cost of TV time in general and political time in particular — and warned: "There's trouble brewing." Recent Senate hearings on political expenditures went into TV question in some detail (Vol. 11:16-18), but there almost certainly will be further Congressional exploration of this subject.

Sen. O'Mahoney (D-Wyo.) appearing before subcommittee, held up an institutional ad in which RCA told of its "7500 suppliers from 43 states." He urged investigation of terms of company's contracts with its suppliers, and suggested that they may be "7500 satellites of RCA — they do what RCA says or else."

Also testifying was Rep. Patman (D-Tex.) who repeated a charge that recommendations of recent Justice Dept. committee on anti-trust law changes (Vol. 11:14) would in effect wipe out Zenith's patent suit against RCA. Patman charged that 5 lawyers on the Justice Dept. committee "represent RCA and the other defendants in this pending litigation" while none represent Zenith.

Govt. dropped 3 more perjury counts against Mrs. Marie Natvig, turnabout witness in FCC's celebrated Lamb case, on grounds that they would be too difficult to prove—leaving 3 of the original charges still standing. Among those dismissed was charge that she lied when she said she had been "coerced" into giving false testimony by ex-Broadcast Bureau attorney Walter R. Powell. As trial neared close, issues in case are whether she told FCC attorneys and FBI men that she had been a Communist and had known broadcaster Edward Lamb, and whether at the FCC hearing she later said she had never told them. As Govt. closed its case, 2 FBI men testified Mrs. Natvig told them her turnabout testimony was perjured. Main defense argument was that she became "befuddled and frightened" while on stand because she was subjected to so many pressures. Attorneys for both sides will sum up case for jury Mon. May 16. In address at U of Michigan, meanwhile, Lamb lashed out at Natvig indictment and asked: "Where else, even in Hitler's Germany, has there been a situation where the Govt., prior to the conclusion of its own case, indicted its own witness for perjury?" FCC held only one day of hearings on Lamb case this week, May 9 heard Michigan CIO pres. August Scholle say he had heard Lamb express anti-communist views on "a thousand occasions." FCC hearing resumes Wed. May 18.

FCC will discuss its proposed investigation of TV's "economics and operations" (Vol. 11:6) May 19, when it appears again before Senate Appropriations subcommittee headed by Sen. Magnuson (D-Wash.). Hearing on 2 non-broadcast bills (Vol. 11:9) requested by FCC, originally scheduled for same day by Senate Commerce's communications subcommittee under Sen. Pastore (D-R. I.) has been postponed to June 1-2.

The \$50,000 sale of WEW, St. Louis (1-kw, 770 kc) by St. Louis U to Aubrey D. Reid (performer Bruce Barrington), former mgr. of KXOK, has been approved by FCC. University retains 60% interest in Ch. 11 application.

Transfer of CP for WCTV, Thomasville, Ga. (Ch. 6) from E. D. Rivers Sr. to John H. Phipps for \$88,700 was approved by FCC this week, along with transfer of radio WKTG, Thomasville from Fred Scott Jr. family to Phipps for \$100,000 (Vol. 11:5). Comrs. Webster & Bartley dissented, former showing concern about "trafficking" in permits and stating: "[The FCC] has never seemed to be able to arrive at a policy under which it could determine what constitutes trafficking in frequencies, and, as a result, it has vacillated from one extreme to another . . . I contend that the Commission can set up a general policy which would at least permit us to achieve a certain degree of consistency." He wanted a hearing to determine what's involved in expense items classified as "travel and entertainment," etc. FCC also approved move of transmitter to halfway between Thomasville and Tallahassee. Phipps operates radio WTAL, Tallahassee & WTYS, Marianna, Fla.

Cy Blumenthal sought FCC approval this week of stock exchange whereby he obtains 100% control of WARL, Arlington, Va. (1-kw, 780 kc), & WARL-FM by giving his 800 shares (1/3) of off-air uhf WCAN-TV, Milwaukee to Lou Poller in return for latter's 102 shares (56.6%) of WARL. Blumenthal also heads group buying WROV & WROV-FM, Roanoke, Va. for \$45,000 (Vol. 11:16).

Owners of CKSO-TV, Sudbury, Ont. (Ch. 5) & CKSO, have sold *Sudbury Star* to Thomson Co. Ltd., price not reported, making it 18th Canadian daily in Roy Thomson chain. Thomson has 49% interest in CKWS-TV & CKWS, Kingston and in CHEX-TV & CHEX, Peterborough, both Ont., Sen. W. Rupert Davies holding other 51%.

ABC Radio and its 4 owned stations joined NARTB this week, giving it 100% network membership and total membership of 1991 as of May 15—composed of 8 networks, 271 TV stations, 1259 AM stations, 332 FM stations, 121 associates.

AFTER GRANTING ONE CP — to KWGB, Goodland, Kan., Ch. 10 — FCC dug into backlog of allocations petitions, finalizing some, proposing others. Actions: (1) Ch. 7 was assigned to Laurel-Pachuta, Miss. (2) On petition of KHOL-TV, Kearney, Neb., Commission proposed putting Ch. 6 in Hayes Center, Neb., where KHOL-TV proposes satellite. (3) WMVT will now be identified as Burlington, Vt. station, its Ch. 3 being moved from Montpelier.

CBS's affiliation practices were probed before chief examiner James Cunningham this week in Albany case, wherein off-air WTRI (Ch. 35) charged CBS with anti-trust "conspiracy" in shifting affiliation to WROW-TV (Ch. 41), in which CBS newscaster Lowell Thomas is stockholder.

CBS pres. Frank Stanton testified that he favored WROW-TV because of plans for future outlined by part-owner Frank Smith, Thomas' business mgr.; that Smith was pushing addition of Ch. 10 to area and proposed a Ch. 52 satellite in Amsterdam—while WTRI management was "sluggish." Stanton said that he'd prefer WRGB (Ch. 6) as CBS-TV basic affiliate in area, that a Ch. 10 station would be next choice, regardless who had it—even if it were WTRI.

Stanton said he prefers not to get into affiliation decisions, but has had hand in quite a few—dozen or so last year. Station relations v.p. Herbert Akerberg testified that he began negotiations with Smith after Stanton made decision to affiliate WROW-TV; that he assumed Stanton had weighed relative coverage of the two stations, etc. Stanton said that CBS also plans to affiliate radio WROW. WTRI counsel Paul Porter sought to show that CBS ignored affiliation criteria, as presented to Potter committee last year, by refusing to recognize WTRI's superior coverage, studio facilities, audience response. Stanton insisted he was looking to future, as outlined by Smith.

Another effort to obtain vhf drop-in via low-power route was filed this week. WHBC, Canton, O. petitioned for assignment of Ch. 12, proposing station with 5.4-kw, 300-ft. WHBC said new station would cause no more interference than would a station complying with present mileage rules and operating at full power and height.

KBAK-TV, Bakersfield, Cal. (Ch. 29) petitioned for shift of Ch. 12 from Fresno, making Fresno's Ch. 18 commercial, and asked that KBAK-TV be shifted to Ch. 12.

Other FCC actions: (1) Turned down protest of KWTX-TV, Waco, against power increase granted KTBC-TV, Austin (Vol. 11:18). (2) Granted 6-month extension of CP for Ch. 10, KHTV, Hibbing, Minn. (3) Turned down protests of grantee WMFL, Miami (Ch. 33) and radio WINZ, against transfer of WMIE-TV (now WGBS-TV) to Storer Bestg. Co. (4) Received protest of WKNX-TV, Saginaw, Mich. (Ch. 57) against grant permitting construction of WJRT, Flint (Ch. 12) about 14 mi. from Saginaw.

Postponement of deadline for filing comments in booster rule-making from May 20 to July 21 was requested by RETMA this week, is expected to be granted. RETMA told Commission it has committee working on subject, needs more time.

Revision of protest section of Communications Act was recommended by American Bar Assn. committee on communications, headed by Arthur W. Scharfeld. It urged that FCC's suggested changes be adopted, with additions. Aim is to prevent abuse of section whereby protestants delay unduly the implementation of FCC grants.

Recent power increases: KQTV, Ft. Dodge, Ia. (Ch. 21) to 214-kw ERP; KOAM-TV, Pittsburg, Kan. (Ch. 7) to 245-kw; KTBC-TV, Austin, Tex. (Ch. 7) to 245-kw; KYTV, Springfield, Mo. (Ch. 3) to 100-kw.

THREE NEW STATIONS are due on air within next week or two; all are vhf and in small communities not now having their own TV stations. Two of them, in fact, open up brand new TV markets—KLIX-TV, Twin Falls, Ida. (Ch. 11), and KOTA-TV, Rapid City, S. D. (Ch. 3). The other imminent starter is KLFY-TV, Lafayette, La. (Ch. 10), which is 52 mi. from Baton Rouge with its stations WBRZ (Ch. 2) and WAFB-TV (Ch. 28).

RCA shipped 12½-kw transmitter May 3 to WNDU-TV, Notre Dame-South Bend (Ch. 46), which has July target. Same day 2-kw RCA transmitters went to KSTF, Scottsbluff, Neb. (Ch. 10), planning June start, and to KNTV, San Jose, Cal. (Ch. 11), which recently changed call from KQXI, but hasn't announced target; on May 9, 1-kw transmitter went to KCOR-TV, San Antonio, Tex. (Ch. 41), which has June target.

GE reports order for 5-kw transmitter, 6-bay antenna and studio equipment from WAGE-TV, Marquette, Mich. (Ch. 6), for July delivery, and order for equipment to change from Ch. 61 to Ch. 22, to be shipped to WWLP, Springfield, Mass. within 45 days.

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

WTHS-TV, Miami, Fla. (Ch. 2, educational), which just got CP extension for 6 months, expects to get on air with test patterns "before too long," advises Vernon Bronson, asst. director, Dept. of Radio & TV Education, Dade County Board of Public Instruction. It now has most of GE material needed to convert old WTVJ Ch. 4 transmitter & antenna, with transmitter in Everglades Hotel and antenna on rooftop FM tower. Full-scale programming will be delayed until station finds "kind of educational program which will supply needs and service which cannot be supplied by the commercial broadcasters."

KOTA-TV, Rapid City, S. D. (Ch. 3), now installing 3-bay RCA antenna on 300-ft. Fisher tower formerly used for FM, plans test patterns by May 22, programming between June 15 & July 1, writes gen. mgr. Leo Borin. RCA 500-watt transmitter is wired and ready to go. It has signed with CBS Extended Market Plan, has agreements with other networks. KOTA radio production mgr. Norman Heffron will also function for TV, as will chief engineer Robert Musfeldt. Base rate will be \$150. Rep will be Headley-Reed.

WKRQ-TV, Mobile, Ala. (Ch. 5) plans Sept. start, reports pres. Kenneth R. Giddens. It's working on construction & studio plans now, has GE 35-kw transmitter, 4-bay antenna and studio gear ordered for July delivery. It will be second vhf outlet for city, where owners of New Orleans' WJMR-TV plan to revive WKAB-TV (Ch. 48) as satellite (Vol. 11:19). Rep not chosen.

New uhf antenna, designed for low-power stations and satellites, will be unveiled by Prodelin Inc. at NARTB convention. The low-priced omnidirectional antenna, called the "Cover-Loop," employs plastic tube which houses and weatherproofs the antenna elements. It's available with power gains of 2, 4 & 8, with voltage standing wave ratio better than 1.1 over several uhf channels.

Regulations were amended by FCC this week to require stations to keep records for 2 years on results of performance measurements, auxiliary transmitter tests, requests for time by political candidates, logs of auxiliary & experimental broadcast stations and program & operating logs.

New DuMont transmitters to be shown at NARTB convention include 50-watt Ch. 2-13, 10-kw Ch. 2-6, 20-kw Ch. 7-13, 100-kw Ch. 7-13—in addition to previous line of 500-watt & 5-kw Ch. 2-13, 25-kw Ch. 2-6, 50-kw Ch. 7-13.

FORECAST OF 'EXPLODING CONSUMER DEMAND': More predictions of continuing prosperity, both in national economy generally and in TV-radio-electronics specifically, came out of this week's convention of National Federation of Financial Analysts Societies in N.Y. And while the forecasts will be subject to differing applications in each region, enough was said to point the way to robust national economic growth.

Roy Rierson, chief economist of Bankers Trust Co., N.Y., epitomized spirit of optimism at convention. He forecast a 1955 gross national product of about \$375 billion, 5% over last year and 3% above previous record set in 1953. He also predicted "record or near-record" profits for business this year -- "assuming no substantial interruption of output because of strikes."

Outlook for TV-radio-electronics, an increasingly important segment of the national economy, was generally regarded as bullish. At special forum on electrical-electronics, Westinghouse sales v.p. James H. Jewell foresaw an "exploding consumer demand," fed by increasing population, as opening a very large market for electrical equipment of all kinds.

"The explosive expansion of the consumer market," he said, "has affected almost all industries whether they make consumer goods or not, for nearly everything contributes to or ends up as a consumer product." He added that industrial production is increasing about 4% a year, while the use of electrical energy by industry is increasing by more than 6% a year.

Julian K. Sprague, pres. of Sprague Electric Co., quoting study by Stanford Research Institute estimating growth of electronic industry at about 10% per year for next 10 years, said that "by next 7 or 8 years" electronic industry division will be roughly: TV-radio, \$3 billion annually; military electronics, \$3.5 billion; industrial electronics, \$2.5 billion.

Philco pres. James H. Carmine, on basis of expanded economy, revised upward his earlier estimates of refrigerator sales this year from 3,500,000 to 3,700,000 units, figured electric range sales at about 1,300,000; washing machines 3,700,000; air conditioners 1,400,000; dryers, more than 1,000,000.

Journal of Commerce surveyed 242 analysts, reported 30% of them felt stocks of TV-radio-electrical equipment companies would do better than all other groups of businesses in 1955. They placed third as most-preferred securities, exceeded only by rails (preferred by 37%) and chemicals (33%).

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Brief highlights of major trade developments this week:

LABOR: Six IUE locals, representing 6000 workers at RCA plants in Camden, Moorestown & Delaware Township, N.J., Cincinnati & Los Angeles, have authorized a strike after midnight June 1 to enforce demands for a 5% general pay increase and guaranteed annual wage. Another IUE local, representing 640 employes at Sylvania's TV-radio plant in Buffalo, has authorized a strike after May 15 unless the company agrees to arbitrate grievance on hourly wage rates. IUE headquarters also warned GE to expect a strike unless a "decent contract" is negotiated by Sept. 15.

FAIR TRADE: Rep. Celler (D-N.Y.), chairman of powerful Judiciary Committee, in surprising turnabout, indicated he would not favor repeal of fair trade laws, as recommended recently by National Committee to Study the Anti-Trust Laws, blue-ribbon panel of experts under Justice Dept. direction (Vol. 11:14). Asst. Attorney General Stanley Barnes, head of Justice anti-trust div., urged committee to consider repeal of fair trade laws, but Celler's remark that such action would be an "awful hard nut to crack" in present Congress makes repeal extremely doubtful, at least this year.

PRODUCTION: TV output declined to year's low of 127,067 week ended May 6, compared to 131,627 preceding week and 151,593 week ended April 22. It was year's

18th week and brought production for year to date to about 2,825,000, compared to approximately 2,100,000 in same period of 1954.

Radio production totaled 286,284 (141,978 auto) week ended May 6, compared to 278,054 week ended April 29 and 275,176 week before. For 18 weeks, production was 5,100,000 vs. 3,525,000 in corresponding period year ago.

RETAIL SALES: Some 1,943,992 TVs were sold at retail in first 3 months, compared to 1,773,427 in record 1954, reports RETMA. March sales were 669,794, compared to 626,613 in Feb. and 505,493 in March 1954. Radio sales at retail in first quarter, exclusive of auto sets, totaled 1,246,038, compared to 1,059,336 in first 3 months of 1954. Auto radio production in the first 3 months this year is placed by RETMA at 1,945,604, nearly all sold at retail. March radio sales, excluding auto, were 451,049 vs. 320,042 in Feb. and 486,034 in March 1954.

Topics & Trends of TV Trade: Milwaukee proves that second sets can be sold. *Milwaukee Journal* shows that 20,182 families in its metropolitan area, or 6.8% of total of 276,321 TV families, had second sets as of Jan. That's well above national average of 3.7% estimated in Jan. survey by American Research Bureau (Vol. 11:16).

Milwaukee data is from 1955 *Consumer Analysis* just released by the newspaper. It shows rise of second-set families from 12,194 in Jan. 1954 (4.4% of the 250,545 set owners). Some 43 different makes of sets were represented among the multiple-set families, up from 29 year earlier.

Of the second-set families, an Admiral was purchased by 19.7% as a second set; RCA, 15.6%; Motorola, 11.2%; GE, 10.3%; Philco, 8.2%; Crosley, 2.9%; Emerson & Zenith, each 2.4%; Muntz & Silvertone, 2.1%; Philharmonic & Westinghouse, 1.8%; Hallicrafters, Sentinel, Sylvania & Trav-Ler, 1.5%; Capehart-Farnsworth, DuMont, Magnavox & Tele-tone, 1.2%; miscellaneous, 9%; didn't know, 1.5%

Among the 27,009 Milwaukee families (9.1%) who indicated they planned to purchase a set this year, 35.5% were undecided about brands. Among those who have made up their minds, these brand preferences were listed: RCA, 26.4%; Admiral, 10.4%; Philco, 6.6%; Zenith, 4.6%; GE, 3.7%; Motorola, 3.7%; Sylvania, 2.2%; Emerson, 2%; miscellaneous, 6.8%.

Note: *Journal* is one of 20 newspapers which conducted consumer purchasing surveys in their respective markets. (For list of the 20 newspapers, plus results of survey by *Washington Star* in its market, see Vol. 11:15).

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Admiral and Federal Trade Commission officials will confer in Chicago May 16 on possibility of settling FTC's complaint charging misrepresentation in ads claiming its "giant" 21-in. picture tubes provide 20% more screen area than other 21-in. sets (Vol. 11:14, 17). Hearing had been set in Chicago May 17, but Admiral counsel Pope & Ballard set up preliminary conference with FTC attorney Edward F. Downs. Company would not confirm or deny that it was prepared to sign consent judgment in which without admitting guilt, it would agree to discontinue allegedly illegal practices in future. Admiral's answer to complaint noted that company no longer makes the "giant" ad claims -- though maintaining such claims are correct (Vol. 11:17).

Lion Mfg. Co., Chicago, expects to start production in Sept. of \$695 color console using RCA 21-in. picture tube, plus special remote control attachment, says TV mgr. Paul Eckstein. Hallicrafters recently broke with \$695 price on its color set, to be introduced in June (Vol. 11:18).

Alfred Shaw, 54, founder & ex-pres. of Shaw Television Corp., Brooklyn, onetime manufacturers of TV sets & cabinets, died of leukemia May 11.

Trade Personals: Arthur L. Milk, Sylvania liaison with Federal agencies in Washington since 1947, elected v.p. in charge of govt. relations . . . T. J. Newcomb, recently succeeded by Edward J. Kelly as Westinghouse TV-radio mgr., retires June 1 after 26 years with company . . . Richard O'Brien promoted to DuMont field sales mgr. for receivers, succeeded as eastern regional mgr. by Robert Cheshire, ex-Hoffman Electronics; A. G. Evans named N. Y. State district mgr., C. J. Molthrop midwest mgr. . . Wm. Bullock, mgr. of sales planning, promoted to sales & merchandising mgr., RCA Victor record div., succeeding Larry Kanaga, now v.p. & operations mgr. . . Thomas B. Moseley, ex-southern district mgr., DuMont transmitter dept., joins Continental Electronics Mfg. Co., Dallas (James O. Weldon, pres.) as director of sales & contract negotiations . . . Matt Soja named Sparton's chief TV engineer . . . Wm. Stroben resigns as Sylvania TV-radio adv. mgr. to join McCann-Erickson . . . Joseph F. Miller promoted to managing director of National Electrical Mfrs. Assn., succeeding Wm. J. Donald, retired . . . Dr. Werner A. Auerbacher promoted to director of Emerson's new govt. projects engineering div., v.p. R. T. Capodanno continuing to head commercial engineering div. . . Charles Golenpaul, Aerovox v.p., elected chairman of Sales Managers Club, N. Y., composed of sales officials of eastern electronic parts & equipment manufacturers, which he organized in 1935 . . . E. A. Tischler returns as adv. director to Hoffman Electronics after 6-month absence, replacing George M. Hakim, resigned . . . W. J. Merrill promoted to Hoffman Electronics south central district mgr., Dallas . . . Thomas Kennedy, veteran N. Y. *Times* science reporter, joins DuMont Labs public relations staff . . . Michael J. Ranalli resigns as DuMont mid-Atlantic sales mgr. . . Wm. Sevy, ex-Arvin & Capehart-Farnsworth, named national field sales supervisor, Crescent Industries.

DISTRIBUTOR NOTES: Raytheon has added 25 new distributors in 1955, latest being Radio Specialties Co. Inc., 456 Charlotte Ave., Detroit (Charles Pooseh, pres.); Ohio Valley Hardware Co. Inc., 300 Fourth Ave., Evansville (A. J. Becker, pres.); Electric City Radio Supply Co., 1566 State St., Schenectady (Nathan Israel, pres.); Dixie Distributors Inc., 831 N. 19th St., Birmingham (Murray C. White Jr., pres.) . . . Capehart-Farnsworth appoints Roger & Wood Co., 2500 W. 6th St., Los Angeles (Kenneth Rogers, pres.), replacing Graybar . . . Crosley-Bendix appoints Graybar, 327 N. West St., Rochester, N. Y., replacing O'Donnell Distributors Co. . . T. A. O'Loughlin & Co. Inc., Newark (CBS-Columbia) appoints Martin L. Scher as gen. sales mgr., succeeding T. J. O'Loughlin, now merchandising v.p.; Scher is ex-gen. mgr. of CBS-Columbia Distributors Inc., N. Y., onetime gen. sales mgr. of Admiral-N. Y. & Motorola-N. Y. . . McCormack & Co., San Francisco (CBS-Columbia) appoints A. J. Lindholm as exec. v.p. for sales; Karl F. Wettelund named appliance sales mgr.

UNDER STUDY at highest govt. levels is "Program for a Political Offensive Against World Communism" submitted by RCA's chairman David Sarnoff as memorandum to President Eisenhower April 5, released May 10. Besides recommending a Strategy Board for Political Defense, equivalent to the Joint Chiefs of Staff, headed by cabinet-rank executive and with a budget up to \$3 billion a year to go on attack in the "cold war," the memo specifically suggests:

"We need in every country, newspapers; magazines; radio and TV stations, consciously and effectively supporting our side. Those that exist should be aided materially to increase their range and vitality; others should be started with our help. The strongest individual anti-Communist voices must be provided with better facilities for making themselves heard in their own countries.

"Mobile film units are already penetrating backward areas. The operation should be enlarged, its message and appeal perfected. In addition, mobile big-screen television units in black-and-white and in color can carry our message. Their very novelty will guarantee large and attentive audiences. Vast regions in Asia and elsewhere, where illiteracy bars the written word and lack of radios bars the spoken word, could thus be reached. To quote the Chinese saying: 'One picture is worth ten thousand words.' . . .

"Mass production of cheap and light-weight receivers tuned to pick up American signals are now feasible. They should be made available by the million at cost or gratis, as expedient, to listeners in critical areas and behind the Iron Curtain.

"There are millions of persons in the world who do not have electric power receptacles, electron tubes, batteries or any of the electrical and mechanical marvels which the free world has and takes for granted. A simple, hand-operated phonograph device costing no more than a loaf of bread, could be produced in quantities and supplied

gratis to millions of persons living behind the Iron and Bamboo Curtains and in other critical areas.

"An unbreakable and intelligible record, made of cardboard and costing less than a bottle of Coca-Cola, could carry our messages to these people. Such records could be dropped from the sky like leaflets and the messages they carried could not be jammed."

Note: At May 11 press conference, President Eisenhower, asked about the Sarnoff memo, stated: "I believe thoroughly in Gen. Sarnoff's general proposition that when you are spending all the money we are for direct defense through security establishments, it is just unthinkable to limit ourselves too much in this whole field of information service that is necessary to a cold war."

And in Senate speech May 11, Majority Leader Johnson (D-Tex.) urged all Americans to read Sarnoff memo, which he said "may well be his greatest achievement." He said document is under study at "very highest" levels of Govt. "It is a monumental work," he added, "deserving the attention of all those who seek to preserve the security of the United States." Johnson inserted full text in *Congressional Record*.

Survival TV network, linking secret White House "dispersal" headquarters with 35 secret places already set up outside Washington, has been set up for use in case of possible enemy attack. Details of closed-circuit hookup are secret, but at least portions of it have been ready for operation for about a year. Joint project of Govt. and several unnamed TV firms, the network would permit President and Defense Dept. to keep in close touch with other branches of Govt. in war emergency. The emergency TV circuit could be tied in with regular TV networks on short notice so President or other govt. officials could report directly to nation. Entire govt. dispersal program is scheduled for 3-day test in mid-June, at which time TV network system is expected to get full-scale test.

Electronics Reports: "Think how satisfactory 'wireless' electrical circuitry could be—electricity carried through the home by high frequency electronics instead of by wiring systems! TV will watch the kitchen and the nursery. Cooking by electronics already is being developed. How about starting your car on a cold morning by electronics while having breakfast, first opening the garage door by electronics? Electronic devices will take the hazard and discomfort out of auto travel—steering the car, braking it, and taking over functions subject to human error."

Thus Sylvania chairman-pres. Don G. Mitchell, in leading article in May edition of *The Exchange*, organ of N. Y. Stock Exchange, titled "Electronics—World's Fastest Growing Industry." It's largely devoted to forecasts of industry's 10-year potential, with almost identical statistical data (\$9 billion rate now, \$20 billion by 1964) that was contained in Sylvania finance v.p. W. Benton Harrison's recent address to Philadelphia Financial Analysts, which we published in full text as Special Report with Vol. 11:11. (Note: Extra copies of the Special Report are still available to subscribers.)

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Top-level Signal Corps personnel changes as result of elevation of Maj. Gen. James D. O'Connell to Chief Signal Officer: Brig. Gen. Francis F. Uhrhane named chief of research & development, Office of Chief Signal Officer, succeeding Brig. Gen. W. Preston Corderman, now Deputy Chief Signal Officer. Col. Earle F. Cooke, deputy commanding officer, Ft. Huachuca, Ariz. proving grounds, succeeds Gen. Uhrhane as commanding general, Signal Corps Labs, Ft. Monmouth, N. J.

Settlement of 6-year-old anti-trust suit against AT&T may be in the works, Asst. Attorney General Stanley N. Barnes indicated this week. He told House monopoly subcommittee that negotiations are in progress for possible end of suit to split AT&T from its manufacturing subsidiary Western Electric. He said "there are definite defense implications."

RCA introduces 6 geiger counters, "with range, sensitivity and price to meet requirements of week-end and professional uranium prospectors and technicians in medical and industrial laboratory work" at next week's Chicago radio parts show. As yet unpriced, the counters will be merchandised by tube div.

GE dedicates automation plant in Waynesboro, Pa. May 14—190,000-sq. ft. building said to be first plant designed to produce electronic controls for use on mechanized production lines.

RCA Victor Co. Ltd. will build new 50,000-sq. ft. TV-radio-electronics plant at Renfrew, Ont., with production due to begin early next year. It will employ about 450, supplementing Prescott, Ont. plant.

Raytheon is purchasing 210,000-sq. ft. branch plant at South Lowell, Mass., which it has operated under lease since 1952, with 700 employes on classified work.

RCA is entering selenium rectifier market, introducing complete line, for replacement purposes only, at next week's electronic parts show in Chicago.

Lambda-Pacific Engineering Inc. opened new general offices and plant at 14725 Arminta St., Van Nuys, Cal.

Warranty on GE transistors was extended this week from 90 days to full year.

Financial & Trade Notes: CBS Inc. gross revenues went up to record \$104,206,067 for 3 months ended April 2 compared to \$90,974,533 for equivalent 13 weeks of 1954—auguring another record year; for all 1954, total was \$373,380,139, up 18.9% from preceding year (Vol. 11:13). Consolidated net income was \$3,892,677, highest first quarter in firm's history, up 36% from the \$2,866,365 of comparable 1954 quarter. Based on shares outstanding before 3-for-1 stock split, the 1955 first quarter earnings were at rate of \$1.60 per share, compared with \$1.22 for same 1954 period; in all 1954, net income was \$11,414,645 (\$4.85). On basis of new stock, 1955 first quarter earnings were equivalent to slightly more than 53¢ a share. Stock certificates for additional shares resulting from the splitup are to be mailed May 20 to stockholders of record April 29. Dividend of 20¢ per share on new stock was declared payable June 10 to holders of record May 27.

Philco sales of \$96,825,000 in first quarter were 15% below the \$113,777,000 in 1954 period but earnings were relatively unchanged at \$2,447,000 (62¢ a share) vs. \$2,438,000 (62¢). Taxes were \$2,785,000 vs. \$4,439,000 year ago. Pres. James H. Carmine said that while unit sales of TVs showed "gratifying" increase this year, trend to lower-priced models reduced dollar volume. Improvement is expected with new fall line, he added. "Our work in the guided missile field for the armed forces is becoming increasingly important," said Carmine. "Research and development on color TV and transistors are continuing at a very high rate in anticipation of the time that these new products will become important commercially."

Admiral's earnings of \$1,238,176 (53¢) in first quarter were 18% under the \$1,504,044 (64¢) earned in first 3 months of 1954. Sales were \$50,034,396, down 11% from \$55,977,563 in first 1954 quarter. John B. Huarisa, exec. v.p. & treas., attributed sales drop entirely to loss of military billings, said company's volume in civilian electronics & appliances was higher than first quarter year ago. He predicted second-quarter sales about equal to last year's \$49,223,936, foresaw 10-20% sales increase in second half over last half of 1954, with "somewhat higher" earnings.

Storer Bestg. Co. has increased quarterly dividend from 30¢ to 35¢, payable June 14 to stockholders of record June 1—applicable to the 788,250 common shares now outstanding as result of public sale of 262,750 shares in April (Vol. 11:14). Regular quarterly 3⅞¢ dividend was declared on 1,686,500 shares of Class B, of which pres. George B. Storer owns or controls about 88%. Company also has called for redemption on July 1, 1955 all of its outstanding preferred stock, of which 14,500 shares (96.67%) are held by Jefferson Standard Life Insurance Co.

Carl M. Loeb, Rhoades & Co., which claims to control some 20% of DuMont stock and now has partner Armand G. Erpf on its board, has bought large block of stock in McIntosh Laboratory Inc., Binghamton, N. Y., hi-fi manufacturer, founded and controlled by Washington consulting engineer Frank H. McIntosh, which recapitalized last Jan. and placed part of its stock on market (Vol. 11:2).

Muter Co. first quarter sales were \$3,162,000, net profit \$101,687 (14¢ a share) vs. \$3,187,000 & \$111,173 (15¢) same 1954 quarter.

Sales drops: Sparks-Withington first quarter sales \$6,972,162, down from \$8,273,547 same 1954 quarter; Wells-Gardner first quarter \$4,853,923 vs. \$5,655,991.

* * * *

Dividends: CBS "A" & "B" (new), 20¢ payable June 10 to stockholders of record May 27; Storer Bestg. Co., 35¢ June 14 to holders June 1; Cornell-Dubilier, 30¢ quarterly & 20¢ extra, payable June 24 to holders June 15; Oak Mfg. Co., 35¢ June 15 to holders June 1.

Webster-Chicago Corp. sales for first quarter rose to \$8,321,000 from \$6,899,000 same 1954 period; earnings after taxes were \$192,000 (37¢ a share) vs. \$205,000 (39¢). Pres. N. C. Owen reported company has gone into use of printed circuits to permit machine assembly of amplifiers, making Webcor first phonograph manufacturer using printed circuits in mass production; lamination div. is now fully automatic; production control dept. is now being mechanized; new Webcor of Great Britain Ltd. now being formed as British sales company. All officers were re-elected at recent annual meeting, with treas. Edward R. Johnson elected v.p. and these new v.p.'s named: Charles S. Castle, mgr. eastern div.; Walter F. Herman, director of operations; Henry R. Lezter, gen. sales mgr.; H. Danforth von Jenef, gen. mgr. govt. div. Named controller & asst. treas. was Henry V. Janowicz.

General Electric has displaced RCA as most popular common stock with monthly investment plan investors, reports *The Exchange*. When pay-as-you-go plan for buying stocks was inaugurated in Jan. 1954, RCA took lead, which it held until March 25, 1955 when GE nosed it out (1930 to 1717 plan purchasers), largely result of 3-for-1 split. Dow Chemical ranked third, General Motors fourth, AT&T fifth; among top 50, Westinghouse ranked 13th, Sylvania 41st, only other electronic firms included.

Paramount Pictures Corp. achieved record for any quarter since its domestic theatres were severed in Dec. 1949 when in 3-month period ended April 2 its estimated earnings were \$2,858,000 (\$1.31 per share on 2,190,021 shares) as against \$1,404,000 (63¢ on 2,217,044 shares) in comparable 1954 period.

Republic Pictures, for quarter ended Jan. 29, earned net of \$383,207 (15¢ per share) vs. \$260,937 (8¢) for 1954 period; gross figures unstated.

CBS Foundation Inc., agency for making charitable & educational grants for CBS Inc. and its divisions, this week announced 20 "Class of 1955" grants of \$2000 each, awarded on unrestricted basis to 16 privately-supported colleges & universities that are alma maters of certain CBS executives, both senior and junior. This year's grants total \$40,000 as against \$32,000 last year. Foundation's formula isn't made public but is based on minimum of 30 months of continuous service and promotion to certain levels. The 1955 list: Augustana College, Sioux Falls, S. D., Sig Mickelson; Brown U, Donald I. Ball; Columbia, Jules Dundes & Benjamin F. Feiner; Cornell College, Mt. Vernon, Ia., Earl H. Gammons; Cornell U, Julius F. Brauner & Charles J. Oppenheim; Creighton, Wm. Dozier; Dartmouth, Robt. E. Kalaidjian; Harvard, Sidney S. Alexander, John J. Carol & Edward L. Saxe; MIT, Wm. B. Lodge; Stanford, Richard W. Jencks; U of Chattanooga, Eugene B. Wilkey; U of Detroit, Arthur Hull Hayes; U of Pennsylvania, Guy G. Della Cioppa; U of So. Calif., H. R. Flynn; Wesleyan U, Edw. G. Reeve; Yale, Wm. H. Hylan.

"Among the other candidates mentioned prominently [for presidency of Montgomery Ward] Frank Folsom, president of RCA, is considered by many a choice candidate who would spark enthusiasm and loyalty throughout the Ward organization [which he once quit in disagreement with Sewell Avery]. But it is known he turned down overtures from the Wolfson interests and it is doubted that he would be interested even in an offer from the present management since he has such strong financial ties with RCA."—*Wall Street Journal*, May 13.

GE's Harry F. Mayer has been named as RETMA's representative on executive committee of Radio Technical Commission for Aeronautics, succeeding Knox McIlwain, Hazeltine Corp. Executive committee has 15 members, representing 7 non-govt. organizations and 8 govt. agencies.

THERE'S MANY A SLIP—but it's apparently definite as anything in politics can be that Richard A. Mack, member of Florida Railroad & Public Utilities Commission and v.p. of National Assn. of Railroad & Utilities Commissioners for 1954-55, will succeed Frieda Hennock next June 30 as a Democratic member of the FCC (Vol. 11:19). Florida's Congressional delegation is backing him solidly, and the White House has informed its members that he's currently undergoing usual security checkup. Endorsers of other candidates have been given to understand by the White House that the job is "committed."

Mr. Mack would be the third figure going from a state utilities commission to FCC, others having been Chairman George McConaughy and John Doerfer, both Republicans and ex-chairmen of their respective Ohio & Wisconsin commissions. Both know Mr. Mack, who has served on the Florida board since 1947 (as chairman, 1951-52).

The Florida Senators describe him as able, personable and a "sound business man." He is 46, and friends term him "warm-natured." A native of Miami, he was graduated from its public schools, attended Northwestern Military Academy in Wisconsin, was graduated in 1932 from U of Florida school of business administration. He's a Protestant, member of Sigma Nu and of Blue Key honorary society. His wife is the daughter of Col. W. F. Stovall, a Tampa pioneer who founded the *Tampa Tribune*, and they have an 8-year-old daughter, Susan.

Mr. Mack went into the insurance business in Tampa in 1932, returned to Miami in 1935 to join General Motors Acceptance Corp. In 1940, he became credit mgr. of Hector Supply Co., Miami, which he left to become a second lieutenant of infantry. He served until 1946, much of the time in Washington, leaving the army as a lieutenant colonel. He was secy. of Port Everglades Rock Co., Ft. Lauderdale, until 1947 when Gov. Caldwell appointed him to the state commission, to which he was elected in 1948 & 1952. His present term expires Dec. 31, 1956.

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Beg-leave-to-disagree dept.: Obviously relishing the publicity, Teleprompter chairman Irving Kahn writes Sen. Neuberger (D-Ore.) to object to his bill S-1909 requiring that audience be told when a political speaker is using a cueing device (Vol. 11:19). According to Kahn, mike, control room & transmitter might just as well be considered "artificial aid" which bill says "could be said to mislead the public." Such a law (which obviously hasn't the proverbial Chinaman's chance), in Kahn's words, might "foreclose from consideration some of the nation's most competent political talent who thus far have remained in the background because public speechmaking and TV & radio appearances seem to be so arduous." He suggests Teleprompters might be useful in the halls of Congress.

TV applications on file with FCC now total 157, of which 15 are for uhf stations. This week saw one new application, for Ch. 14 in Owensboro, Ky. by owners of WVMC, Mt. Carmel, Ill., and WIZZ, Streator, Ill. [For details, see *TV Addenda 20-R* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

Private microwaves should be authorized to stations for the present, CBS recommended to FCC this week, suggesting that 4-year amortization period be established. CBS also questioned whether AT&T's proposed 3-year contract period for new off-air service (Vol. 7, 9, 14) would be fair to stations in view of fact that network contracts are for no more than 2 years.

President Eisenhower's address to NARTB convention in Washington May 24 will be televised live by NBC-TV 11:30-11:45 a.m. as part of *Home* show; CBS will carry it on film 5-5:15 p.m.

Avco chairman-pres. Victor Emanuel, v.p.-director James D. Shouse and Crosley Bestg. Corp. pres. Robert E. Dunville all unequivocally denied this week's story (in *Variety*) intimating that the 4 Crosley TV stations are up for sale. Even WLWA, Atlanta, is not for sale, it was stated, although it admittedly isn't as profitable a property as Crosley's WLWT, Cincinnati; WLWD, Dayton; WLWC, Columbus—to say nothing of radio WLW. Formal statement came from Mr. Emanuel: "Avco has no intention whatsoever of selling any of its present properties, either radio or TV. Avco is not negotiating for their sale at present, has not done so in the past, and has no intention of selling any of these properties at any time in the foreseeable future. Indeed, Avco is in the market to build or buy another TV station, and has had an application [for Ch. 13] in Indianapolis for some time."

John Cowles, publisher of *Minneapolis Star* and *Tribune*, which owns 47% of WCCO-TV there, is still negotiating for purchase of KTVH, Hutchinson, Kan. (Ch. 12), deal understood to depend largely on CBS affiliation contract; it's CBS outlet for Wichita area, owned in part by J. P. & Sidney F. Harris, who publish *Hutchinson News-Herald*, by Bess Wyse, owner of 250-w KWBW, Hutchinson, and by gen. mgr. Howard O. Peterson. Cowles interests also own KVTU, Sioux City, Ia. (Ch. 9), hold majority of CP for upcoming KRNT-TV, Des Moines (Ch. 8), and operate radio WNAX, Yankton, S. D. and KRNT, Des Moines.

Oklahoma City's KTVQ (Ch. 25), second uhf in 2-uhf city to run into fiscal troubles and now operated by trustees (Vol. 11:14), will be taken over under National Affiliated Television Stations (NATS) auspices shortly as one of its first projects in GE-supported program to aid distressed stations (Vol. 11:12). Consultant Robert Purcell, of Los Angeles, has been called in and new management is planned, pres. John Esau having resigned to join *Television Age*. KTVQ has been on air since Oct. 1953. City's other uhf, KMPT (Ch. 19) went off air Feb. 3 after 15 months of operation.

WMFJ, Daytona Beach (250-watts, 1450 kc, ABC) is being sold for \$40,000 by W. Wright Esch, who wishes to devote all time and resources to construction of upcoming WMFJ-TV (Ch. 2), of which he is pres. & 40% owner. Buyers are Harold Kaye & Emil J. Arnold, who together own 50% of WORC, Worcester, Mass. and recently acquired like amount of WLOW, Portsmouth, Va. from former owners of WTOV-TV, Norfolk (11:15). WMFJ-TV target is next July.

FCC rules covering type acceptance and certification of equipment (Vol. 11:2, 6) were amended this week, Commission following recommendations of RETMA in regard to definitions, speed of FCC approval, technical data required, changes in equipment permitted, etc. Amendments are in Public Notice 55-547, Mimeo 19038, available from Commission or from us.

Television System of Mexico, formed by recent merger of Azcarraga-O'Farrill interests (Vol. 11:15), is reported building Ch. 11 satellite in Cuernavaca, which will repeat programs of XHTV, Mexico City (Ch. 4). It's also planning Ch. 3 outlet in Guanajuato area, scheduled to repeat XEW-TV, Mexico City (Ch. 2).

Headquarters of *Television Digest* during NARTB convention will be Suite D-615-17, Shoreham Hotel. Visitors are cordially invited. Note to subscribers: If you want your May 21 copy left in your hotel box, drop us a note.

MARTIN CODEL'S

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

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SUMMARY-INDEX OF THE WEEK'S NEWS—May 21, 1955

TV IN 10 YEARS: \$3.5 billion gross billings, 1000 stations, 65,000,000 sets-in-use, color dominant, picture-on-wall receivers, 7-8,000,000 yearly set sales (p. 1).

VIGOROUS STAND AGAINST PAY-TV taken by CBS and ABC, as tide of public's letters to FCC turns against subscription TV 4-to-1 (pp. 3 & 4).

YEAR'S NEW STARTERS probably won't total more than 50, with only 30 or so yet to come; stations which plan to begin before year's end are listed (p. 4).

NBC-WESTINGHOUSE SWAP would exchange WPTZ & KYW, Philadelphia, for WNBK & WTAM, Cleveland, with NBC paying additional \$3,000,000 cash (p. 5).

THE FCC WEEK: KSLA goes to Shreveport TV Co. in final decision; Ch. 12 granted in Bismarck, N. D.; deintermixture comments filed for 4 cities (p. 6).

GE-BACKED NATS lines up 19 stations, discloses terms of one uhf deal; Doherty says only 12-15 uhfs are profitable, most post-freeze vhfs losing (p. 7).

REPEATS OF TOP SHOWS strongly supported by ABC's Bob Kintner, who plans to run kines of best U. S. Steel dramas; cites experience of Disneyland (p. 8).

TOP EXECUTIVES CHANGE JOBS—Bonfig to CBS, Gifford to Crosley, Cromer to Mognovox, Holpin to Westinghouse; bottle for distribution indicated (p. 11).

PARTS MAKERS see good business rest of year for TV set manufacturers; annual electronic components show dominated by high-fidelity (p. 12).

430 STATIONS ON AIR, latest starter being WFRV-TV, Green Bay, Wis. vhf, controlled by former uhf operator; more upcoming stations report on plans (p. 9).

NEW UHF TRANSMITTER for megowatt installation shown by RCA, simplified circuitry and new tubes cutting initial cost by 25%, operating costs up to 50% (p. 9).

LIVE COLOR SCANNER, developed by DuMont as low-cost camera substitute, produces excellent color by applying flying spot techniques to live programming (p. 10).

TESTIMONY ENDS IN LAMB CASE, 8 months after hearings began; final decision not due for several months. Mrs. Notvig convicted of lying to FBI & FCC (p. 15).

SET CENSUS PROJECT still for off, some research experts saying they think it will die oborning; Politz still testing for NARTB (p. 16).

NEXT TV DECADE—WHAT CRYSTAL BALL SHOWS: Exactly 10 years ago this week, on May 25, 1945, the FCC (Paul A. Porter, chairman), as part of an all-inclusive proceeding to allocate the spectrum to various services, called for industry comments on a proposed allocation of TV channels and proposed rules & standards. Six months later, Nov. 21, 1945, the first "final" allocation was promulgated.

The rest is history, and the anniversary is being celebrated at a dominantly-TV convention of NARTB and, incidentally, by ourselves (10th year of publication).

Most striking fact about the 10 years of fantastic development, most of it coming during the last 5 years because of the initial inertia of broadcasters toward the seemingly profitless new art, is that it has wrought a deeper revolution in the life of America than did radio in all its 35 years.

It has achieved much greater dollar volume, too, now ranking third among all advertising media (Vol. 11:15), exceeded only by newspapers and direct mail. Telecasting in all facets now represents at least \$1 billion of a national advertising budget that ran \$8.15 billion last year; the business of set-making, selling & servicing last year represented a retail value of \$2.2 billion (Vol. 11:2) and this year should run about the same; the rest of electronics, growing out of the same basic principles and involving vast military expenditures, runs well over \$6 billion.

What about the next 10 years? Consulting the best authorities we know, drawing upon our own records, adducing from current facts and trends and logic, frankly avoiding prognosis on such incalculables as uhf and subscription TV -- and fully aware we're going out on quite a few proverbial limbs -- this is what we foresee:

The Business of Telecasting, 1965: Advertisers will spend \$3.5 billion on TV annually, as against about \$1 billion now -- that sum covering time sales, talent, production, everything. This figure is based on 3 assumptions: (1) That the Gross National Product, or value of all goods & services, will reach \$535 billion by 1965,

as estimated by Congress' Joint Committee on the Economic Report, up from a current rate of \$370 billion officially reported by the Commerce Dept. this week. (2) That total advertising expenditures will rise another percentage point over next decade -- to 3.25% of GNP as against 2.26% in 1954 and 1.34% in 1945. (3) That TV's take of all advertising expenditures will go from last year's near 10% (Vol. 11:15) to 20%. All figures are in terms of value of the dollar in 1953, as used by Joint Committee.

The Business of Broadcasting, 1965: U.S. radio homes today total 46,600,000, virtually 100% saturation. There are about 90,000,000 home sets and 30,000,000 auto sets. By 1965, with 58,000,000 homes, there ought to be at least 100,000,000 home and perhaps 50,000,000 auto sets. Radios are cheap today, will be all-transistorized and cheaper later, and rate of home set output should be at least 8-9,000,000 annually. While most of the 2700-odd AM stations and 550 FM stations may be able to survive, on basis of their low operating costs and cheap rates for size of audience served and returns produced, it's doubtful whether 4 live radio networks can do so. It's questionable, too, whether radio can maintain the \$608,100,000 level it enjoyed in 1954, down 3.3% from 1953 (Vol. 11:15). Though the parent radio may eventually be separated from its TV offspring, whether voluntarily or by FCC fiat, radio always will be with us -- in home & workshop, in vehicles, in our pockets, on our wrists. And, powered by tiny long-lasting batteries, it won't have to plug into wall outlet.

* * * *

Sets-in-Use, 1965: 65,000,000 or more in 58,000,000 homes, as against some 35,000,000 in 47,000,000 homes now. The estimated number of homes is based on Census Bureau formula that they're increasing at rate of a little more than 1,000,000 a year. About 60% of all sets-in-use will be color, though production by that time should be virtually entirely color. All programming will be in color, whether network or local, live or tape; black-&-white sets will gradually be relegated to the back room, basement or children's room.

TV Receiver, 1965: Will be picture-on-wall set, with controls and chassis in relatively small cabinet or panel at chairside. Size of flat, wall-mounted screen will be limited only by viewer's preference -- and picture will be produced by electro-luminescence. Entire circuit will be tubeless, printed circuit, completely transistorized, miniaturized -- and automatically produced. As for repairs, once the trouble is located, set will be as easy to fix as changing a light bulb. Portable battery-powered 21-in. color set may measure only about 3-in. deep, weigh 5-10 lb., be as easy to carry as a briefcase. Average retail price may be little more than \$200. Average price of a TV set now is about \$180.

TV Trade Volume, 1965: 7-8,000,000 sets will be sold annually, as now, mainly replacements or second sets, at factory value of about \$1.5 billion which alone will represent some \$2.25 billion in retail trade; plus a servicing bill of \$750,000,000 or thereabouts. Thus, the over-all consumer expenditure will be about \$3 billion out of an estimated total "electronics economy" of \$20 billion (Vol. 11:11).

Telecasting Structure, 1965: About 1000 stations, some of them satellites & boosters, providing a signal to every home in the land, linked by 3 "live" networks as we know them today, with TV tape replacing film and "tape networks" as common as radio's transcription & record services. Directional antennas and small-coverage stations will be shoe-horned into the spectrum to serve local areas on a basis comparable with radio's 250-watters -- and "area" stations will reach out much farther into sparsely settled regions, employing many times the power in use today.

* * * *

So much for the basic structure, the economics, the receivers. Other aspects:

Transmitting & Studio Equipment: Simpler, more compact, cheaper, more powerful, with portable color camera and associated equipment as easy to handle as film camera, and associated equipment no bigger than sound recorder. Transmitters will use big brothers of the transistor and consume much less power. Remotes will be as simplified as in radio.

Station Rates: Top rate per hour about \$10,000-\$12,000, with NBC & CBS keys in N.Y. (present base rates, \$6200 & \$6000, respectively) leading the way by upping gradually, as now, based on saturation and the powerful pull of color commercials.

Station Values: Key stations in major markets will be big business in every sense of the word, valued more highly in many places than local newspapers. On the basis of gross revenues (now \$20,000,000 or more at N.Y. keys) and net earnings (now 40% and better at some stations), it won't be surprising to see stations sell for as high as \$25,000,000. Record to date: \$9,750,000 for WDTV, Pittsburgh (now KDKA-TV).

Theatres vs. TV: If fee-TV clicks, not much chance for most theatres, certainly not the neighborhoods. The legitimate theatre is already all but dead outside the very big cities. Movie theatre exhibition will be limited to big-budgeted first-run features only, and moviegoing will be an "event" like going to a Broadway play, the opera, championship fight, Kentucky Derby, etc.

International TV: Relays to and from Europe and Latin America will be commonplace, but exchanges will be on delayed tape basis more often than live because of time differentials. Technical standards will differ, but U.S. standards will dominate, as now. Foreign TV stations, now totaling only about 150 (TV Factbook No. 20), will increase many fold until few countries are without TV -- with U.S., British, Dutch, German and Japanese factories main competitors for the business.

'FALSE PROPHETS' OF PAY-TV ATTACKED: Recognizing that the chips are down on toll TV, the once-silent networks and stations (Vol. 11:9), CBS particularly, have mounted a full-scale assault on the concept of pay-as-you-look TV.

Both CBS pres. Frank Stanton and ABC chairman Leonard Goldenson broke their silence this week, though their attitude has been known for some time (Vol. 11:14), while the strong antipathy expressed 2 years ago by RCA-NBC chairman David Sarnoff (Vol. 9:18) still stands.

Stanton's scathing attack was delivered at meeting of CBS affiliates in N.Y. May 19 -- and affiliates promptly voted 107-2 to endorse CBS's position.

Stanton's denunciation was keyed to same theme running through letters currently being received from public by FCC -- that pay-as-you-look TV "would highjack the American public into paying for the privilege of looking at its own TV sets."

Striking reversal in sentiment is disclosed in this week's bale of mail delivered at Commission. Until this week, comments were running about 5-to-1 in favor. This week's batch is about 4-to-1 against -- though total is still in favor (about 9000 to 3000). Chances are that a few more weeks will bring totals neck-and-neck. Volume of letters is obviously a matter of promotion & publicity, and study of mail shows that much of opposition was stimulated by exhortations of Alfred Starr during his recent NBC-TV debate with Zenith's H.C. Bonfig who, incidentally, just became a CBS executive (see p. 11). This seesawing by public shows why FCC and staff tell us they're "unimpressed" by mail volume, calling it "results of promotion" (Vol. 11:20).

Stanton's remarks to affiliates, to be amplified upon in formal comments to be filed with FCC June 9, are likely to provoke serious attention at Commission, particularly when he says:

"We could expect to operate profitably under a system of pay-TV. With our programming know-how, facilities and experience, we regard it as more than probable that we would earn our share of the billions of pay-TV dollars. But this is not where CBS believes its best interests lie.

"We are proud of of the progress the broadcasting industry has made in establishing a nationwide free TV service. The pay-TV promoters have continuously predicted the failure of free TV at every point of its development; that it could never support itself without direct tribute from the public. They made these false prophecies 25 years ago and, as recently as 1946 the president of Zenith Radio Corp. flatly stated 'the advertisers haven't sufficient money to pay for the type of continuous programs that will be necessary to make the public buy TV receivers by the millions.' Today there are 36,000,000 TV sets in daily use. Unlike these false prophets, we set no limits to the increased and continually increasing service to the public of free TV."

(For more of Stanton's statement, for Goldenson's remarks and for other subscription-TV developments, see p. 4.)

FEW NEW STARTERS NOWADAYS, WHAT'S ON TAP: Only 21 new stations have gone on air thus far this year -- and it looks like only about 30 more will make it before year ends. Six more are due in Canada. Off the air this year to date went 16 -- 14 uhf, 2 mergers of time-sharers -- making 44 mortalities altogether since TV began.

So it looks like the rush for the precious TV channels has slowed to one-a-week rate from onetime one-a-day, the slowdown dictated by economics and competition for the more desirable channels. The 1954 figure of 101 new starters, the 231 of 1953, aren't likely to be repeated.

This year should end, assuming few more mortalities and some revivals, with something like 460 stations on the air. Total now is 430 (see TV Addenda 20-S).

CPs still outstanding number 181 (59 vhf, 122 uhf), of which 28 were granted this year (Hilo & Wailuku satellites of KGMB-TV being already on air) -- and a few more CPs may be expected. Applications pending for new stations total 155 (140 vhf, 15 uhf). But a close scrutiny of the records, especially of promised starting dates of CP holders, checked against known equipment shipments and/or orders, bring us to an actual figure of 34 would-be 1955 starters as of this writing.

These are the stations due on air before end of 1955 and their own stated starting times; we can't vouch for accuracy or completeness of the list, inasmuch as there's many a slip between promise and performance and there may be some new grantees before year is out, as well as revivals of some now off-air stations:

KLFY-TV, Lafayette, La. (Ch. 10). May.
KOTA-TV, Rapid City, S. D. (Ch. 3). May.
KLIX-TV, Twin Falls, Ida. (Ch. 11). May.
KSTF, Scottsbluff, Neb. (Ch. 10). June.
KCOR-TV, San Antonio (Ch. 41). June.
WNDU-TV, Notre Dame-South Bend, Ind. (Ch. 46). July.
WFLB-TV, Fayetteville, N. C. (Ch. 18). July.
KBST-TV, Big Spring, Tex. (Ch. 4). July.
WXEX-TV, Petersburg, Va. (Ch. 8). July.
KRNT-TV, Des Moines (Ch. 8). Aug.
WCTV, Thomasville, Ga. (Ch. 6). Aug.
KFJZ-TV, Fort Worth (Ch. 11). Aug.
KTRE-TV, Lufkin, Tex. (Ch. 9). Aug.
WHIS-TV, Bluefield, W. Va. (Ch. 6). Aug.
WJRT, Flint, Mich. (Ch. 12). Summer.
WCBI-TV, Columbus, Miss. (Ch. 4). Summer.

KFJI-TV, Klamath Falls, Ore. (Ch. 2). Summer.
WHTN-TV, Huntington, W. Va. (Ch. 13). Summer.
WTHS-TV, Miami (Ch. 2, educational). Summer or Fall.
KOKE, El Paso (Ch. 13). Summer or Fall.
WKRQ-TV, Mobile, Ala. (Ch. 5). Sept.
KORA-TV, Sacramento, Cal. (Ch. 3). Sept.
WTTW, Chicago (Ch. 11, educational). Sept.
KTBS-TV, Shreveport, La. (Ch. 3). Sept.
WTWV, Tupelo, Miss. (Ch. 9). Sept.
WITN, Washington, N. C. (Ch. 7). Sept.
WAIQ, Andalusia, Ala. (Ch. 2, educational). Fall.
WILL-TV, Champaign-Urbana, Ill. (Ch. 12, educational). Fall.

WCBC, Anderson, Ind. (Ch. 61). Fall.
WOSU-TV, Columbus, O. (Ch. 34, educational). Fall.
WDBJ-TV, Roanoke, Va. (Ch. 7). Fall.
KDLO-TV, Florence, S. D. (Ch. 3). Fall.
WSPA-TV, Spartanburg, S. C. (Ch. 7)*.
WBLK-TV, Clarksburg, W. Va. (Ch. 12)*.

Canadian
CJON-TV, St. John's, Nfld. (Ch. 6). July.
CBOFT, Ottawa, Ont. (Ch. 9). Summer.
CKVR-TV, Barrie, Ont. (Ch. 3). Sept.
CKRS-TV, Jonquiere, Que. (Ch. 12). Fall.
CHLT-TV, Sherbrook, Que. (Ch. 7). Fall.
CKNX-TV, Wingham, Ont. (Ch. 8). Fall.

* Held up by litigation.

CRUX of CBS's OPPOSITION to pay-as-you-look TV, as expressed by pres. Frank Stanton this week (see p. 3), was that it would discriminate against those who cannot afford to pay. Here's how he phrased his objections:

"Pay-TV promoters say they would be satisfied if they got \$100 a year from the average family. On this basis, today's TV audience would pay some \$3½ billion a year—more than it pays for shoes or doctors or electricity—for viewing far fewer programs than it now watches without charge. This is 3 times the amount now being paid by the public for all spectator admissions.

"Under the present system of American TV, no set owner is deprived of a program because he is not as prosperous as his neighbor. But, once the turnstile of pay-TV is placed in the living room, the families who rely most on TV for their entertainment and information would be hit the hardest because they would be the ones who, for economic reasons, would have to restrict their viewing most severely. TV would no longer belong to all the people all the time . . .

"If this scheme is authorized and becomes generally established, pay-TV would be able to bid away from free TV every kind of program the public now enjoys. For example: For viewing the World Series at home, a tribute of some \$6,000,000 per game would be levied on the public if each family which watched the Series in 1954 were forced to put up the modest-sounding sum of 50¢ for each game. Thus the people would pay 15 to 25 times as much

as is now being paid by the sponsors who bring them the games free.

"If only 5% of the families who now watch Ed Sullivan's *Toast of the Town* would pay only 50¢ each to see the show, they would spend \$375,000—2½ times as much as the sponsor now pays to bring it to the public free. The other 95% would then have the 'free choice' that pay-TV promoters want to give them: the free choice of not watching *Toast of the Town* or paying to see it. It's the old story of letting the camel get his nose into the tent . . ."

* * * *

Stanton's vigorous stand raises question whether CBS will use its own facilities to fight toll TV. CBS has asserted networks' right to editorialize, exercising this right during McCarthy censure hearings last year and claiming that TV-radio should have freedom to cover such public matters as the hearings (Vol. 10:35).

Current letters from public to FCC reflect almost exactly the same thinking as Stanton's. There are now almost 40 volumes of letters and cards. Picking one of this week's at random, we counted 282 expressions against toll TV, 66 in favor. Typical phrases: "We paid \$200 for our set and can't afford to pay for programs, too; we're satisfied with today's programs." "We're still paying for our set. Poor folks can't pay any more." Among recent letters supporting toll TV are those of poet-writer Carl Sandburg and playwright Robert Sherwood.

AB-PT chairman Leonard Goldenson confined his opposition to brief remarks during stockholders meeting in N. Y. this week, saying: "Basically, it was concluded that, at the very least, paid and free TV could not co-exist

without resulting in a great loss to the viewer of the availability of varied types of TV programming, and that paid TV would not be in the general public interest and would not be a proper use of a public franchise."

* * * *

American Civil Liberties Union's TV-radio panel has apparently given considerable thought to subject, recommending to whole ACLU that pay-TV be given a trial under these conditions: (1) Carry no commercials. (2) Limited to city with 2 or more channels. (3) For fixed period. (4) Guarantee that programs will offer something not now available.

Despite enormous publicity, precise idea how pay systems would work isn't well understood. For example, *Washington News* TV columnist David Reque started poll this week, asking readers to answer "yes" or "no" to this question: "Should channels be allocated for programs you would have to pay to watch?" Here's how he described paid operations:

"One channel, or maybe more, of those now inactive on your set would be allocated to toll-charge telecasting. Unless you paid to watch its programs, either through a coin machine installed on your set, or by paying a subscription, the picture on these channels would be 'scrambled'. But you'd still have the no-pay channels you now watch." Many others have same misconception—that toll TV would be confined to channels not now used, rather than delivered over presently operating channels.

* * * *

Zenith will demonstrate its pay system during NARTB convention in Washington (Vol. 11:19) part-time on closed-circuit, part-time using facilities of WMAL-TV which obtained FCC approval for 8 a.m.-12:30 p.m. tests daily May 21-June 20. Commission stipulated that "these tests shall avoid any action which may create public impression that FCC has or will approve any system of subscription TV." Comr. Webster dissented, telling us: "I think this is premature and improper under these conditions. I think the proper place for demonstrations is during a hearing—so that it can be put on the record. I have no objections to experiments, however."

How much would viewers pay to watch? Interesting comment is given by Martin F. Malarkey, pres. of National Community TV Assn. and operator of systems serving some 7000 homes in Pottsville, Minersville & Schuylkill Haven, Pa. He has had some 5 years experience charging subscribers \$3.75 monthly, giving them choice of 3-5 signals. He says: "If a subscriber had the pay-TV programs added to his bill, I think he'd buy \$1-\$1.50 worth weekly. If he put coins in a box, received no bill, he might go to \$1.50-\$2 weekly."

Sports promoters' enthusiasm for subscription TV got fishy eye from veteran *Washington Post* sports columnist Shirley Povich. Deploing "pay-through-the-nose TV," he wrote: "On a pay-TV basis, baseball could wind up as a game only for the TV screens, minus the noise and hurly-burly of the ball parks. The players would get paid handsomely, the owners would reap big profits, there would be no parking problems and not much fun."

Among organizations taking stand against tollvision recently are national American Legion and Central Trades & Labor Council of Greater N. Y. Chicago City Council, which on April 21 unanimously voted in favor, has now decided to send resolution back to committee.

And veteran broadcaster Edgar Kobak, former MBS president now operating WTWA, Thomson, Ga., said there should be subscription radio if there's going to be subscription TV. Pay radio was pushed at FCC before World War II by Muzak—and Commission is said to have come close to authorizing it.

WESTINGHOUSE will get back \$3,000,000 cash of the \$8,500,000 price it paid Philco just 2 years ago for WPTZ, Philadelphia (Ch. 3) as result of swap deal concluded this week with NBC whereby it takes over network's WNBK, Cleveland (Ch. 3) with radio WTAM (50-kw, 1100 kc) in exchange for WPTZ with radio KYW (50-kw, 1060 kc)—exactly as forecast here last Feb. 12 (Vol. 11:7):

"It's an open secret that the network and Westinghouse have been dickering and that Westinghouse is pursuing a policy of owning stations in areas where it has big manufacturing operations. That was one reason given for paying record \$9,750,000 to DuMont recently for its WDTV, Pittsburgh (Ch. 2), now KDKA-TV . . . it's good guess there will be an added quid pro quo on NBC's part in consideration of fact that Philadelphia area stands 4th, Cleveland 10th in U. S. Census Bureau market rankings."

WPTZ (base rate \$2500 an hour) grossed slightly in excess of \$5,600,000 last year, KYW about \$1,000,000; gross of WNBK (base rate \$1300) is said to have been around \$4,000,000, WTAM also about \$1,000,000. Cleveland topkicks Lloyd Yoder, Wm. Davidson & Theodore Walworth Jr. will probably go to Philadelphia; WPTZ mgr. Roland Tooke and KYW mgr. Frank Tooke (no kin!) are tentatively slated for Cleveland.

NBC's parent RCA, with main plant in Camden and others scattered throughout area, is reputed to be largest employer in Philadelphia area. Westinghouse has big operation there, too, but is also a major factor in Cleveland and has its huge appliance plant in Mansfield, O. Emphasis on plant locations gives rise once again to speculation that Westinghouse will seek its fifth station in Baltimore—presumably WAAM (Ch. 13), which would give it one ABC affiliation as well as the CBS affiliation it has in San Francisco in addition to 3 NBC affiliations.

Westinghouse is still trying to win Ch. 8 in Portland, Ore., where it also has factory, but initial decision favors North Pacific TV group (Mrs. Scott Bullitt). If company misses out in Portland, it won't be surprising if it either applies for a new uhf there or undertakes to buy Storer's KPTV, for pres. Chris Witting has stated that his company plans to join the uhf swim under suitable conditions.

NBC has given up efforts to buy *San Francisco Chronicle's* KRON-TV (Ch. 4), its affiliate there, whose 2-year contract was recently renewed. Network is still awaiting FCC action on projected purchases of 2 uhf stations—WBUF-TV, Buffalo (Vol. 11:9, 11) and WKNB-TV, New Britain-Hartford (Vol. 11:2). It has no intention, said a spokesman, to drop uhf ownership plans.

Merger in Jackson, Miss. was approved by FCC this week (Vol. 11:16), city's uhf WJTV (Ch. 25) to go off air, its ownership (same as *Jackson Clarion Ledger*) to acquire 40% of WSLI-TV (Ch. 12) for \$176,000. Owners of WSLI-TV will in turn pay \$175,000 for physical facilities of WJTV, adopt WJTV call letters. Standard Life Insurance Co. owns 32.4% of WSLI-TV, T. B. Lanford 13.8%, L. H. Sepaugh 13.8%. Also approved this week was deal whereby J. Albert Dear (*Sedalia Capital and Democrat*) will eventually own 50% of Milton J. Hinlein's KDRO-TV (Ch. 6) & KRDO, Sedalia, Mo. (Vol. 11:18).

Network members of NARTB radio board elected this week: Charles T. Ayres, ABC v.p.; Arthur Hull Hayes, pres., CBS Radio; Charles R. Denny, NBC v.p. for owned-&-operated stations and spot sales.

Personal Notes: Sidney M. Markley, v.p. & asst. to pres., elected a director of American Broadcasting-Paramount Theatres Inc., succeeding the late Herbert Schwartz . . . Robert H. Salk, ex-gen. mgr. of Katz Agency's now discontinued Station Films Inc., on Aug. 1 becomes sales mgr. of Screen Gems Inc. . . . Frank P. Schreiber, gen. mgr. of WGN-TV & WGN, Chicago, elected v.p. of WGN Inc., now headed by J. Howard Wood, *Chicago Tribune* business mgr. who succeeded the late Col. Robt. McCormick as pres. . . . Robert Dale Martin promoted to director of CBS-TV talent & casting dept., N. Y., succeeding Milo Frank, now holding same job in Hollywood . . . Harold R. Wettersten, from WBKB sales, promoted to sales mgr. of ABC-TV central div., Chicago, under newly appointed director James W. Beach . . . Sylvia D. Kessler, who resigned as chief of FCC Office of Opinions & Review about 2 years ago to join Cohn & Marks, has left that firm to open her own law offices shortly . . . Brendan McInerney, asst. to FCC gen. counsel Warren E. Baker, resigns as of June 1 to practice law in Rochester, N. Y. . . . Edgar W. Holtz, asst. city solicitor of Cincinnati, June 27 becomes asst. chief of FCC's Office of Opinions & Review, reporting to chief John Fitzgerald . . . Sydney Rubin, NBC mgr. of licensing, joins Kagan Corp., now NBC-owned, to which operations of NBC Enterprises' licensing div., headed by administrative v.p. J. M. Clifford, have been transferred; Edward L. Justin is operating v.p. . . . Oliver S. Gramling, asst. gen. mgr. of AP in charge of TV-radio services, elected pres. of Journalism Alumni Assn., Columbia U, from which he was graduated in Class of 1927 . . . Wayne C. Oliver, TV-radio editor of AP, joining *Television Magazine* Aug. 1 as exec. editor . . . Jay Hoffer, ex-WJAR-TV, Providence, named adv. & promotion director of WABC-TV & WABC, N. Y. . . . Norman J. Ostby, Don Lee v.p. in charge of station relations, Hollywood, elected pres. of Southern Calif. Bestrs. Assn., succeeding Robert J. McAndrews, v.p. of John Poole Bestg. Co., Hollywood . . . Frank Crosiar promoted from U of Notre Dame's recently acquired radio WHOT to local sales development director of its upcoming WNDU-TV (Ch. 46), due in July . . . Dean Craig promoted from exec. producer to program mgr. of KRCA, Los Angeles . . . Don Bishop promoted to publicity director of NBC's owned TV-radio stations & spot sales div. . . . G. W. (Johnny) Johnstone, TV-radio director of NAM, leaves Washington after NARTB convention for month's transcontinental business trip . . . George W. Brett, Katz Agency v.p., elected a director of Television Bureau of Advertising; Lloyd Griffin, Free & Peters v.p., named chairman of membership committee for northeast . . . Robert J. Burton, BMI v.p., elected pres. of Radio & TV Executives Society of N. Y. . . . Gordon Lawhead promoted to sales service director of WHBQ-TV, Memphis, with Wilson Northercross succeeding him as program director and Mark Forrester taking over as production director from Northercross . . . Ray Gallagher, ex-KPHO-TV & KTVK, Phoenix, named exec. producer & director of KBTB, Denver . . . Douglas Meservey, pre-war NBC executive, recently in film production, joins Young & Rubicam, San Francisco . . . Robert T. Colwell, of Sullivan, Stauffer, Colwell & Bayles, named to broadcasting advisory committee of U.S.I.A. (Voice of America) . . . Stuart D. Strand, CBS-TV producer, joins E. M. Eisfeld Adv., Miami, as TV-radio director . . . Willard E. Walbridge advanced to exec. v.p., *Houston Chronicle's* KTRK-TV . . . Al Rylander, ex-Columbia Pictures, named to new post of NBC director of exploitation, reporting to Kenneth W. Bilby, public relations v.p.

Lawrence Webb, recently national sales mgr. of WLOK-TV & WLOK, Lima, O., onetime v.p. of WJW, Cleveland, succeeds Thomas F. Flanagan, resigned, as pres. of Station Representatives Assn.

THREE-WAY OWNERSHIP of Shreveport's KSLA (Ch. 12) is due to come to an end, with FCC's final decision this week reaffirming examiner's report recommending grant to Shreveport TV Co., denying KCIJ & KRMD. Station had been operated since Dec. 1953 under unique arrangement—the 3 applicants agreeing to operate station jointly until one was victor in hearing. Winner is to pay losers for expenses to date.

Choice of Shreveport TV was predicated on fact that Commission felt it offered more assurance that its program proposals would be fulfilled and because of "diversification"—its principals having no other station ownership. Pres. and prospective mgr. is Don George, movie exhibitor who owns 43%.

One additional CP was granted, Ch. 12, Bismarck, N. D., to North Dakota Bestg. Co. (John Boler, pres.), operator of KXJB-TV, Valley City-Fargo (Ch. 4) and KCJB-TV, Minot (Ch. 13). Grant was over dissent of Comrs. Hennock & Bartley, latter issuing statement expressing fear that multiple-station owner Boler might jeopardize existence of other Bismarck station KFYR-TV (Ch. 5). He said that "public may have been imposed upon," stating that Boler first proposed to make Bismarck a satellite of KXJB-TV and feed it live programs, then later filed with FCC proposed program schedule that seems to be mainly devoted to film.

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Commission's "second look" at deintermixture in Madison, Peoria, Hartford & Evansville (Vol. 11:14) brought mountain of comments from uhf operators and vhf applicants in the cities involved—all reiterating, amplifying and supplementing original contentions. Essentially, uhf operators say there is danger that public will lose service because uhf stations are liable to fail when vhf stations start, while vhf applicants claim that public will be deprived of the wide-range coverage vhf stations could provide. Chances are FCC will ponder comments and render decisions in these cases before considering the many other deintermixture petitions on file.

FCC got a bit brusque in one decision this week. In denying request of KWKH, Shreveport, that Ch. 3 grant to competitor KTBS be reversed, Commission said KWKH's charges were excessive and "we wish to state emphatically that Commission hearing procedures are not to be used for unsupported, reckless and unwarranted attacks on the Commission, its members, or its staff, nor should accusations of serious crimes by competing applicants be advanced in pleadings without a substantial basis therefor."

In other actions, FCC: (1) Denied protest of WMBV-TV, Marinette, Wis. (Ch. 11) against merger of WFRV-TV, Green Bay (Ch. 5) and WNAM-TV, Neenah (Ch. 42); WMBV-TV had charged the others with harassing it and with trafficking in licenses. (2) Denied request of WNOW-TV, York, Pa. (Ch. 49) that Ch. 15 or 21 be allocated to York and the request of WTPA, Harrisburg (Ch. 71) that Ch. 21 be assigned to Harrisburg. Shifts would have involved channel changes for several CP-holders and Commission said that "we do not believe that uhf frequencies should be switched from the community where a CP is outstanding in order to make a lower frequency available to another community."

Commission was busy in courts, defending its actions in the McClatchy "newspaper discrimination" case (Vol. 11:10), the grant of WJRT, Flint and the grant of sale of WROW-TV, Albany (Vol. 11:20).

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Second appearance of FCC before Sen. Magnuson's appropriations subcommittee to discuss budget items (Vol. 11:20) was postponed from May 19 to May 25.

GE-SUPPORTED National Affiliated Television Stations Inc., which proposes to assist TV stations with finances, management, programming & sales (Vol. 11:14), released list of 19 affiliates this week, stating that only 3 had asked financial aid. More will be added after NARTB convention consultations, said NATS v.p. Berman Swartz.

Three vhf are in group, 2 of them not yet built: KEYD-TV, Minneapolis (Ch. 9); WHTN-TV, Huntington, W. Va. (CP for Ch. 13); WORA-TV, Mayaguez, Puerto Rico (CP for Ch. 3). Others, all uhf and all on air: WROW-TV, Albany (Ch. 41); KBMT, Beaumont, Tex. (Ch. 31); WBLN, Bloomington, Ill. (Ch. 15); WCMB-TV, Harrisburg, Pa. (Ch. 27); WKNY-TV, Kingston, N. Y. (Ch. 21); WTOM-TV, Lansing, Mich. (Ch. 54); KTVE, Longview, Tex. (Ch. 32); WJMR-TV, New Orleans (Ch. 20); WVEC-TV, Norfolk (Ch. 15); KTVQ, Oklahoma City (Ch. 25); WPFA-TV, Pensacola (Ch. 15); WEEK-TV, Peoria (Ch. 43); KCCC-TV, Sacramento (Ch. 40); KSAN-TV, San Francisco (Ch. 32); KTVI, St. Louis (Ch. 36); KVVG, Tulare, Cal. (Ch. 27).

Those seeking financial aid weren't divulged, though it's known that in court-approved plan for reorganization of Oklahoma City's KTVQ this week NATS advances \$25,000, GE \$38,000 in plan whereby Jack Fariss, local attorney-oilman, cancels some \$100,000 owed to him and acquires all common stock. Consultant Robert Purcell takes over as director for 60-90 days, and R. Mack Lester, ex-mgr. of local radio KTOW becomes gen. mgr., succeeding John Esau (Vol. 11:20). Indebtedness is still about \$300,000. Other terms: NATS management fees run 6% of gross business, rep fees usual 15%; GE gives moratorium of year on equipment payments, except for klystron rentals, and NATS defers payments on film library rentals for 6 months; 90% of net income goes to NATS in retirement of loan, rest set aside for other debtors.

Oklahoma City station deal presumably is pattern for

others. That many stations, both vhf & uhf, are in similar plight was indicated in May 23 statement by Dick Doherty, management consultant retained by NATS, in which he says no more than 12-15 uhf stations are making a "true profit" and that "all of these are in markets without immediate vhf competition." He added:

"The uhf situation is much more deplorable than most individuals realize. Station income of \$5000 to \$6000 per month, and \$60,000 to \$75,000 per year, is not at all uncommon for a considerable number of uhf operations. Obviously no one has found a magic formula by which TV station cash operating costs may be kept at this low level.

"There is no such thing as a profitable uhf station in a market with two vhf's; there are some cases of marginal uhf's in markets with only one vhf competitor.

"According to generalized experience, when a new vhf comes into a previously all-uhf market, the revenue of the uhf station drops by at least 20%-30%; when a second vhf or when two vhf's arrive, the uhf drops 40% to 50%. This is the rather clearly proven record of experience even though there are a few exceptions.

"It is of coincidental economic interest to realize that between 40% and 45% of all the postfreeze vhf stations are currently either losing money or technically breaking even. Many of these are in comparatively small TV markets; some are the 'third' vhf station in markets outside the major metropolitan categories; some are the so-called 'independent' operation even in the top major metropolitan centers of the nation.

"Four out of five uhf stations are actually flirting with bankruptcy within the next 6 months to a year unless they find a financial angel or develop a cohesive, cooperating means to instill life into the total uhf picture."

Sign of the TV times: WMUR-TV, Manchester, N. H. (Ch. 9), whose management was taken over 4 months ago by ex-WJAR-TV mgr. Norman A. Gittleson, reports 46% increase in sales for first quarter of 1955, bringing it within reach of operating black; at same time, radio WMUR upped sales 10.5%.

Network Accounts: Eastman Kodak, which sponsored now-discontinued *Norby* as first regular color film series on NBC-TV, backs unusual show on same network starting in Oct.—weekly dramas titled *Screen Directors Playhouse*, Wed. 8-8:30 p.m., thru J. Walter Thompson. Leading members of Screen Directors Guild will participate in series, to be filmed by Hal Roach Studios, and will turn over all proceeds to union's educational & benevolent foundation. Union was associated with similar radio series several years ago . . . GE to sponsor *Front Row Center* on CBS-TV starting June 1, alt. Wed. 10-11 p.m., thru Young & Rubicam; first show is TV version of Broadway hit *Dinner at Eight* . . . Whitehall Pharmacal Co. to sponsor *Name That Tune* on CBS-TV starting Sept. 27, Tue. 7:30-8 p.m., thru Ashley-Steiner Adv. . . Liggett & Myers to sponsor *Julius La Rosa Show* on CBS-TV starting July 9, Sat. 10-10:30 p.m., thru Cunningham & Walsh . . . Ideal Toy Corp. to sponsor *Winky Dink and You* on CBS-TV starting Sept. 25, Sun. noon-12:30 p.m., thru Grey Adv. . . Amana Refrigeration Co. to be alt. sponsor (with Camels) of *You'll Never Get Rich* on CBS-TV starting in fall, tentatively scheduled for Tue. 8-8:30 p.m., thru MacFarland, Aveyard & Co., Chicago . . . Marlboro cigarettes & Revlon to be co-sponsors of *Johnny Carson Show* on CBS-TV starting June 30, Wed. 10-10:30 p.m., thru Leo Burnett Co. & BBDO . . . Maybelline Co. (mascara) buys partic. in 13 NBC-TV color "spectaculars" this fall, thru Gordon Best Co., Chicago . . . General Mills buys partic. in *Wyatt Earp* on ABC-TV next fall, Tue. 8:30-9 p.m., thru Dancer-Fitzgerald-Sample . . . Johnson's

Wax & Pet Milk buy *Playhouse* series from ABC Film Syndication as replacement for Red Skelton Show on CBS-TV, no time set . . . Grand Ole Opry, originated in 1925 and carried for 4½ hours Sat. nights on radio WSM, Nashville (sponsored for half hour on NBC Radio since 1939 by Prince Albert Tobacco), gets showcasing on NBC-TV Sat. June 11, 8-8:30 p.m.

Rate increases: KDKA-TV, Pittsburgh, adds new Class AA hour (7-11 p.m. Mon.-Fri. & 4-11 p.m. Sat. & Sun.) at \$1500, min. at \$400, Class A hour going from \$1400 to \$1300; WMAL-TV, Washington, raises base hour from \$750 to \$900; WTVN-TV, Columbus, raises base hour from \$600 to \$700, min. \$100 to \$125; WMT-TV, Cedar Rapids, new Class AA hour (7:30-9:30 p.m. daily) is \$500, min. \$100, Class A remaining \$400; WGBI-TV, Scranton, raises base hour from \$300 to \$400, min. \$60 to \$80; KPLC-TV, Lake Charles, La., from \$200 to \$250 & \$40 to \$50. Rate adjustments: WEWS, Cleveland, raises base hour from \$950 to \$1050, having cut rate last March from \$1200 to \$950 when it switched from CBS to ABC; KHQ-TV, Spokane, gives up Class AA \$600 hour set last April 1, now has \$550 base hourly rate, min. at \$137.50.

NBC-TV uses closed-circuit hookup in 28 cities May 25, 1:30-2 p.m., to explain to advertising officials results of its \$250,000 research project in Ft. Wayne, called "Strangers Into Customers." Survey measured TV's impact on local residents in the 18 months since its first station, uhf WKJG-TV, went on air. It will also be subject of NBC-TV *Background* program May 29, 4-4:30 p.m.

Telecasting Notes: Magic names of major movie companies on their own TV shows is no guarantee of success, despite apparent impressions to the contrary. Spurred by triumph of *Disneyland* as an ideal way to plug theatrical films and get paid for it, such top producers as Warner Bros., 20th Century & Paramount have signed with networks and sponsors for own shows next season, following Disney formula of 45 min. of entertainment, with rest of show consisting of plugs for current movie releases, preview of next week's show and commercials . . . If show is good, formula may be unbeatable. But recent statements of major producers indicate that they view TV as "a substitute for the old 'B' picture" and "testing ground for new actors and story material." Ratings indicate televiewers are already fed up on "B" pictures, and second-class material could easily damage the names of the movie-makers. In coveting success of *Disneyland*, big film producers would do well to remember that Disney never produced a "B" picture. Disney himself sounds warning to other producers in May 18 *Variety* interview: "If you don't entertain them on TV, they won't be looking the next time" . . . CBS uncorked its TV program plans to affiliates at May 19-20 New York conference—giving featured billing to its 90-min. Saturday night "specials," most of them in color and featuring Noel Coward, Bing Crosby, Mary Martin and others (See Color Trends & Briefs & Vol. 11:20). Other highlights are new batch of situation comedies, and "the blockbuster of all giveaway programs—*The \$64,000 Question*" . . . In sports, CBS-TV appears to be cornering the "regional" football telecasts provided for by NCAA on 5 dates set aside for them; while NBC-TV has rights to national college grid games, CBS-TV has signed up for Big Ten series, Pacific Coast Conference series, and also plans to tie up eastern series, all to be televised on regional networks. NCAA track meet and Big Ten basketball will also be on CBS-TV next season . . . Life of TV film commercial is short, reports May 21 *Billboard*. "Generally speaking, it ceases to do an effective job selling after 6 months' exposure," according to *Billboard's* new 530-member "TV Editorial Advisory Board," consisting of top-level representatives of networks, stations, film producers & distributors, ad agencies, sponsors, being polled on various TV questions fortnightly . . . Good idea: "Why isn't there some kind of an award presented every year for the least obnoxious commercial on TV and radio?" asks Faye Emerson in her syndicated column. "And while they're about it, why don't they give a booby prize to the ones that offend good taste? I believe this would improve the whole tone of TV selling" . . . Broadway-to-TV coup: Musical *3 for Tonight*, featuring Marge & Gower Champion, to be televised from Hollywood by CBS-TV June 22, 10-11 p.m., just 4 days after it closes . . . Suggestion by a WRCA-TV secretary, Marilyn Rosenberg, led NBC to extend its key station's sign-off to 1:02 a.m. daily with 2-min. animated film showing sheep hurdling a fence and with sleep-inducing background music . . . Milton Berle setting up motion picture production company in Hollywood, while continuing to do his NBC-TV shows live; first film to be biography of Berle's mother, presumably for theatre showing.

Taller even than WHAS-TV's proposed 2003-ft. tower (Vol. 11:8)—in fact, tallest man-made structure in world—is TV relay tower planned by Belgian ministry of communications. Concrete tower is due to be completed in Brussels by 1958, soaring 2160-2180 ft. above ground. Ministry didn't make clear whether actual telecast transmissions would emanate from tower, but said it would be designed as part of permanent European TV exchange program to eliminate number of smaller relay towers.

REPEATS OF TOP SHOWS, making the most of TV's best programs—a concept drawing increased attention from industry's leaders (Vol. 11:17-20) — has gained vigorous support from ABC pres. Robert E. Kintner, whose network has made very successful use of the repeat principle. Its current repeats of *Disneyland* series are out-pulling first presentation and it plans this summer to run kines of best programs of *U. S. Steel Hour* starting June 28. Here's Kintner's evaluation, responding to our analysis in Vol. 11:17:

"In my own view, there is no basic showmanship reason why repeat performances of live programs should not be given. The analogy you draw with movies and TV film programs is sound—there does not seem to be any particular reticence on the part of the distributors of theatre product, or of the agencies and advertisers in re-showing filmed shows.

"To the point of live repeats: There is, to my knowledge, no aversion among the people associated with TV to offering again a successful live program . . . There is an area of problem in connection with repeats. Many programs are presented each week, and a good number of these are live dramas. Of 7 full-hour dramatic TV programs that are currently produced each week, probably the 'just-right' program, one which combines script, cast, performance, settings, direction and the myriad other facets into a glistening, outstanding production—worthy of repeat—occurs less than once in every 2 weeks.

"Now, assuming that this does take place, and further assuming that the 'just-right' program's author and adapter agree to the repeat performance, we are still faced with a psychological obstacle, which may have more substance to it than mere emotional objection. This is the feeling that some people in our business have about the economic expediency of repeats. This is something which I personally do not agree with; in the case of dramatic live programs, for example, it generally costs as much to do the second program as the original. In the case of good filmed programs, I hold that a good program, like a good book, or piece of music, or a favorite dish, may be savored again and enjoyed as much or more at the second sitting."

Kintner then pointed to Trendex & Nielsen ratings of *Disneyland* series, showing that repeats achieved greater ratings than originals, with but one exception. "This," he said, "is a quantitative public acknowledgment of the programs' intrinsic qualitative content. Such figures will be repeated, I am sure, whenever a fine program which enjoys wide original exposure, followed by favorable reviews, publicity and word-of-mouth, is offered to the public again."

Harry C. Maizlish & Morton Sidney, of KFVB, Hollywood, have pulled out of deal to buy KVOA-TV, Tucson (Ch. 4) with radio KVOA (1-kw, 1290 kc, NBC) and new lineup of buyers keeps the KFVB sales mgr. Frank Oxarart in for 20%. Rest of group proposing to buy out holdings of KTAR Broadcasting Co., Phoenix (controlled by John J. Louis, of Needham, Louis & Brorby) for total of \$450,000 are ex-Congressman Clinton McKinnon, who once owned KCBQ, San Diego, now has weekly there and in Coronado; Bernard Weinberg, adman; Arthur A. Desser, attorney; Harold B. Garfield, druggist—each with 20%. They take over \$225,000 in notes, will pay \$42,000 to present gen. mgr. R. B. Williams, \$10,500 each to Harper M. Phillips & Ben L. Slack Jr., \$3500 to Raymond Holsclaw for their minority stockholdings. While stations have earned surplus of \$52,581, they showed loss of \$9574 on operations in first 3 months of 1955.

WFRV-TV, GREEN BAY, WIS. (Ch. 5), bringing on-air total to 430, starts with ABC & DuMont shows over the week-end, following FCC approval May 19 of stock transfer to owners of off-air WNAM-TV, Neenah (Ch. 42). WNAM's S. N. Pickard now controls over 50%, only others with more than 5% being original WFRV-TV stockholders Clayton Ewing & George Nau Burridge, each with 10.9%. Station has been ready to go for about 4 weeks (Vol. 11:17), but had to wait for FCC to take second look at already-approved transfer because of objections raised by WMBV-TV, Marinette (Ch. 11). It has 25-kw DuMont transmitter & 5-bay RCA antenna on 463-ft. tower of defunct WJPG-FM, located adjacent to that of WBAY-TV (Ch. 2). Neenah studios of WNAM-TV will supplement Green Bay facilities. Don C. Wirth is v.p.-gen. mgr.; Ed Murphy, ex-KSTM-TV, St. Louis, operations director; John Schulz, ex-Chicago NBC-TV Spot Sales, station mgr.; Harry Hill, chief engineer. Base hour is \$300. Rep is Headley-Reed.

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

KHAS-TV, Hastings, Neb. (Ch. 5) has ordered RCA transmitter & 12-bay antenna, plans fall start, reports gen. mgr. Duane L. Watts, ex-KHOL-TV, Kearney, Neb. It will use 767-ft. tower. Studio-transmitter house will be built 3 mi. N of city on Hwy. 281. KHAS-TV will be operated by new Nebraska TV Corp., now being set up by grantee Seaton Publishing Co., publisher of *Hastings Tribune*. Seaton Publishing principals also control *Alliance* (Neb.) *Times-Herald* and newspapers in Kan., S. D., & Wyo., as well as radio stations KHAS, Hastings; KGGF, Coffeyville Kan.; KMAN, Manhattan, Kan. Duane B. Allison, chief engineer of KHAS, will also be TV chief engineer. Rep not reported.

WCTV, Thomasville, Ga. (Ch. 6) has Aug. 1 target for test patterns, Sept. 1 for programming, reports John H. Phipps, who recently acquired CP from E. D. Rivers Sr. for \$88,700, along with Thomasville radio WKTG from Fred Scott Jr. family for \$100,000 (Vol. 11:20). GE transmitter and 5-bay antenna are on order, with latter due for installation on 600-ft. tower in June. Studio-transmitter building is under construction at new site halfway between Thomasville and Tallahassee, where Phipps operates radio WTAL. He also owns WTYS, Marianna, Fla. Rep not yet chosen.

WHIS-TV, Bluefield, W. Va. (Ch. 6) hopes to get on air about Aug., reports pres.-gen. mgr. Hugh I. Shott Jr., for family-owned grantee *Bluefield Daily Telegraph*. RCA 10-kw transmitter is ready for testing. RCA 6-bay antenna & 100-ft. Ideco tower are on hand and tower construction begins next week. It has agreement with NBC, is negotiating for interconnection facilities. Base hour will be \$200. Rep will be Katz.

KCOR-TV, San Antonio (Ch. 41) has set June 1 test pattern target, now that it's installing 1-kw RCA transmitter, reports chief engineer Marvin L. Fiedler. RCA pylon antenna is scheduled for installation on 558-ft. Truscon tower week of May 23. It will be 90% Spanish language outlet, using Latin-American films and kines. Base rate will be \$180. Rep will be Richard O'Connell.

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Experimental vhf booster for Hawaii was granted this week to Iresco Inc., 2221 Warwick Ave., Santa Monica, Cal., which plans to test re-transmission of Ch. 4 & 9 at 6 points in the Islands.

SIMPLIFIED & CHEAPER "megawatt" transmitter is being shown for first time by RCA at NARTB convention in Washington. It delivers 25-kw, can be used with supergain antenna to produce 1000-kw ERP, is expected to sell for approximately 25% less than RCA's previous 25-kw equipment, which basically consisted of two 12½-kw transmitters arranged in parallel. Slated for commercial availability later this year, new TTU-25B utilizes single standard tetrode in each final output stage, with savings of up to 50% in operating costs claimed.

As enumerated by RCA broadcast equipment marketing mgr. A. R. Hopkins, new transmitter has these advantages: requires no more space than 12½-kw equipment, ⅔ reduction in visual amplifier tube requirements, 50% reduction in cabinetry and "average annual savings up to \$20,000 in overall operating costs." Also due for availability this year is package for converting RCA 12½-kw transmitters to the new 25-kw circuit.

Next station scheduled to increase power to 1-megawatt is Portland's KPTV (Ch. 27), nation's first uhf station, now owned by Storer, due to boost to full permitted output June 11, date of Portland's Rose Parade. Most of RCA transmitter equipment for increase to 25-kw power has been delivered, and supergain antenna is due to arrive before end of month. KPTV is expected to be nation's 3rd station to reach 1,000,000 watts, and RCA's second such installation.

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Experimental satellite in Manson, Wash. (Vol. 11:3, 14), which is unique in that it "translates" received Ch. 4 signals of KXLY-TV to uhf Ch. 16, was inspected this week by Ben Adler, whose Adler Communications Labs supplied equipment. He reports excellent coverage in Manson area 1-3 mi. from satellite. Some 160 sets have been equipped to receive Ch. 16, owners paying \$67.50 for year's service. New sets being sold have that fee added to price; it's then turned over to a town committee. Adler said no one fears that viewers will "bootleg" signal without paying, adding that "the community spirit appears to be at a terrifically high level." Community antenna operators are naturally concerned about such satellites, and NCTA exec. secy. E. Stratford Smith, who also visited Manson last week, is dubious about their economics. He reports that construction cost was \$16,000 excluding engineering costs; that it would take \$10,000 more for each additional channel; that operating costs are unknown; that support must rely on "honor system" because non-payers can use signal. Most of all, he says, satellite offers only one channel whereas community systems usually offer 3 or more.

Two new vhf applications were filed with FCC this week: For Las Vegas, Nev., Ch. 13, by Moritz Zenoff, owner of radio KBMI, Henderson, Nev., and publisher of newspapers in Henderson & Boulder City; for Carlsbad, N. M., Ch. 6, by KAVE, whose pres. Val Lawrence is gen. mgr. of KROD-TV, El Paso. Applications pending FCC action now total 155 (including 15 uhf). [For details, see *TV Addenda 20-S* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

Less expensive off-air microwave service proposed by AT&T (Vol. 11:18) is fine, RETMA and NARTB told FCC in comments filed at May 20 deadline, but they recommended that stations be permitted considerable leeway in deciding whether to build own off-air microwave or buy service from AT&T.

Comments on uhf boosters, which FCC calls "co-channel amplifying transmitters" in its rule-making proceeding (Vol. 11:14), may be filed until July 21, deadline being moved from May 20 at request of RETMA.

Color Trends & Briefs: Most sponsors seem to like color spectaculars—and with only a couple of exceptions they've signed up for another season. On NBC-TV, Oldsmobile has renewed Sat. evening series with \$5,000,000 budget; RCA & Ford, \$5,000,000 Mon. evening show; Sunbeam, Sun. evening "color spreads," to be sold on partic. basis every 4 weeks beginning Sept. 11 for series of 14 shows running right through summer of next year, also with total budget of about \$5,000,000. Hallmark, which occasionally has used color for operas and other "specials," will sponsor 8 Sun. afternoon Maurice Evans color shows at total outlay of some \$2,500,000.

CBS-TV's *Shower of Stars* once-a-month color programs will continue next season—Jack Benny starring in 6 of them—with Chrysler staying on as sponsor. Network revealed a little more this week about its series of ten 90-min. Sat. evening shows, "the majority of which will be broadcast in color." Two will feature Bing Crosby in musical plays, 3 will star Noel Coward with Mary Martin co-starring in first one, 3 will be produced by Paul Gregory. Beginning next fall, CBS says it will telecast at least 2 shows a week in color—in addition to *Omnibus*, with several complete shows in color and segments of others.

Note: Milton Berle told newsmen this week that all of his shows next season may be done in color from NBC-TV Burbank studios.

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An all-industry standard color stripe, to be transmitted during monochrome programs to aid servicemen adjusting color sets (Vol. 11:11), would be preferable to variety of stripes using different standards, FCC told RETMA this week. Commission said it has no objection to stations' transmissions of RETMA-recommended signals and said: "It is gratifying to know that an industry standard has been developed, so that the alternative transmission of a number of different signals is unlikely. The fact that the RETMA standard is not mandatory raises the possibility that alternative signals may be transmitted, with resulting confusion. It may be desirable, when at a later date the usefulness of the RETMA signal has been proven, to consider its adoption into [FCC Rules]."

UNIQUE TECHNIQUE of producing live color for limited kinds of programming, using flying-spot scanner principle, will be shown by DuMont during NARTB convention. DuMont's claim is that for price much less than that of conventional 3-tube color camera, a station can present fair variety of live material in excellent color.

As demonstrated to us at DuMont research labs recently, system did produce very good color, and claims of "no registration problems" seemed substantiated. "Vitascan," as DuMont terms new system, works on same principle as its film scanner. CR tube "scans" live scene, and clusters of multiplier phototubes, located about studio, pick up light reflected from scene and feed signals through normal channels to transmitter.

Studio must be "light tight," i.e., permit no extraneous light to enter. At recent demonstration, studio was dark except for dim light emitted by CR tube. Engineers said plan was to install stroboscopic lights at NARTB demonstrations—flashing on and off 60 times a second, supplying adequate light for reading, etc., during vertical blanking period. Experiments have been conducted with both mercury lights and special CR tubes.

Six clusters of multiplier phototubes were used during demonstration. Each had 4 tubes—2 for red, one each for blue and green. Each cluster is located where floodlights would be in normal TV system. In fact, whole arrangement is precise reverse of normal TV—the "cam-

"Color-effects" equipment, which permits telecasters to originate slides and artwork in color without color camera or scanner, is being shown by RCA at NARTB convention in Washington and is now available. Described as an "intermediate step" before addition of complete color facilities, the equipment makes it unnecessary for a station to return to monochrome for station breaks in network color shows. It permits station to use any of a group of 12 pre-selected 2-color combinations as substitute for black and white portions of monochrome picture. Colors in the picture are "produced" rather than "reproduced." All of the equipment elements are standard units which will be required when the station later adds color origination equipment. The color combinations are produced by colorplexer and vary according to the combination of channels into which the blanking and monochrome signal are fed. Other elements of the equipment include color-bar generator, color frequency standard, burst flag generator—at total cost of about \$12,500.

"Color TV is coming faster than many people think," RCA consumer products exec. v.p. Robert A. Seidel told NARDA group in Milwaukee this week. "I am sure you are aware of the fact," he said, "that newly-designed and completely re-styled 21-in. compatible color sets are about to be offered by a number of manufacturers." [So far, Hoffman and Hallicrafters have announced new color models, Vol. 11:17-18.] Advent of color won't hurt black-&-white sales, Seidel said. "The greatest opportunity for increased sales and profits this year, next year, or perhaps during our lifetime, will be in TV," he stated. "It's now a billion dollar industry. With the advent of color, and it's coming fast, it will top \$2 billion annually." Air conditioners, he added, would bring "the second greatest opportunity for increased sales and profits for at least the next 10 years."

Upcoming network color schedules: NBC-TV—May 30, *Producers' Showcase*, "The Petrified Forest," with Humphrey Bogart, Henry Fonda, Lauren Bacall, 8-9:30 p.m.; June 4, *Max Liebman Presents*, "The Chocolate Soldier," with Rise Stevens, Eddie Albert, Akim Tamiroff, 9-10:30 p.m. CBS-TV—June 9, *Shower of Stars*, 8:30-9:30 p.m.

era" (CR tube) emitting light and the "floodlights" (phototubes) picking up light. Number of clusters used is determined by nature of program.

DuMont officials say they don't tout system for big "spectaculars" and the like, but they claim it's a very economical method of presenting commercials, news, debates, panel discussions, etc., where action is confined to limited area. Major claims are economies of installation & operation and absence of registration problems involved in present 3-tube live color cameras. They say one-man operation is possible and tubes are inexpensive.

Stationary light source was used, but plan was to have one on dolly, to be moved like live camera. System may also be used for monochrome.

DuMont officials admit that they hope "Vitascan" will help sell film scanners, of which DuMont has already delivered more than 60; of these, 15-20 are color-equipped.

From price aspect, DuMont stresses that station which already has flying-spot scanner, costing \$40,000-\$45,000, can add "Vitascan" equipment for much less than the \$49,500 it would pay for regular 3-tube live camera. If station already has DuMont color film "Multi-Scanner," the "Vitascan" gear can be added for \$15,692; if it doesn't, cost is \$32,570. Stations with monochrome "Multi-Scanner" can add live monochrome equipment for \$9207; without it, price is \$18,415.

Delivery 30-60 days after convention is promised, and DuMont plans to install system at its own WABD, N. Y. and WTTG, Washington.

TOP-LEVEL CHANGES—WHAT THEY PRESAGE: This was a week of drastic changes in the top executive & sales personnel of several important TV-radio manufacturing companies -- and the implications appear far more significant than the mere announcements. They presage an intensified effort by some of the second-rung manufacturers to improve their positions in the market as against front-running RCA, Philco, Admiral, Motorola, GE & Zenith who represent very nearly 60% of the present TV business. Items:

Henry C. Bonfig, third-ranking Zenith executive after pres. E.F. McDonald and exec. v.p. Hugh Robertson, quit job of sales v.p. which last year paid him \$40,000 salary plus \$56,763 bonus, to become pres. of CBS-Columbia Inc. He replaces Seymour Mintz, and has been replaced at Zenith by Leonard C. Truesdell, TV-radio sales v.p.

Chester G. Gifford, who retired recently as pres. of Schick Inc., post now held by ex-RCA consumer products v.p. Joseph B. Elliott, becomes pres. of Avco Mfg. Co.'s Crosley & Bendix appliance divisions as well as an Avco v.p., taking over from James D. Shouse, Avco v.p. & director, who resumes active duties as chairman of the Crosley Broadcasting Co., operating 4 TV stations & one radio -- his original field.

Leonard F. Cramer, ex-Avco v.p. & gen. mgr. of its Crosley-TV-radio div., onetime DuMont v.p., joins Magnavox as v.p. & gen. mgr. of TV-radio-phonograph div.

Dan D. Halpin, who left RCA post of mgr. of TV receiver sales in Aug. 1952 to join DuMont as gen. mgr. of TV sales, resigns to become asst. gen. mgr. in charge of marketing and gen. sales mgr. of Westinghouse TV-radio div., Metuchen, N.J. He succeeds Richard L. Sandefur, resigned. He serves under gen. mgr. Edward J. Kelly, who recently succeeded T.J. Newcomb, retired. At DuMont, his duties are being taken over by Wm. C. Scales, gen. mgr. of receiver sales div. under v.p. Wm. H. Kelley.

It's noteworthy that Truesdell was once Crosley sales mgr., later headed Bendix radio div., joined Zenith in 1946; that Mintz quit as Admiral v.p. in charge of advertising about year ago to go to CBS, where he was at once also elected a v.p. & director of parent CBS Inc., to which posts Bonfig will succeed; that Bonfig joined Zenith 11 years ago after 13 years with old RCA Mfg. Co., which he quit as a v.p.

Bonfig's salary hasn't been disclosed, but he acquires stock options and, as he put it, "the kind of deal I couldn't reject." Mintz plans to acquire an interest in a small electronics factory, owned by a friend; he leaves his job well-fixed by virtue of an option on 2500 shares of CBS stock at 47¼ granted in March 1954.

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Battle for strong distributorships, long under way and rendered all the more difficult by the well-heeled and well-entrenched positions of old-line firms that give RCA, Philco, Motorola & Zenith such strong competitive positions, is the prime problem facing CBS-Columbia and other "pretenders" to the 9-year-old TV trade. That is main job 57-year-old Henry Bonfig confronts at CBS-Columbia which, despite a tremendous TV-radio publicity machine and the huge finances behind it, has not yet been able to win as much as 1% of the market.

Therein lies the key to the basic competitive problem, not only for TV-radio but appliances handled by the same firms. Crosley tried to hypo TV-radio distribution by way of its prize Bendix washing machine line, which it abruptly pulled away from long-standing distributors who were handling rival TV-radio lines. Admiral is inclining more and more to factory-owned distributorships, with 21 already -- most of any except GE & Westinghouse, which have own national distribution subsidiaries.

The Big 4 -- RCA, Philco, Admiral, Motorola -- and close running Zenith have always insisted on private franchisers, though they keep a few of own. Philco, and to a lesser extent Crosley, manufacture year-round lines for their distributors, designed to equalize seasonal humps. RCA under pres. Frank Folsom has been working toward that end. It's doubtful whether CBS wants to go into "white goods" too.

Veteran of the appliance field, which he first entered in Kansas City in 1924, going in 1927 with Bill Grunow's old General Household Utilities Corp., Chicago, big refrigerator handler, then radios, the popular "Hank" Bonfig faces enormous obstacles in such TV-radio-appliance competition. CBS is a highly profitable concern, apparently bent on being another RCA, but despite its expected \$400,000,000 volume this year (mainly from telecasting) it is still losing money in the set & tube manufacturing businesses -- the tube business mainly because of investment in color.

It's hell bent to win a share of a market it has been unable to dent in the 4 years since it bought out Air King. Bonfig's job is to shore up distribution soft spots, set up new ones, ride the inevitable "tide of color" when it begins to flow, and take the receiver manufacturing phases of CBS's operations out of the red.

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Broader distribution is probable reason behind negotiations for merger of Whirlpool Corp., St. Joseph, Mich. (washing machines) and Seeger Mfg. Co., St. Paul (Coldspot refrigerators & freezers), both major entities in their fields, both part-owned by and suppliers of Sears Roebuck. The news leaked this week that principals are discussing legality of merger with govt. officials. Either or both lines would be hot items for many TV-radio distributors, eager for top-brand "white goods". Both companies are strong ones, Whirlpool sales last year running \$169,453,888, earnings \$2.98 a share, Seeger's sales \$112,564,615, earnings \$5.32 a share.

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TV production continued seasonal decline, totaling 110,651 week ended May 13, compared to 127,067 preceding week and 131,627 in week ended April 29. It was 19th week of year by RETMA calculations and brought production for year to date to about 2,935,000, compared to approximately 2,200,000 in same period of 1954.

Radio production totaled 287,352 (145,757 auto) week ended May 13, compared to 286,284 week ended May 6 and 278,054 week before. For 19 weeks, production was estimated at 5,400,000 vs. 3,750,000 in corresponding 1954 period.

COMPONENTS MAKERS, those under-publicized but usually reliable barometers of TV trade trends, generally foresee 1955 as another year of solid growth for their set manufacturer customers—equal to, perhaps exceeding, the nearly 7,500,000 TVs produced and sold in 1954—on the basis of parts orders currently on their books. They're a pretty optimistic bunch, by and large, and their optimism was reflected this week at the annual Electronic Parts Show at Chicago's Conrad Hilton Hotel, which proved to be biggest ever (290 exhibitors, 10,000 registrants).

Several important parts makers tell us they look for sizable increases in TV set production in last 6 months of year. All noted increases in orders last 3 months—a welcome indication that set makers at long last were reducing their huge inventories of components.

Parts and set manufacturers make common cause on one complaint—profits are too low, even though unit sales remain high and are even expanding on some items. And they apparently don't see much prospect of raising parts prices to get more profit.

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Veteran parts maker Leslie F. Muter, pres. of Muter Co. & RETMA treas., comments thus on current state of parts industry: "I think we're all going along quite well, and don't have too much room to complain. We're getting volume, better than a year ago in most cases, which I think is basically due to high-fidelity and such allied fields. But the continued high level of TV business has also been a big factor—bigger, I think, than many of us would have predicted a year ago.

"With those low price tags, our set-manufacturing friends are going to move a lot of receivers this year.

Second sets are going into homes with some regularity now, and that's bound to increase business for everybody, including us. The whole picture adds up in my mind to a 7,000,000-plus year for TV production and retail sales. Now if something can be done about low profits on parts . . ."

Matt Little, pres. of Quam-Nichols Co., big speaker manufacturer, goes along with Muter—with this reservation: "I just hope the TV manufacturers don't overproduce in the last 6 months to spoil what could be a very fine year for everyone. As long as they watch that inventory, and I have every reason to believe they will, all of us will have at least as good a year as 1954."

Harry A. Ehle, v.p. of International Resistance Co., sees the tremendous number of new electronic products being introduced almost daily as one of biggest reasons for his prediction of bullish future. He cautions all levels of trade to prepare for diversification of product to eliminate seasonal peaks and valleys in sales.

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Interest at parts show itself was centered on high-fidelity. Many jobbers reported sales of "hi-fi" components this year running 25-50% over 1954, which in itself was big year in this field. More manufacturers have entered field with higher-quality products, for, as Little said: "The public has been trained to demand better sound and is getting it from the manufacturers. High-fidelity is getting to mean precisely that, even though we have no fully-acceptable definition of the term; the old days in which anything could be palmed off as high-fidelity are gone."

Lots of interest, too, in color—though consensus of jobbers was that a real lift from color couldn't be expected until 1956, at the earliest. By the same token, some parts manufacturers expressed view that they could help speed lower color prices by continuing their research on automation and other production short cuts with objectives of reducing cost of components even further.

Topics & Trends of TV Trade: Long-awaited 1955 *Consolidated Consumer Analysis*, released this week and covering 20 markets where newspapers conducted own consumer buying surveys in Jan. (Vol. 11:15,20), reveals important data on TV purchase plans this year, rate of saturation and ownership by makes. Here are percentages of families, both TV & non-TV owners, planning to buy set this year (saturation as of Jan. in parentheses):

Sacramento, 15.7% (60.8%); Modesto, 12.4% (59%); Newark, 11.8% (92.9%); Fresno, 11.7% (66.4%); Washington, 10.8% (81.6%); Portland, Ore., 10.5% (64.9%); Milwaukee, 9.1% (93.1%); San Jose, 8.9% (82%); Honolulu, 8.7% (62.9%); Cincinnati, 8.6% (90.7%); Portland, Me., 8.4% (77.9%); Seattle, 8.1% (74.8%); Long Beach, 7.4% (90.8%); Duluth-Superior, 6.8% (75.3%); Phoenix, 6.5% (81.5%); Indianapolis, 6.3% (88.6%); Columbus, O., 5.3% (93.8%); St. Paul, 4.9% (89.2%); Omaha, 4.5% (88.7%); Salt Lake City, 4.5% (87.1%).

RCA ranks first among set ownership in 16 of those 20 markets; Hoffman is tops in 2 (Fresno & Modesto); Admiral, one (Phoenix); Philco, one (Sacramento).

Newspapers in some of the markets asked additional TV questions of consumers; for example, *Milwaukee Journal* last week published replies to queries on second-set ownership (Vol. 11:20). Copies of the consolidated report, which gives basic data on all 20 markets, are available from *Milwaukee Journal* promotion dept., which coordinated information.

Individual copies of respective market studies are available from these newspapers: *Portland (Me.) Press Herald* and *Evening Express*, *Columbus Dispatch* and *Ohio State Journal*, *Cincinnati Times-Star*, *Indianapolis Star* and *News*, *Duluth Herald* and *News-Tribune*, *St. Paul Dispatch* and *Pioneer Press*, *Omaha World-Herald*, *Salt Lake Tribune & Deseret News*, *Seattle Times*, *San Jose Mercury* and *News*, *Sacramento Bee*, *Fresno Bee*, *Modesto Bee*, *Long Beach Press-Telegram*, *Honolulu Star-Bulletin*, *Phoenix Republic* and *Gazette*, *Oregon Journal*, *Newark News*, *Milwaukee Journal*, *Washington Star*.

* * * *

GE sees resurgent demand for 14-in. receiver, as second sets loom increasingly important in TV market. This week, it brought out a 32-lb. table model at \$99.95, in Boston and Buffalo (and shown to press in N. Y.) as first cities in distribution expected to become nation-wide by July. It reportedly will cost distributor about \$72, dealer about \$80—somewhat lower profit margins than on 17 & 21-in. receivers. Paul H. Leslie, monochrome TV sales mgr., told us that GE's decision to resume 14-in. was motivated by marketing research indicating that comparatively few set owners are replacing their small-screen sets and demand is for a low-priced second set instead.

"We expect to sell very few to initial buyers," he said. "This set is designed to be taken from room to room or to the summer camp or any place where a portable radio goes." Sets come in brown metal at \$99.95, slightly higher for 2-tone ivory and gray. They're about 10½-in. high, 13¾-in. wide, 17-in. deep. They contain GE's first vertical chassis (more are expected in GE's new line to be introduced in July at National Assn. of Music Merchants show), are more than 50% printed-circuit, have 16 tubes (6 of them multi-purpose). They have 41-mc IF circuit, built-in antenna & all-channel tuner.

Note: Olympic Radio has been merchandising 14-in. table model at \$99.95 for last 8 months (Vol. 10:36).

* * * *

RCA will show new TV line, which reportedly includes its first vertical chassis sets, at meeting of field reps June 6-8 in Barbizon Plaza Hotel, N. Y. Regional meetings will be held June 10-12 in San Francisco, June 14-16 in Chicago, June 17-19 in New Orleans.

SHIPMENTS of TVs to dealers in first 3 months totaled 1,968,347, compared to production of 2,188,252, according to RETMA state-by-state report released this week, supplementing recent 9-year tabulation, 1946-54 (Vol. 11:19). They compared with 1,655,839 shipped in first quarter of 1954, when production was 1,447,110. New York led, with 187,003; California second, 144,335; Pennsylvania, 125,252. March shipments were 690,097, compared to 640,771 in Feb. and 582,839 in March 1954. Here's state-by-state report for quarter (county-by-county tables available to members from RETMA on request):

State	Total	State	Total
Alabama	35,180	New Hampshire	7,271
Arizona	10,941	New Jersey	60,216
Arkansas	24,124	New Mexico	6,320
California	144,335	New York	187,003
Colorado	14,339	North Carolina	51,752
Connecticut	26,981	North Dakota	7,729
Delaware	3,855	Ohio	100,647
District of Columbia	19,628	Oklahoma	29,675
Florida	61,153	Oregon	25,787
Georgia	40,268	Pennsylvania	125,252
Idaho	9,380	Rhode Island	9,416
Illinois	108,071	South Carolina	29,607
Indiana	52,994	South Dakota	6,211
Iowa	32,215	Tennessee	43,755
Kansas	29,057	Texas	114,675
Kentucky	37,014	Utah	7,812
Louisiana	39,687	Vermont	7,729
Maine	15,502	Virginia	37,479
Maryland	26,388	Washington	34,009
Massachusetts	55,860	West Virginia	22,025
Michigan	78,431	Wisconsin	43,883
Minnesota	36,326	Wyoming	1,970
Mississippi	18,526		
Missouri	54,829	U. S. TOTAL	1,962,726
Montana	6,468	Alaska	2,360
Nebraska	18,670	Hawaii	3,261
Nevada	2,332		
		GRAND TOTAL	1,968,347

Convention of National Community TV Assn. in New York's Park-Sheraton Hotel June 6-8 will have as principal speaker FCC Comr. John C. Doerfer, who has shown a particular interest in community systems. Arthur Gladstone, of Commission's Common Carrier Bureau, will describe FCC's policy on microwaves for systems. Program includes panel sessions and speeches on taxes, promotion & advertising, satellites & boosters, govt. regulation, technical developments. Exhibitors include: Ampli-Vision div. of International Telemeter, Blonder-Tongue Labs, Entron, Federal Telephone & Radio, Jerrold, Phelps-Dodge, Philco, Plastoid, RCA, Rego Insulated Wire, Spencer-Kennedy, Times Wire & Cable, U. S. Wire & Cable, Vision Wire, Westbury Electronics.

Bill to remove excise taxes from repair and replacement parts for TV-radio sets, to specifically exempt non-entertainment TV & radio from tax and to lift tax from certain TV-radio components and parts "where the cost of compliance and enforcement is not warranted by the negligible revenues produced" was introduced May 19 by Sen. Martin (R-Pa.) for himself and Sen. Dirksen (R-Ill.). The bill, S-2009, is identical to section of last year's HR-6440 which died when Congress adjourned (Vol. 10:34).

Another microwave application to serve community antenna systems was filed this week—Antennavision Service Co., 612 Security Bldg., Phoenix, Ariz., seeking relay on Heliograph Peak to bring Phoenix station signals to towns of Clifton, Plantsite, Stargo & Morenci. Pres. of Antennavision is Paul Merrill, mgr. of Gila Bestg. Co., operator of AMs in Coolidge, Globe, Safford & Winslow, Ariz. Application specifies Philco TLR-3AP equipment, construction costs of \$18,382.

Admiral and Federal Trade Commission may settle complaint charging misrepresentation in ads on 21-in. sets (Vol. 11:14,17,20) without need for hearing, it was indicated this week following cancellation of hearing scheduled May 17 in Chicago. Admiral lawyers and FTC attorney Edward K. Downs will confer later on terms.

Raytheon pres. Charles Francis Adams Jr., taking cognizance of persistent "merger" rumors, states in current house organ "there is nothing of the sort in sight."

Trade Personals: Henry C. Bonfig's resignation as Zenith v.p. & director of sales (see p. 11) became effective May 18 when TV-radio sales v.p. Leonard C. Truesdell succeeded him; Bonfig will vacation until early June, when he assumes presidency of CBS-Columbia Inc., and until then retiring pres. Seymour Mintz will remain on job . . . Frank Folsom, RCA pres., leaves this week-end for 4 weeks in Europe, will also go to Cairo and Istanbul; v.p. Mannie Sacks will join him in about week . . . Sam F. Arn Jr. promoted to sales mgr. in expansion of Packard-Bell technical products div.; Hugh Vick, ex-Northrop Aircraft, named chief of contracts administration section . . . Harry L. Thorson, mgr. of GE TV camera tube project, appointed mgr. of transmitting tube project engineering at Schenectady . . . Fred C. Zusi promoted to head new DuMont systems-engineering group, supervising sales of electronic equipment for automatic production & quality control . . . Nat Marshall, ex-mgr. of broadcast sales, promoted to asst. director of General Precision Labs' engineering products div.; Joseph Belcher promoted to mgr. of industrial TV sales . . . Jack L. Hobby, Raytheon staff asst. for public relations, will become mgr. of publicity & institutional adv. and head house organ *Raytheon News*, in new setup after Richard Axten takes over v.p. of GE as director of public relations . . . Bernard B. Cohen, ex-Emerson & Tele-tone, named works mgr., General Transistor Corp., Jamaica, N. Y. . . . Ray McCadam promoted to western district sales mgr., GE tube dept., Los Angeles . . . Jerome K. Levy, gen. mgr. of Audio & Video Corp., N. Y., elected a v.p.; Robert Winston elected sales v.p. of National Musitime Corp., div., Ray Rand sales v.p. of A-V Tape Libraries Inc. . . . Edwin J. Bradley, ex-Airpax Products Co., Middle River, Md., appointed sales mgr. of Color Television Inc., San Carlos, Cal., now largely in military electronics production . . . Albert Benjaminson named chief engineer, Granco Products, Long Island City, N. Y. . . . Richard Berggren, ex-Stiller-Rouse & Assoc. Adv., Los Angeles, named Hoffman Radio adv. mgr., reporting to E. A. Tischler, new adv. director of parent Hoffman Electronics; Deane Aylesworth continues as adv. mgr. of Hoffman Labs . . . G. Warren Kimball promoted to mgr. of battery & renewal components marketing, RCA tube div.

DISTRIBUTOR NOTES: Walther Bros., Philco distributor in New Orleans last 27 years, switches to RCA, replacing Television & Appliance Distributors Inc. . . . Crosley-Bendix appoints Graybar, Buffalo . . . Stromberg-Carlson appoints Southern Electric Corp., Staunton, Va. (L. J. Kiger, pres.) . . . Sentinel appoints Ralph Lay Co., 5627 Manchester Ave., St. Louis . . . CBS-Columbia Boston factory branch promotes Arnold Mackowsky to sales mgr. . . . Gross Distributing Corp., Newark (Stromberg-Carlson) appoints C. Edward Erbe as sales mgr.

Lansdale Tube Co., Lansdale, Pa., operated as Philco subsidiary since 1947, becomes Philco division under name of Lansdale Tube & Transistor Co. Wm. J. Peltz, v.p. of operations for TV div., has been promoted to v.p. & gen. mgr. of new div.

Construction of Motorola's \$1,500,000 transistor plant in Phoenix began this week as exec. v.p. Robert W. Galvin dug first shovel of dirt. New 57,600-sq. ft. building is slated for completion by end of year, initially will employ 300-500.

Louis A. Connelly, 59, mgr. for last 13 years of govt. dept., RCA engineering products div., died of heart attack May 20 at his home in Medford Lakes, N. J. He had been with RCA and predecessor companies since 1924, always on govt. sales, won company's highest citation recently for extraordinary service during Korean War. Surviving are his wife and 2 daughters.

Electronics Reports: Complaint that aircraft manufacturers are using govt. procurement policies to put themselves in the electronics business (Vol. 11:7,17) drew strong rebuttal last week from a leading airframe maker and a top Air Force procurement official. Addressing National Conference on Aeronautical Electronics, August C. Esenwein, Ft. Worth v.p. of Convair (whose parent General Dynamics Corp. is due to take over Stromberg-Carlson; see Vol. 11:18) said aircraft industry has too many of its own research, development and production problems to try to take over the function of electronic subcontractors.

"Never has our problem been one of too little work, work to be husbanded selfishly in our own plant," he said. "Rather, the greatest problem has been one of finding capable, qualified, enthusiastic and uncommitted vendors. Our sister divisions at San Diego and Pomona have had the same trouble . . . which is why, in certain instances, they have had to do some of the electronics work themselves."

Air Force policy is opposed to aircraft manufacturer competition with established electronics suppliers, said Brig. Gen. C. H. Mitchell, director, procurement & production, Air Materiel Command headquarters. "There must be some compelling reason for an airframe manufacturer to build his own component equipment," he declared. "This should happen only by default of the electronics industry. However, it is not the policy of the Air Force to encourage or condone airframe manufacturers entering the electronics business—or the same policy in reverse."

Sperry Gyroscope Air Force contracts mgr. Norman L. Winter urged that electronics companies be given bigger role in new "weapons system" procurement contracts. He said each program should be examined carefully to see whether an aviation or an electronics company would be better equipped to manage the program. To date, the bulk of weapons system management contracts have gone to airframe manufacturers, giving them full responsibility for design and integration of all components going into the military end-product, and important responsibility for procurement of these components.

* * * *

Consolidated Electronics Industries Corp., Waterbury, Conn., controlled by North American Philips Co., will buy all assets of Alliance Mfg. Co., Alliance, O., leading manufacturer of antenna rotators, small motors for phonographs, fans & bathroom heaters. It's paying \$3,650,000 in notes convertible into 200,000 shares of Consolidated within 3 years. Transaction is to be concluded by June 30, subject to stockholders' approval. Consolidated, formerly Reynolds Spring Co., sold its automotive business last Dec. and acquired a number of Philips properties (Vol. 11:2), including military electronics. Consolidated reported net profit of \$301,000 for first quarter 1955. In last quarter 1954, company sustained operating loss of \$274,000 plus loss of \$731,000 on sale of its assets. Net sales for 6 months ended March 31 were \$2,934,000, net loss \$704,000.

Original "Tinkertoy" automatic production line in Arlington, Va.—which gave modular design of electronics its greatest impetus when shown for first time in 1953 (Vol. 9:38)—has been leased by National Bureau of Standards and Navy to Aerovox Corp., which succeeds Kaiser electronics div., Willys Motors Inc. as operator of the line. Key personnel formerly associated with Kaiser have been employed by Aerovox to operate and expand the system. Emphasis will be placed on production of modules for experimental use by interested electronic equipment manufacturers. The Navy, which is encouraging use of modular-design concepts in fleet equipment, reports that electronic devices turned out on the Arlington automatic assembly line have proved equal or superior to conventional equipment.

Financial & Trade Notes: Television-Electronics Fund Inc., reporting total net assets of \$96,182,331 (8,489,045 shares) as of April 30, up from \$79,231,366 (7,275,625 shares) as of Jan. 31, reports that it added these stocks during the quarter: 9200 shares of Babcock & Wilcox at market value of \$869,400; 10,000 Barry Controls Inc. "B," \$145,000; 3000 Bell & Howell, \$115,875; 16,200 Bullard Co., \$607,500; 9000 Continental Telephone Co., \$219,375; 12,000 Elgin National Watch, \$250,500; 4000 Lockheed Aircraft, \$187,000; 16,100 Pullman, \$970,025; 10,000 Servomechanisms Inc., \$112,500; 1200 Topp Industries Inc., \$7950.

Also acquired were 7400 shares of recently offered (Vol. 11:17) Gross Telecasting Inc., valued at \$142,450. Fund also holds 800 Consolidated TV & Radio Broadcasters Inc. (Bitner stations), at \$20,800, and increased its holdings in Storer Bestg. Co. from 5000 to 20,000 shares at \$505,000.

Fund added to holdings in these stocks during quarter: ACF Industries, Addressograph-Multigraph, Allis-Chalmers, American Broadcasting-Paramount, American Chain & Cable, Beckman Instruments, Borg-Warner, Bulova Watch, Carborundum Co., Chance Vought Aircraft, CBS "A," Columbia Pictures, Consolidated Electronics Industries, Consolidated Engineering Corp., Cornell-Dubilier, Corning Glass, Curtiss-Wright, Douglas Aircraft, Eastman Kodak, Eaton Mfg., Electric Controller & Mfg., ElectroData, Food Machinery & Chemical, Garrett, General Dynamics, General Tire, Goodyear, Hazeltine, Indiana Steel Products, IBM, International Nickel of Canada, I-T-E Circuit Breaker, Magnavox, Maxson, Minneapolis-Honeywell, Minnesota Mining, National Acme, National Cash Register, North American Aviation, Northrop Aircraft, Oak Mfg., Paramount Pictures, Penn Controls, Photon, RCA, Reliance Electric, Remington Rand, Ryan Aeronautical, Square "D," Stewart-Warner, Taylor Instrument, Texas Instruments, Tung-Sol, 20th Century-Fox, United Aircraft, Walt Disney Productions, Westinghouse Electric, Worthington.

Part of holdings were sold in Aerovox, AT&T, Bendix Aviation, Borg (Geo. W.), Clark Controller, Cle vite, Cutler-Hammer, DuMont "A," Emerson Radio, General Con-

trols, GE, Hammond Organ, International Resistance, Raytheon, Robertshaw-Fulton, Stromberg-Carlson, Technicolor, Thompson Products, United-Carr Fastener, Western Union, Westinghouse Air Brake, Zenith. Having disposed of American Bosch Arma in preceding quarter, it also sold its 1900 shares of American Bosch preferred, 1952 series, retaining in portfolio of preferred stocks Eastern Industries, 75 Giannini, 2000 Raytheon.

(For similar report on Oct. 31-Jan. 31 quarter, see Vol. 11:10, p. 13.)

* * * *

Daystrom-Weston merger (Vol. 11:14) was approved May 17 by stockholders of both companies. Weston stock will be exchanged for Daystrom on one-for-one basis, and Weston will become wholly operated subsidiary of Daystrom. For fiscal year ended March 31, unaudited Daystrom figures show estimated sales of \$73,800,000, compared to \$62,473,000 preceding year. Net income was \$1,690,000 (\$2.56 a share) compared to \$1,459,000 (\$2.33). Weston's 1954 sales totaled \$28,672,800 vs. \$32,409,800 in 1953. Net income was \$1,056,714 (\$2.47 a share) vs. \$1,025,930 (\$2.40) in 1953. Daystrom pres. Thomas Roy Jones predicted 70% of company's sales this year will be in electronics, electrical and related field.

Reeves-Ely Laboratories Inc. 1954 sales dropped to \$35,332,365 from record \$39,630,155 of 1953, reports pres. David T. Bonner, but net income went up to \$2,295,688 (\$2.16 per share) from \$1,823,174 (\$1.71). Backlog at year's end was \$51,000,000, and working capital was \$15,387,430 compared with \$12,244,152 at end of 1953.

Jerrold Electronics Corp., Philadelphia, major manufacturer of community antenna and master antenna systems, has filed with SEC proposed issue of \$2,750,000 of 6% convertible subordinate debentures due 1975 and 200,000 shares of common; underwriting is headed by Van Alstyne, Noel & Co. and Butcher & Sherrerd, Philadelphia.

Storer Broadcasting Co. reports net income of \$811,989 (\$1.44 a share) for first quarter vs. \$803,235 (\$1.43) in 1954 quarter. Gross revenues were not disclosed. (For 1954 and preceding years' balances, see Vol. 11:15, p. 16.)

LAST TESTIMONY in Lamb case was concluded May 20 after 56 days of hearings extending over 8 months as Toledo broadcaster-publisher-industrialist Edward Lamb reaffirmed from the witness stand "every non-Communist affidavit I ever made" and declared "I do not retract by one iota or comma" any affidavits made to FCC. Actual hearing record—which now contains about 1,500,000 words—won't be closed until both sides meet with examiner Herbert Sharfman to dispose of certain motions, discuss various stipulations, etc. This shouldn't take longer than one day.

Next step will be for each party to file proposed findings (for which 20 days is permitted by Commission rules), then examiner's initial decision—likely to take several months—followed by filing of exceptions by both sides, then final decision by FCC.

At this week's hearing, former Attorney General J. Howard McGrath, Lamb's business partner and attorney, testified on "issue No. 2" in Lamb case—the accusation that bribe had been offered for false testimony against Lamb. McGrath testified that Emmet Lee Wheaton Jr., Toledo, had signed statement that Wm. G. Cummings, self-styled ex-FBI undercover Communist and FCC's first witness against Lamb, told him it would be "worth \$1000" if he could remember that Lamb had attended the dedication of Communist headquarters in Toledo in 1944. McGrath emphasized that he was not accusing FCC of proposing or condoning an attempted bribe.

Proceedings this week also heard Pittsburgh Mayor

David L. Lawrence, 32nd witness in the hearings, testify he had known Lamb since 1937 as staunch enemy of Communism, that he first met him in Pittsburgh when Lamb was labor lawyer fighting to keep Reds out of United Steelworkers Union.

In a related development, a Federal jury in Washington, deliberating only 20 minutes, found Mrs. Marie Natvig guilty of 3 counts of lying to FBI and FCC officials. Trial did not deal with the truth of what she said about Lamb in either her original or her turnabout testimony. She faces up to 15 years in prison and \$6000 fine, was released on bond pending probation report. Her attorney, who argued Mrs. Natvig was "confused" while on stand at FCC hearing, said verdict would be appealed. In summing up to jury, Justice Dept. attorney said she committed "one of the most vicious things she could have done" if she lied in linking Lamb to Communists. He said evidence seemed to show that she did.

—■—

Sylvania has no present intention of seeking new financing this year, pres.-chairman Don G. Mitchell told *Wall Street Journal* this week, apparently prompted by inquiries about its atomic energy activity. He said Sylvania is one of leaders in field of atomic fuel & components, under contract with AEC. While this business is not profitable, it isn't losing either, he said, and over next 5 years he said company's atomic energy activities could become as big as Sylvania is today (1954 gross: \$281,641,987, net \$9,480,941, or \$2.92 per share).

NOT ON AGENDA of NARTB convention, apparently still as far off as ever, is matter of a continuing market-by-market or county-by-county census of TV homes acceptable to all segments of the industry. Though it's one of industry's real needs, NARTB officials deny dawdling—but fact is that it has been in the works now for 3 years and only action thus far has been to have Politz undertake pre-test methods and make pilot studies in undisclosed markets.

Next step is another progress report, to be submitted to TV board at June 23 meeting in Hot Springs, Va., and at the convention pres. Harold Fellows is expected to repeat "hope" that a workable system will be in operation before the 1956 convention.

Some of the leading research people in the industry now frankly say they think the project may die aborning, and at the moment they don't seem overly concerned. The telecasting industry is so vital, time so scarce on networks and major stations, outlets so few, jobs for sponsors so well done on TV, that agencies simply take-or-leave the network figures (covering their affiliated stations), the figures claimed by stations, or other proffered statistics.

Networks don't release their figures. Station estimates are carried in some trade journals—"certified". Some big agencies, like J. Walter Thompson, which conducted 4 surveys on "Where the Sets Are," covering only metropolitan trading areas of 340 top markets, compile their own figures.

Last county-by-county census released by NBC was dated May 1, 1953, covered radio as well as TV ownership; one by CBS was dated Nov. 1, 1953, based on a Nielsen study. Since then, *Television Magazine* has been publishing monthly projections which have been gaining considerable acceptance. Another index to gains in audience, but by no means synonymous with sets-in-use, is monthly report by RETMA on shipments to dealers; it's released by states only, though compiled on county-by-county basis, with latter figures not for publication.

NARTB research mgr. Richard M. Allerton is in charge of the long-projected all-industry census which, it had been expected, would be backed by the networks, RETMA, AAAA, ANA. Committee has Robert D. Swezey, WDSU-TV, New Orleans, as chairman, and members are Hugh Beville, NBC; Donald Coyle, ABC; Oscar Katz, CBS; Edward Eadeh, DuMont; James Anderson, Crosley; Campbell Arnoux, WTAR-TV, Norfolk; Richard Borel, WBNS-TV, Columbus; Kenneth Carter, WAAM, Baltimore; Clair R. McCollough, WGAL-TV, Lancaster; J. Leonard Reinsch, WSB-TV, Atlanta; Donald Thornburgh, WCAU-TV, Philadelphia; Lee Wailes, Storer.

First "permanent" CBS-TV affiliates advisory board was elected at convention in N. Y. May 19, each member to serve 2 years: Howard Lane, KOIN-TV, Portland, Orc., chairman; Richard A. Borel, WBNS-TV, Columbus, secy.; Paul Adanti, WHEN-TV, Syracuse; Glenn Marshall Jr., WMBR-TV, Jacksonville; T. B. Lanford, WJTV, Jackson, Miss.; Bruce McConnell, WISH-TV, Indianapolis; Wm. B. Quarton, WMT-TV, Cedar Rapids; Clyde Rembert, KRLD-TV, Dallas; James Russell, KKTU, Colorado Springs; Rex Howell, KFXJ-TV, Grand Junction, Colo.; Frank E. Busby, WTVY, Dothan, Ala.

CBS newsfilm div. named supplier of film news coverage of North & South America and Far East for Independent Television News Ltd., British service headed by Aidan Crawley to serve upcoming commercial Independent Television Authority.

Screen Tests to Order Inc., 550 Fifth Ave., N. Y., set up as companion service to Stock Shots to Order Inc.'s TV film dept., headed by Raymond Pheelan.

ABC has been in the black since first of year, and second-quarter earnings will be substantially higher than same period of 1954, thanks mainly to TV billings, AB-PT pres. Leonard H. Goldenson reported to stockholders at May 17 annual meeting. He said TV network time sales booked thus far this year exceed total for all of 1954. ABC in past year has "gained increased stature as a major network," he stated, citing such upcoming new programs as *Mickey Mouse Club*, *Warner Brothers Presents* & Bishop Sheen's *Life Is Worth Living* (shifted from DuMont) and sponsorship renewals as "evidence of greater critic, public and sponsor acceptance and the ability to deliver audiences through improved ratings." Goldenson reaffirmed the company's interest in phonograph & electronic fields; it's still surveying prospects of entering record field, and holds one-third of Microwave Associates, Boston. Upward trend of 1954 in movie business is continuing, with earnings for first 17 weeks running well ahead of similar 1954 period, though second quarter is seasonally weak because of lack of good pictures. AB-PT expects to complete required theatre divestiture program by Sept. 3, then will "give consideration" to purchase of additional theatres. (For Goldenson's remarks on subscription TV, see p. 4.)

"Children's programs are improving every year," according to survey of TV in all 48 states by General Federation of Women's Clubs, which expressed regret, however, that most of them "seek only to entertain." As reported by Federation's communications dept. chairman Mrs. Dexter O. Arnold, huge 500-woman survey and monitoring operation found: (1) Amount of objectionable language on children's programs is "insignificant in comparison with the amount of inspiring language." (2) "Children's programs seem to have neglected opportunities for presenting material of educational value. [The] problem is not what they present, but what they fail to present." (3) Early-evening shows "best meet the challenge of elementary school children," but there's lack of material for junior high age group. (4) Shows most consistently approved: *Disneyland* (100%), *Howdy Doody*, *Pinky Lee*, *Movie Marshal*.

Urging FCC to defy Pentagon's unwritten ban on towers higher than 1000 ft., Broadcast Bureau this week recommended that KSWB-TV, Roswell, N. M. be permitted to build 1610-ft. tower at new location despite opposition of military representatives on Washington Airspace Subcommittee (Vol. 11:11). Broadcast Bureau argued that military & civil aviation spokesmen appearing at FCC hearing on the tower proposal presented no evidence that new tower's height and location would make it a hazard, and pointed to evidence that present location is greater hazard than proposed one.

ABC-TV will begin colorcasting "only when color TV becomes commercially feasible and enough sets are in the hands of the public," AB-PT pres. Leonard Goldenson told stockholders meeting this week. He pointed out that *Disneyland* and *Warner Bros. Presents* series are being filmed in color for eventual re-runs on color TV.

Out-of-court settlement of \$1,000,000 suit against NBC by John J. Dickerson, ex-New Jersey GOP chairman, was reported "for a substantial amount" May 17, one day after case went to trial. Defamation suit resulted from 5 Robert Montgomery newscasts in 1952 dealing with state probe of gambling and corruption in Bergen County.

Headquarters of *Television Digest* during the NARTB convention are Suite D-615-17, Shoreham Hotel. Visitors are cordially invited.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
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SUMMARY - INDEX OF THE WEEK'S NEWS—May 28, 1955

AWARENESS OF INFLUENCE characterizes NARTB convention as members seek to insure unfettered growth under friendly governmental aegis (p. 1).

NETWORK PRESIDENTS proud of TV accomplishments, stress essentiality of networks on eve of govt. investigations, disclose exciting program outlook (p. 2).

"LINCOLN-DOUGLAS" DEBATES on TV proposed by Stanton for 1956 Presidential campaign, cueing evaluation of political "free time" controversy (p. 4).

TV's **SELLING POWER**, moving merchandise faster than any other medium, illustrated in presentations by NBC and TvB (p. 6).

SUBSCRIPTION TV finds few zealots among NARTB members, as efforts at "revolt" fail; proponents seek support for tryout; CBC turns thumbs down (p. 6).

LOW-POWER & LOW-PRICE transmitters and studio gear featured at NARTB show, as manufacturers anticipate FCC approval of small stations & boosters (p. 8).

BIG APPLIANCE DEAL, involving consolidation of RCA, Sears, Whirlpool, Seeger, perhaps others, awaits Justice Dept. opinion (p. 12).

INCREASE IN EARNINGS reported for most leading TV manufacturers in first quarter over year ago; outlook favorable for second quarter (p. 15).

FCC GRANTS CPs for Memphis & Hawaii, asks Supreme Court to reinstate multiple rule (p. 9). Richard A. Mack of Florida named to succeed Comr. Hennock (p. 16).

5-MEGAWATT UHF power ceiling to be proposed by FCC with drive to improve uhf sets, as Lee urges long-range reallocation; uhf operators map new strategy (p. 10).

FIRST TV OUTLETS go on air in Lafayette, La. & Rapid City, S. D.; Norfolk uhf resumes after 7-month silence. Peoria station buys first new RCA "megawatt" (p. 11).

POPULAR-PRICED COLOR SETS awaited by telecasters weighing purchases of color equipment; competition growing in color film chains (p. 11).

NARTB CONVENTION—THE SUMMING UP: A TV industry deeply conscious of its strength and concomitant responsibilities and a radio industry now optimistic about its economics after several shaky years met this week at NARTB convention in Washington, left with feeling that affairs are in safe hands among the governmental regulators.

Economic background of convention had several distinct characteristics -- pioneer telecasters are beginning to get some competition, seeing more coming as new vhf grants are issued, are working harder to maintain leadership; uhf operators with little or no vhf competition are doing well, but others see no succor except in drastic remedies; the myriad small radio operators, who comprise bulk of NARTB membership, look with envy at successful telecasters and wait for the day when they can assume in TV the same satisfying role they have attained in radio. Against that background, here are what we consider to be the major developments:

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Govt. Regulation: "Freedom" was the watchword from every govt. spokesman, from President Eisenhower down. The President was very explicit, stating: "We must grow up with this great force, assuring the freedom of people to express their proper opinions, with the whole industry governed by the same rules that govern newspapers, the normal rules of decency and good taste. As long as those are observed, any proper opinion -- any opinion -- can be expressed before the public." CBS pres. Frank Stanton spoke for the industry later when he said: "I am happy to hear those words, and CBS will not forget them."

FCC is considered more solid and safe than ever, with a chairman and majority who reiterate a "hands off" policy with every public utterance -- enhanced this week by appointment of Richard Mack who comes to FCC with record of stability (see p. 16).

Congress is a somewhat less certain quantity. Though Rep. Priest's remarks were unsettling to some, Sen. Magnuson's speech was calm and careful -- and no one expects crippling legislation to emerge from current Senate study. But networks' present freedom from licensing was questioned by keynote speaker Mark Ethridge, who

asked: "Does the economic and social impact of television make it desirable to re-view the question of network regulation -- certainly not with the end of making them common carriers, but in the light of the apparent inconsistency of regulating the faucet but not the pump, and in the light of the fact that television has given the networks more power than ever?"

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Subscription TV: Pro-toll converts among broadcasters are few indeed. Many operators dismiss pay-TV as something FCC or Congress couldn't conceivably approve. Others are alarmed at momentum it has achieved in some quarters, are trying to alert colleagues before it's too late. Some, among telecasters in economic difficulties or radio operators not yet in TV, are intrigued by pay concept, would like to "give it a try" -- if a "safe" test can be devised (p. 6).

TV's Selling Power: Two sales presentations, Television Bureau of Advertising 5-city survey of grocery shopping and NBC's "Strangers Into Customers", documented an advertising impact even greater than most telecasters realized (p. 6).

Color: Conversion to color is considered inevitable by virtually everyone -- but only a handful of telecasters are buying color equipment, while majority finds no incentive to colorcast until mass-priced receivers are on the horizon. Furthermore, there's fear of obsolescence as equipment continues to be refined (p. 11).

Hometown TV: Though there's still need for more strong outlets in most metropolitan areas, much attention was focused on another potential direction for TV's expansion. Difficult as it is to foresee today, there are those who predict that TV will burgeon as a small-city service, following in the path of radio's postwar expansion from 1056 stations in 1945 to 2835 authorized today.

New formula is needed, one comparable to small-town radio. On the technical side, FCC is preparing it now, drawing up new set of rules for low-power stations and boosters. Equipment makers seemed ready, showing widest variety of low-cost transmitting and studio gear -- some of it made even more attractive by novel "easy payment" plans. Programming and sales side of the small-city TV formula are still relatively undeveloped, crying out for pioneering and imagination (p. 8).

Equality of TV opportunity: Deficit-ridden uhf operators -- those with heavy vhf competition -- listened glumly as FCC Chairman McConnaughey proposed to let them buy 5-megawatt transmitters, to be available in about 2 years at a cost of perhaps \$300-\$400,000. Those wondering if they'd still be in business next month were not impressed by his plan for FCC-sponsored "improvement" of uhf receivers, his enumeration of what Commission is doing to "help uhf," nor Comr. Lee's long-term proposal for re-allocation. Meeting between convention sessions, group of hard-pressed uhf telecasters mapped strategy for last-ditch defense against bankruptcy (p. 10).

It's safe bet Washington won't be convention city again for a long time. Physical layout was completely unsatisfactory -- with shuttling between Shoreham and Sheraton Park Hotels, with exhibits in hard-to-get-at and stifling Shoreham garage and with many delegates forced to room at distant downtown hotels. With sigh of relief, members decided to convene next year in Chicago, where they met last year.

NETWORK PRESIDENTS SCAN TV HORIZON: Expressing unabashed pride in their contributions to TV in 10 short years, the 4 TV network presidents also showed keen and serious awareness of TV's unprecedented role in the American scene as they outlined plans for the future, in speeches at NARTB convention.

Presidents of the two most powerful networks, CBS's Frank Stanton and NBC's Sylvester L. Weaver, literally thrilled the not-easily-impressed audience when they projected network programming as far ahead as they could see.

With measured emphasis, the serious-minded Stanton stated: "The strongest sustained attention of America is now, daily and nightly, bestowed on television as it is bestowed on nothing else." In view of this, he said, "the policy of 'giving the public more and more of what it likes' is no longer good enough because it no longer goes far enough. TV could scarcely have gotten started by giving the public what it didn't like -- but the day for a closer inspection of the relationship between TV and its enormous public is now, in my opinion, at hand."

Stanton then disclosed CBS's plan to enlist "outside help" to determine how TV can best "satisfy the public taste and raise it a little, too." CBS will form a committee, "composed of distinguished members of the public representing the arts, religion, labor, industry, education, social and political scientists and television critics." Its job will be to "develop a list of the most difficult, vexing or perplexing questions on which public opinion of all degrees should be solicited as to the role of TV in our society -- and then let these questions be turned over to an experienced professional group for a field study to collect the answers the public gives back." CBS will underwrite cost -- coming to at least \$100,000.

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The gangling Pat Weaver, with his love of the word "excitement" and his capacity for generating a lot of it, opened this kind of vista: "In our future TV week, we might have 6 or 7 hours of special programming. First, a 3-hour, all-evening entertainment spectacular. Then a one-hour telementary. Telementaries give background and orientation on a subject like Pete Solomon's 'Three-Two-One-Zero' on the hydrogen bomb or his forthcoming 'Nightmare in Red' on Russia, or our 'India' and 'Tomorrow' telementaries. These are great lasting productions taking as much as a year to prepare and execute. Then we'll have one news-in-perspective show, a form that still escapes all of us, in my opinion. It would represent a relevant, important subject made into a special major report to the people and would be done in time to be hot. This would marry our 'Background' and 'Comment' shows with Ed Murrow's 'See It Now', but with less feature story feeling and more miracle-type coverage." All this, he said, can come only from networks.

If networks went out of existence, Weaver went on, there would be a shift of money from stations "who have proved that they will spend part of their money back in public service -- a shift to program companies and syndicates who will spend their money on shows aimed at the lowest cost-per-1000. Once the hit half-hours develop good ratings, then they will program the cheap half-hour after them in order to hold enough audience at the lower program cost to get a great buy -- and you have set up the chain reaction that will take this great instrument of ours and depress it to a living room toy -- panels, quizzes, B pictures, audience participations, trivia, escape, breaking through the nadir of nepenthe! We are not like the movies -- merchants of dreams, salesmen of escape. We primarily deal with reality. We are communicators, like newspapers and radio at its best."

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ABC's Robert Kintner, given the topic "The Business of Television," delivered a thumping defense of TV, of commercials, of networks -- and a ringing denunciation of subscription TV and the limitations of FCC's allocation plan.

"The loss of TV," Kintner said, "even in its present development, would represent an estimated loss of \$40 billion in terms of sales of goods and services which can be credited to TV today...I think that there can be no question on the rightness of advertiser support of TV. Its basic rightness needs no real argument. The American system works, and works well."

Though ABC-TV suffers from lack of "accessibility" to more markets -- out of 233 TV markets, only 42 have 3 or more stations -- Kintner warned that legal restrictions on networks aren't the answer. Instead, he said, accessibility should be provided via channel allocations changes; he cautioned that "any Congressional committee, or the FCC should go slowly in further restricting relationships between networks and stations." (For Kintner's views on allocations, see p. 10; on pay TV, p. 6.)

Pioneer TV inventor Dr. Allen B. DuMont reviewed development of TV since its "first seed" appeared with discovery of selenium 138 years ago, then stated: "Perhaps the future technical changes in receivers and equipment are of lesser importance than the world-wide spread of TV itself. Whether the receiver is thin and hangs on the wall like a picture -- whether the picture itself is in color or black-&-white, these things are not as important as the fact that Czechs, Russians, Chinese, Germans, Frenchmen and Indians may watch international sports events, deliberations before the United Nations, and other events of world-wide importance. A world-wide TV network is a certainty some time in the future."

TV'S MIGHTY POLITICAL POWER IN FOCUS: You'll be hearing a lot about the ground rules for TV as the 1956 political campaigns approach -- with Congress, FCC, networks et al certain to plunge headlong into "equal time" issue. TV's critical influence in making or breaking a candidate grows greater each year -- and this week it impelled CBS president Frank Stanton to suggest Congress amend Section 315 of Communications Act to permit him to offer free network time to Presidential candidates of 2 major parties for series of electronic "Lincoln-Douglas" debates, without necessity of making same offer to candidates of all minor parties (16 of them in 1952).

It's certain to evoke deepest sort of controversy among politicians & broadcasters, whose opinions are sharply divided. As against those who favor more liberal "free time" policy, there are those who say proposals such as Dr. Stanton's place too much power in hands of networks & stations, that they discriminate against legally constituted minority parties.

Divergence of FCC opinion was manifested this week at NARTB convention panel. Miss Hennock, only commissioner favoring free time for political candidates, urged creation of joint Congressional-Presidential committee to make recommendations on subject, even recommending "public treasury" share the cost of financing free time, if necessary. She was challenged by Comr. Doerfer, who commented that under her theory a candidate "shouldn't have to pay for public halls, newspaper space or a brass band." He said that in England the BBC allowed only total of 5½ hours of free time to hundreds of candidates in recent campaign.

Stanton proposes to invite 2 candidates to participate in its sustaining public service programs, and in addition would make "perhaps 2, perhaps 3 hours available free in prime evening time during the 1956 campaign for a modern-day electronic version of the 'Lincoln-Douglas' debates." Proposal drew quick approval of affiliates, to whom it was first broached last week.

Stanton thus explained reasoning behind his proposal: "TV as a full-fledged member of the free press, with perhaps more impact and more excitement than any other part of the press, does have an enormous responsibility in providing information and enlightenment during election campaigns. More and more not only do the politicians look first to TV, but also the voters themselves are turning to TV for the faces and facts upon which they can make the judgment which they finally record in the voting booth."

Both political parties generally endorsed idea as a step in right direction. Spokesman for Democratic National Committee told us: "The idea is promising as far as it goes. However, some safeguard will have to be provided so that a strong, legitimate third party is not frozen out." GOP spokesman commented in same vein.

Sen. Magnuson (D-Wash.), chairman of Interstate & Foreign Commerce Committee, termed Dr. Stanton's proposals "farsighted", said they were "well worth considering" because, although it sounds good to say you give equal time to candidates, from practical experience it doesn't work out that way." Interviewed on CBS-TV's "Morning Show," he said he favored changes in provisions of Communications Act, stating:

"I don't know just how we're going to spell it out, whether we'll spell it out in X number of hours or give it to the political parties to distribute among their candidates, but we're going to have to meet the problem -- and I'm glad to see Mr. Stanton was farsighted enough, as head of a big network, to realize it." A bill (S-636) to raise the limit on expenditures by each national political committee to \$12,300,000, partly to account for higher cost of TV, is under consideration of the Senate Rules subcommittee. NARTB pres. Harold Fellows has endorsed it in principle.

N.Y. Times' astute political writer James Reston took up whole problem of TV & politics in 1956 in May 26 column, said: "There is general agreement here that the ability-to-pay principle is not just in a democracy, and that the injustice is likely to increase in direct ratio to the rise in TV costs, but the problem cannot be solved merely by changing the rules to give the Democrats and Republicans free time and blocking out all others." Without mentioning Miss Hennock's proposal, he suggested creation of a Presidential commission, with representatives of public, broadcasters, FCC & major parties, "to explore the problem."

Personal Notes: Joseph H. McConnell, ex-NBC pres. resigning as pres. of Colgate-Palmolive Co., named gen. counsel & director of Reynolds Metals, succeeding the late Judge Robert B. Patterson . . . Harry G. Ommerle, CBS-TV program director, named N. Y. v.p. in charge of network programs, coordinating N. Y. programming and reporting to Hubbell Robinson Jr., national v.p. in charge of network programs . . . George Bristol promoted to director of CBS-TV sales presentations . . . Glenn Boundy elected Storer engineering v.p. this week in wake of last week's elevations of Stanton P. Kettler from southern district v.p. to v.p. in charge of operations, succeeded by George B. Storer Jr. in former post, and of John E. McCoy from secy. & house counsel to v.p. in charge of law, finance & engineering . . . H. Leslie Atlass, CBS central div. v.p., to be awarded honorary degree June 5 by Lincoln College, Lincoln, Ill., his home town, where he and his brother Ralph started WBBM in the '20s; presentation will be by Carl Haverlin, pres. of BMI, a Lincoln scholar, who also holds honorary degree from that institution . . . Fred Thrower, v.p.-gen. mgr. of WPIX, N. Y., elected a director of WGN Inc., Chicago . . . Earl H. Gammons, CBS Washington v.p., presented Distinguished Service Certificate by President Eisenhower May 23 for service as 1951-53 vice-chairman of President's Committee on Employment of the Physically Handicapped . . . Charles Moos promoted to NBC labor relations mgr., reporting to personnel director B. Lowell Jacobsen . . . Thomas W. Sarnoff, NBC Hollywood, married May 21 to Janyce Lois Lundon; at home after July 1 at 2000 No. Beverly Dr., Beverly Hills . . . Sol Cornberg, NBC director of studio & plant planning, leaves July 1 for England to serve as consultant to Sidney L. Bernstein, chairman of Granada Theatres Ltd., one of 4 companies granted commercial license by Independent Television Authority, will design TV studio facilities in Manchester . . . Ben Park, NBC-TV network program mgr., Chicago, named director of public affairs, reporting to v.p. Davidson Taylor . . . Patrick J. White promoted from commercial mgr. of KTBS to station mgr. of upcoming KTBS-TV, Shreveport (Ch. 3), due in Sept., reporting to pres.-gen. mgr. E. Newton Wray; Mrs. Marie Gifford will be TV commercial mgr.; Charles Saltgaver, production director . . . Larry Stevens, local sales mgr. of KGMB-TV, Honolulu, resigns to open own ad agency there in early summer . . . Milton F. Komito, ex-WAKR-TV, Akron, named gen. mgr. of WTAP-TV, Parkersburg, W. Va., succeeding Ted Eiland, now gen. mgr. of WJNO-TV, Palm Beach . . . Wm. Craw-

ford resigns as sales mgr. of WABD, N. Y. . . Wm. P. Breen promoted to new post of southeastern sales supervision in expansion of NBC film div.; John F. Tobin named northeastern sales supervisor, Edward A. Montaus central region, Robert R. Rogers N. Y. City . . . Soren H. Munkhof resigns as gen. mgr. of Hearst's WTVW, Milwaukee, to become consultant for Jerome Sill's upcoming WAGE-TV, Marquette, Mich. (Ch. 6), due in July; he's succeeded by Harry Peck, ex-gen. mgr. of AM affiliate WISN . . . George Greaves, gen. mgr. of radio KNBC, San Francisco, promoted to staff asst. to Thomas C. McCray, gen. mgr. of KRCA, Los Angeles and Pacific div., NBC radio; W. K. McDaniels promoted from sales mgr. to KNBC gen. mgr. . . Milton Brown promoted to NBC mgr. of program publicity, succeeding Don Bishop, now publicity director of NBC's owned stations, spot sales & WRCA-TV . . . John J. Schneider promoted to v.p. of Biow-Biern-Toigo; he's pres. of National TV Film Council . . . Howard E. Walpert resigns as sales mgr. of WHUM-TV, Reading, Pa., to join TV-radio dept. of Arndt, Preston, Chapin, Lamb & Keene Adv., Philadelphia . . . A. Prose Walker, mgr. of NARTB engineering dept., married last week end to Ellanie Lezos, of GE Washington office . . . B. P. Timothy resigns as gen. sales mgr. of Avery-Knodel Chicago sales office, plans to enter into station ownership in West or Southwest . . . Frank G. Silvernail, BBDO, elected chairman of American Assn. of Advertising Agencies' broadcast media committee; Jane Daly, Earle Ludgin & Co., elected vice chairman; John F. Devine, J. Walker, mgr. of NARTB engineering dept., married this tee, C. Burt Oliver, Foote, Cone & Belding, vice-chairman . . . John H. Allen, ex-Lever Bros., named TV-radio program director, Tatham-Laird Inc. . . Buckingham Gunn named v.p. & TV-radio director, Clinton E. Frank Adv., Chicago; he's replaced in Foote, Cone & Belding TV-radio dept. by Wm. Hyer, film package producer . . . E. L. (Spike) Colburn, ex-Television Programs of America, named exec. sales director of KBTB, Denver . . . Wm. Patterson appointed TV-radio v.p. for east, John Gaunt for west, Grant Adv. . . Edwin M. Fisher, ex-*Television Magazine* v.p., joins TV div. of rep Bolling Co.

TV Inc., co-op film purchasing firm with 62 stations as members, this week elected new officers: pres. & chairman, Joe Floyd, KELO-TV, Sioux Falls, S. D.; exec. v.p., W. D. (Dub) Rogers, KDUB-TV, Lubbock, Tex.; secy., Jim Manning, KXLF-TV, Butte; treas., Ed Craney, KXLF-TV.

National Affiliated Television Stations Inc. (NATS), GE-supported organization which proposes to assist TV stations with finances, management, programming & sales (Vol. 11:12, 14, 21), this week released list of 16 new affiliates (14 of them vhf, including 2 CP-holders), in addition to the 19 disclosed last week. According to NATS v.p. Berman Swartz, new affiliates are: WFIL-TV, Philadelphia (Ch. 6); KMBC-TV, Kansas City (Ch. 9); WNEM-TV, Bay City, Mich. (Ch. 5); KBMB-TV, Bismarck (CP for Ch. 12); WRBL-TV, Columbus, Ga. (Ch. 4); KIEM-TV, Eureka, Cal. (Ch. 3); WINT, Waterloo, Ia. (Ch. 15); KHOL-TV, Kearney, Neb. (Ch. 13); KBES-TV, Medford, Ore. (Ch. 5); KCJB-TV, Minot, N. D. (Ch. 13); WSIX-TV, Nashville (Ch. 8); WOAY-TV, Oak Hill, W. Va. (Ch. 4); WDBO-TV, Orlando, Fla. (Ch. 6); WWLP, Springfield, Mass. (Ch. 61); WTWV, Tupelo, Miss. (CP for Ch. 9); WSBA-TV, York, Pa. (Ch. 43).

Operating in black for first full year in its 6-year history, *Los Angeles Times'* independent KTTV showed profit of \$225,833 last year, compared to loss of \$607,699 in 1953 and \$896,940 in 1952. Last year's gross revenue totaled \$5,640,555, compared to \$4,011,981 for 1953.

Citations at NARTB convention: To Mark Ethridge, publisher of *Louisville Courier-Journal* (WHAS-TV & WHAS) and 1936 pres. of old NAB, annual convention keynote award, previously bestowed on RCA-NBC's David Sarnoff and CBS's Wm. S. Paley; to James C. Hagerty, White House press secy., "TV Pioneers" award of *Sponsor Magazine* for making possible televising of presidential press conferences, with citations to TV newsmen Bryson Rash of ABC, Lewis Shollenberger of CBS, Julian Goodman of NBC, who worked with him on technical aspects; to Mr. Hagerty again for same reason by Radio & TV Executives Society of N.Y., presented at White House May 22 by WQXR's Elliott Sanger & NAM's G. W. (Johnny) Johnstone; to ex-President Herbert Hoover, Radio Hall of Fame citation by Radio Pioneers, with citations to NBC pres. Pat Weaver, CBS network radio sales v.p. John J. Karol, Jack Benny, Fred Allen. Placed in Radio Hall of Fame was Joseph Henry, pioneer physicist (1797-1878).

Most valuable sales research book of the year, just off the press: *Sale's Management's* "Survey of Buying Power" (Bill Bros. Publishing Corp., \$4.).

POWERFUL SALES stimulus of TV advertising, how it moves merchandise faster than any other medium, was graphically illustrated in 2 separate but closely-related film presentations at NARTB convention. First was NBC's "Strangers Into Customers," a comprehensive survey of TV's impact on Ft. Wayne since its first station, uhf WKJG-TV, went on air in Nov. 1953. Second was Television Bureau of Advertising's 5-city survey of grocery shopping revealing TV as dominant influence in sales in 12 out of 15 food categories.

NBC's \$250,000 Ft. Wayne project, which research director Hugh Beville termed "the major achievement of my 25 years as a broadcast researcher," was truly an eye-opener. Largest research project ever undertaken by NBC, survey was conducted by W. R. Simmons Co. research firm in 2 parts—the first in Oct. 1953, month before station went on air, the second among same interviewees 6 months later. Major findings:

(1) After getting TV, consumers increased total exposure to all media by 41%, with TV getting lion's share; set owners watched TV average of 173 min. per day, compared to 94 min. for newspapers, magazines & radio combined. (2) TV accounted for 7 out of every 10 advertising impressions absorbed. (3) TV increased average brand-awareness by 45%, brand-product association by 59%, trademark recognition by 68%. (4) TV-advertised brands increased share of purchasers by 19% in typical package-goods field, while non-TV brands fell off 11%. (5) Most-advertised brands on TV increased business 48%, while brands with small TV schedules increased only 28%. (6) Four dealers out of 10 stocked new brands as result of TV advertising, with retailers favoring TV over newspapers almost 3 to 1 and over magazines almost 10 to 1 as "doing the best job of moving goods." Project was under supervision of NBC research mgr. Thomas E. Coffin.

NO TOLL TV FRACAS developed at NARTB convention—because rank-&-file endorses board's stand and because sizeable portion of membership is indifferent about the whole issue. A few minor efforts to precipitate debate aborted.

NARTB pres. Harold Fellows obviously spoke for majority when he stated: "There are times when it is not prudent, or for that matter fair, to try the issues in public before they have been considered by the established Federal authority in the matter."

As for networks' stand, CBS and ABC have already made positions clear (Vol. 11:21), ABC's pres. Robert Kintner again stating opposition in address during convention. NBC's attitude, as stated by RCA-NBC chairman David Sarnoff 2 years ago and quoted in current *Newsweek* article, remains unchanged. It's understood that NBC will take position in formal comments to FCC June 9 (a) that subscription TV is designed to make a "Hollywood cash box" out of TV; (b) that there can be no "peaceful coexistence" between free and fee TV because top-rated network shows would inevitably move over to pay-as-you-look.

"No fee-no see" will be NBC's war-cry, counterpart of CBS's slogan "TV can't exist half fee and half free." It won't be surprising if NBC, as well as CBS, opens up facilities for more debates on subject (Vol. 11:21)—impressed by reversal of sentiment expressed in letters to FCC as result of recent Bonfig-Starr debate (Vol. 11:21).

Kintner stated he had no doubt that paid TV could outbid free for best programs and that "the result would be not only a serious effect on advertising—a basic part of

Another aspect of Ft. Wayne survey, sociological impact of TV, was to be shown on NBC-TV's *Background* May 29. Filmed separately by NBC as a parallel project to sales promotion, it showed among other things that quality reading went up, light fiction & love stories down; attendance at club meetings & bridge parties decreased; clergymen found it harder to get contributions while sets were being paid for; husbands spent more evenings at home; scholarship in schools improved.

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TvB presentation by pres. Oliver Treyz, titled "Television—the Selling Machine," revealed that in just-completed survey conducted for it by Nielsen in Syracuse, Tarrytown & Peekskill, N. Y., and Fresno & suburban San Francisco, grocery shoppers were asked to reveal which advertising medium influenced them most to buy specific brands. TV was found to be first in brand purchases of soaps & cleansers, baked products, dairy products, cereals, coffee & tea, frozen foods, soups, pet foods, drugs, soft drinks, cigarettes & paper products—all but 3 of the categories covered. TV's influence was represented in 54% of dollar volume of all items purchased, magazines 27%, newspapers 11%, radio 8%.

Treyz further illustrated TV's potential selling power by another recent Nielsen survey of sudsless detergent field. It showed 15,100,000 families, 13,100,000 of them TV owners, use automatic washing machines. By buying 10 spot announcements a week on 126 member TV stations alone, said Treyz, a detergent manufacturer could achieve 42,000,000 "sales impacts" at cost of only \$1.37 per 1000, far lower price than any other medium.

Of the 13,000,000 U. S. homes which do not now have TV set, said Treyz, 10,200,000 are in TV areas, 2,800,000 out of TV signal range. He said average TV viewing is now 5 hours, 15 min. per day, "meaning that the average TV set, like its owner, also works 40 hours a week."

our economy—but a more limited use of TV facilities that would not be in the public interest."

"I am afraid," he added, "that we have not been too successful in bringing home to the public the economic and social implications of subscription TV . . . If you merely assume that the public will be against paid TV per se, you may be in for an awakening." He described telephone survey conducted by ABC in March "before the hullabaloo really began" in Baltimore, Los Angeles & New York. Most of the 800 polled hadn't heard of pay TV. Opinion was 2-to-1 against it, he said, "but the significant part of the survey, in my judgment, was that the 'against' answers were much higher among people who actually understood subscription TV than from those who had heard nothing about it."

"We do not consider this survey definitive," he went on, "but I think it does point out the need to expose free broadcasting as a part of our economic system, and as a principal method of all-day-long entertainment and information. There is need to do it quickly."

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There were several attempts to inject toll-TV controversy into NARTB deliberations. During FM session, Ben Strouse, operator of WWDC & WWDC-FM, Washington, and major stockholder of off-air WFMZ-TV, Allentown, Pa. (Ch. 67), submitted following resolution which was rejected: "It is correct as a matter of law, principle and public interest for a broadcast licensee to make a direct charge to a listener for a service rendered by the broadcaster over his licensed frequency."

Gene O'Fallon, owner of KFEL-TV, a former NARTB member, circulated petition asking repudiation of NARTB stand, working under aegis of International Telemeter. He

reported following signers: Ernest M. Thwaites, KFUN, Las Vegas; Jack Wallace, of CP-holder KBST-TV, Big Spring, Tex. (Ch. 4); Franz Robischon, KWRN, Reno; Richard Davis, CP-holder WELI-TV, New Haven, Conn. (Ch. 59); Frank J. Collins, WTVU, Scranton, Pa. (Ch. 73); John Doley, WACH-TV, Newport News, Va. (Ch. 33); Lewis O. Seibert, KGKL, San Angelo.

At NARTB business meeting, Edgar Kobak, WTWA, Thomson, Ga., tendered his proposal that toll radio be added to toll TV consideration (Vol. 11:21), but resolution was tabled. Dave Baylor, KCSJ-TV, Pueblo, Colo. (Ch. 5) sought to introduce resolution in favor of pay TV but submitted it after deadline, was informed it was out of order.

UHF Industry Committee, meeting in session separate from NARTB convention, first considered pro-pay stand, finally settled on this statement: "The Committee reaffirmed its position that subscription TV should be fully considered by the FCC in order to determine its capacity to provide additional program service for the public and revenues for all stations in a practical manner and consistent with the best interest of the public and broadcasters. The Committee does not endorse or oppose subscription TV."

Zenith continued its skillful promotional campaign, inviting broadcasters and press to demonstrations in hotel suite—and a veritable "Who's Who" of Washington correspondents showed up. Some, like N. Y. *Herald Tribune's* Roscoe Drummond, were quite impressed. He said pay TV should be permitted a test in the marketplace—"Why not let the consumer decide?" His paper took slightly different tack in editorial, stating: "Certainly the fact that TV has managed in a very brief time to become the prime American entertainment medium is a powerful argument against altering the current arrangement. Furthermore, the possibility that many programs which are now free might suddenly become subject to extra charges cannot be overlooked. Nevertheless, if a substantial number of viewers are interested in subscription TV, there seems no good reason why it cannot exist side by side with commercial TV."

Washington News, though its TV columnist's poll showed public 7-to-1 against and its movie columnist put pay TV in class with "such enlightened projects as the poll tax, infanticide, lynching bees and hillbilly music," plumped for a tryout, editorializing: "Soap operas and ancient cowboy movies needn't be put out of the TV business. Lots of people seem to like them. But others want to look at something else and are willing to pay for it. They ought to be granted the opportunity."

Zenith publicist Millard Faught says that a tryout is all Zenith wants, but "it shouldn't be so hedged with restrictions that it isn't fair." He said Zenith would like to introduce it to at least one large and one small city. He estimated Zenith has spent \$7-8,000,000 on project to date.

Stung by CBS's attack (Vol. 11:21), Zenith pres. E. F. McDonald shot back with assertion that people wouldn't pay a nickel for any CBS show on pay system; that networks shouldn't be permitted to go into subscription business. And he opened up on a front recently quiet—an attack on commercials—with declaration that pay-as-you-look TV would carry no advertising.

CBC has rejected toll TV for Canada, chairman A. D. Dunton telling House of Commons committee that study indicates that it's complicated, expensive and impractical—and that public reaction would be unfavorable.

Paramount Pictures' International Telemeter, while pushing for FCC approval of tollcasting, is still considering closed-circuit system which needs no Commission approval. Spokesman said Telemeter estimates it would cost about \$100 per home to wire up a town.

Network Accounts: Walt Disney's next big ABC-TV project is 90-min. preview of his Disneyland Park near Anaheim, Cal. July 17, Sun. 7:30-9 p.m., tour through fabulous combination "amusement park, world's Fair & museum." Sponsors are American Motors, thru Geyer Adv.; Swift & Co., thru J. Walter Thompson & McCann-Erickson; Gibson Greeting Cards, thru A. A. Christiansen Adv., Chicago . . . Procter & Gamble to sponsor Janis Paige's *The Four of Us* on CBS-TV starting Sept. 10, Sat. 9:30-10 p.m., thru Young & Rubicam . . . Kellogg Co. to sponsor *Wild Bill Hickok Show* on CBS-TV starting June 5, Sun. 11:30-noon, thru Leo Burnett Co. . . . Toni to sponsor *Dollar a Second* on NBC-TV starting July 5, Tue. 9:30-10 p.m., thru Weiss & Geller . . . Carter Products & Geritol to be alt. sponsors of Marie Wilson's *Miss Pepperdine* on CBS-TV starting in fall, Tue. 8:30-9 p.m., thru Sullivan, Stauffer, Colwell & Bayles and Edward Kletter & Assoc. . . . Sheaffer Pen & Maytag to be alt. sponsors of *Joe and Mabel* on CBS-TV starting in fall, Tue. 9-9:30 p.m., thru Russel M. Seeds & McCann-Erickson . . . Procter & Gamble and Borden Co. to sponsor *America's Greatest Bands* as summer replacement for *Jackie Gleason Show* on CBS-TV starting June 25, Sat. 8-9 p.m., thru Compton Adv. & Bryan Houston Inc. . . . Lenthéric & Emerson Drug to switch *Chance of a Lifetime* from DuMont to ABC-TV starting July 3, Sun. 9-9:30 p.m., thru Cunningham & Walsh and Lennen & Newell . . . Campbell Soup to cancel *Dear Phoebe* on CBS-TV, retaining Fri. 9:30-10 p.m. segment for undetermined new show . . . Colgate-Palmolive (Lustre net hair spray) buys 2 partic. a week for 13 weeks on CBS-TV's west coast *Panorama Pacific* starting June 15, Mon.-thru-Fri. 7-9 a.m., thru Lennen & Newell . . . NBC-TV switches Art Linkletter's *People Are Funny* to Sat. 9-9:30 p.m. in fall, replacing *Imogene Coca Show*, which will be moved to another period . . . CBS-TV may change format of *Morning Show*, Mon.-thru-Fri. 7-9 a.m., to emphasize news rather than entertainment; host Jack Paar this week asked to be relieved on show, saying his forte was entertainment.

CBS Radio & affiliates board this week proposed an equal rate for day and night every day in week. It would involve increasing weekend rates 5% to equalize them with weekdays and bringing down night rates to daytime level. Statement said "new proposal would merely serve to eliminate the complicated and cumbersome discount structure that prevails under the present system. It would in no regard lower the time cost to the advertiser . . . It would eliminate such factors as day-night conversions in station payments." Network also advanced proposal for reduction of payments to stations, to be offset by increased number of 70-sec. station breaks and increase in co-op programming which stations can sell locally.

Mutual's plan to hypo time sales, as proposed to affiliates meeting in Washington May 22, involves: (1) Additional 5-min. programs, on which stations need only carry commercials, which will be fed to affiliates each day via closed circuit, recorded and carried as run-of-schedule announcements. (2) Greater use of 6-sec. IDs, on which stations will be paid on double-up arrangement on basis of one-min. commercial program. (3) Chopping up 5-min. of commercial time on daytime partic. 30-min. programs into varied lengths to permit more flexible sales patterns. Affiliates will vote on proposals at future meeting.

NBC Radio to spend \$1,675,000 during June to promote its upcoming Monitor round-the-clock weekend service which debuts June 12 (Vol. 11:15). Promotion includes 248 announcements on NBC-TV, 336 on radio network, plus newspaper & magazine space.

Telecasting Notes: "Our program standards should not rely on mass ratings alone to judge their effectiveness. That concept must be extended by thinking more in terms of fundamental perception. We should, with equal force, represent the best standards of entertainment, the press, the educational institution, the church, the public forum and a multiplicity of other entities." So said John Fetzer in his farewell remarks on retiring as chairman of NARTB code review board this week. He said code now has 250 station members, plus the 4 networks, and its internal operations are "running smooth as silk" . . . TV code was likened to legal, medical or journalistic codes of ethics by Fetzer, in what was to us one of most significant speeches at convention. These older professions, he said, have learned that it's better to write their own ground rules than to wait until someone else writes them . . . "I raise a voice," said Fetzer—"querulous though it may sound, and perhaps itself tinged with guilt and misgivings—against the disturbing evidence that, to some in our industry, a dollar is a more important commodity than self-respect. It is not. A dollar in TV does not buy self-respect; on the contrary, self-respect attracts dollars." Telecasters who have adhered most faithfully to the code, he added, are those who generally have been commercially successful. "This must represent some sort of equation that should be of more than passing interest to all broadcasters: If you have a code, and you live up to it, you are more apt to be liked by more people" . . . CBS-TV's 90-min. Sat. night special programs (Vol. 11:20-21) have tentatively been titled *Jubilee*; network also plans special 90-min. color shows on Tue. & Thu., but probably not on regular basis . . . NBC takes jibe at CBS in trade ads featuring reproduction of *Variety* May 11 headline: "CBS-TV to 'Spec It Up,' Too" . . . Hailing CBS program plans, *New York Times* TV-radio critic Jack Gould wrote May 22: "The significance of the impending [NBC-CBS] battle from the viewer's standpoint is that the historic pattern of broadcasting is now all but junked. Well-ordered little hours and half-hours that come around each week with monotonous regularity may still be with us, but their days are numbered. TV has dipped its toes in the show business; now it is taking the big plunge" . . . Black-&-white spec-taculars are on NBC program for summer—called "summer specials," series of 4 shows will be in Sat. & Sun. night spots usually occupied by Max Liebman color shows. First will be *Remember—1938*, with Groucho Marx, Ethel Barrymore, Oscar Levant June 19. Others will be musi-

cal version of *Trilby*, with Carol Channing & Basil Rathbone, and musical *One Touch of Venus*, brought to New York after run at Dallas State Fair, and starring Russell Nype . . . Another TV hit becomes movie: Rod Serling's *Patterns*, first presented on NBC-TV's *Kraft Theatre* Jan. 12 and repeated Feb. 9 (Vol. 11:7) will be produced in New York as theatrical film starring Van Heflin and directed by Fielder Cooke, who directed original TV play . . . Sid Caesar and TV-movie writer Charles Peck form new company to film series of hour-long TV documentaries on O.S.S. activities during World War II . . . TV sells furs—\$2,000,000 worth of rabbit, raccoon and opossum—and has practically cleaned the market out of wolf tails and used furs, according to pres. Louis A. Cohen of American Fur Merchants Assn. The cause of it all—fur hats inspired by *Disneyland's* Davy Crockett.

Rate increases: July 1, WDSU-TV, New Orleans, raises base hour from \$700 to \$850, min. \$150 to \$180; WABT, Birmingham, has added new Class AA hour (7-9:30 p.m. daily) at \$750, min. at \$185, Class A hour remaining \$650; KTVT, Salt Lake City, has raised base hour from \$550 to \$600, min. \$100 to \$125, and added new Class AA min. only rate (7:29-9:30 p.m. daily) at \$150; KEDD, Wichita, Kan. has added new Class AA hour (7-9:30 p.m. daily) at \$425, min. at \$85, Class A hour remaining \$375; WKJG-TV, Fort Wayne, has new Class AA hour (7-10 p.m. daily) at \$400, min. at \$80, Class A hour remaining \$350; WSBT-TV, South Bend, base hour from \$300 to \$400, min. \$60 to \$80; KGNC-TV, Amarillo, hour from \$250 to \$300, min. \$50 to \$70; KGLO-TV, Mason City, Ia. hour \$200 to \$250, min. \$40 to \$50; KOAM-TV, Pittsburg, Kan. hour \$200 to \$250, min. \$40 to \$50; KGBT-TV, Harlingen, Tex. hour \$200 to \$250, min. \$40 to \$50; KOAT-TV, Albuquerque, hour \$160 to \$200, min. \$26 to \$35; June 15, WLEX-TV, Lexington, raises base hour from \$150 to \$165; also June 15, combination hour for Phoenix's KOOL-TV & Tucson's KOPO-TV goes from \$573.75 to \$637.50, min. \$55.25 to \$124.10.

NBC-TV previews its *Wide, Wide World* series on "Producers Showcase" June 27, Mon. 7:30-9 p.m., featuring 17 live pickups from U. S., Canada & Mexico. Canadian origination will be from Shakespearean Festival at Stratford, Ont., Mexican from Tijuana. A favorite project of NBC pres. Pat Weaver, series is expected to get regular network position on Sun. this fall; AT&T is still reported interested in sponsoring.

LOW-POWERED and low-priced TV transmitting equipment for boosters & satellites and small local stations got plenty of attention at NARTB convention this week, as manufacturers showed new transmitters and other gear—even a complete TV station with 2 studio cameras and film equipment for as little as \$50,000.

Equipment makers are betting on outcome of 2 pending FCC rule-making proceedings—involving on-channel boosters and low-power stations. Eventual approval of these proposals in some form is virtual certainty, and manufacturers were getting ready this week, hawking their wares and arousing plenty of interest.

How big will the low-power TV market be? Leonard Rooney, mgr. of new product sales for Sylvania (which operates 2 experimental satellites and one booster in Emporium, Pa., and plans to manufacture low-power equipment) gives these estimates: Nearly 1400 low-power stations may be built in next 5 years, representing \$32,500,000 in total equipment sales, with

transmitters accounting for about one-third of that figure. He breaks down potential into: (1) 375 satellites operating under present power-height rules, with no local originations. (2) 600 low-power stations, under proposed rules, "repeating" most programs as satellites but capable of inserting local commercials. These stations would cost \$35-\$40,000 each. (3) 400 boosters (amplifying transmitters) costing about \$15-\$20,000 each.

Out to get some of this business is a group of newer and smaller companies, and companies which previously haven't been identified with transmitter sales. One big name company planning to offer complete low-power TV station packages is Philco, which will include transmitters built by Adler Communications Labs, cameras by Kay-Lab.

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Banking heavily on low-cost low-power stations, Dage Television div. of Thompson Products Inc. showed its 200-watt transmitter, available in package as complete local station with 2 live vidicon cameras and film chain—including everything needed for year's operation, even down to make-up kit—for \$51,383. Package with film camera only is \$34,904, with one live camera \$45,865. Also featured by

Dage was remote-control vidicon camera chain, said to be only one of its kind.

Plunging heavily into telecasting equipment is telecaster-manufacturer Sarkes Tarzian, who announced availability by next fall of 200-watt vhf transmitters at \$7500-\$7900, 500-watt vhf at \$14,500, 100 & 250-watt uhf at \$8000-\$13,900. Novel plan of Sarkes Tarzian Inc. is a proposed combination TV & AM station which can be set up for \$50,000, including programming aid, etc. Idea is to simulcast local TV-radio programs, with one man controlling all equipment, making it possible to sell combination TV-AM time at about twice AM rate. For existing AM stations, it would cost about \$40,000 to add TV.

Other new Sarkes Tarzian equipment shown at NARTB convention included automatic 100-slide projector at \$1295—especially suited for local commercials in satellite operation—in which entire day's slides may be set up in advance, any slide selected by remote control. Also shown was vidicon film chain at \$3600, studio vidicon chain with 5-in. viewfinder at \$4500. Complete live-film-slide station, less transmitter, was priced at \$25,000.

Adler Communications Laboratories, which is operating experimental booster in Waterbury, Conn., and built satellite in Manson, Wash., showed 150-watt transmitters for \$13,865 in uhf, \$7500 in vhf. For complete 20-watt "translator" satellite, which picks up signals on one channel, converts them to another without demodulating, price is \$13,500, with all necessary equipment, including 100-ft. tower. Complete 150-watt uhf station would cost \$21,000 installed (not including originating equipment), with annual power bill of \$800-\$1000. ACL points out that big advantage of "translator" type satellite is original low cost combined with unattended operation.

Among other low-power transmitters featured at convention show were DuMont's vhf 50-watt transmitters priced at \$9500 and capable of being increased to 150 watts, and Gates' vhf 100-watt unit at \$5250.

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Studio equipment designed for low-cost community operation was featured by several manufacturers, including Kay Lab, which showed entirely new broadcast line, available on lease. Dual camera chain, with associated equipment, would cost \$20.70 a day, film chain with projectors and sync generator \$16.50. Under lease plan, \$5000 worth of equipment may be leased for \$229 a month on 24-month lease, and at end of period can be purchased for \$750 or lease renewed at \$20.83 a month. Kay Lab showed vidicon camera chain with 5-in. viewfinder, rear turret and zoom controls at \$6500, designed for studio or remote use. It also showed vidicon film chain at \$4766.

Unattended and one-man control was keynote of "station automation" displays. Vandivere Laboratories Inc. showed its Program Sequencer (Vol. 11:13). GE had tape-controlled system which automatically handles all station breaks, commercials and film & slide programming, making attended operation unnecessary. GE broadcast equipment gen. mgr. Paul Chamberlain predicted most stations would be using automation systems for film and slide programming within 3 years. For one-man operation, Teleprompter Corp. demonstrated system whereby announcer controls entire telecast. By manipulating small hand control while on camera, he runs Teleprompter at desired speed—and Teleprompter in turn cues recorded commercials, films and slides, which may be inserted at any prearranged points in the program.

Prodelin Inc. showed unusual plastic-enclosed uhf antenna designed for small stations. Designated "Cover-Loop," it's available in gains of from 2 to 8, beginning at about \$1200 for 2-gain. It requires no painting or deicing. Prodelin pres. L. A. Bondon estimated \$47,000,000 would be spent on low-power telecasting equipment.

TWO GRANTS were awarded this week by FCC, which felt that NARTB convention in Washington was fine thing because Commission stayed at home and got a lot of work done. Grants were a final decision favoring WREC over WMPS for Memphis' Ch. 3 and a CP on Ch. 12 to KMVI, Maui, Hawaii, which proposes to repeat programs of KONA-TV, Honolulu.

Commission gave nod to Hoyt Wooten's WREC because of better record of radio performance and ownership-management integration, saying WREC "is the more reliable applicant in its sense of responsibility in the fulfillment of the public trust."

In one unique action, Commission voted to reserve Ch. 13 in Monroe, La. for educational use—with Comrs. Hyde, Doerfer & Lee dissenting.

TV set maker H. L. Hoffman, operator of KOVR, Stockton, Cal. (Ch. 13), petitioned FCC to shift channel's assignment to San Francisco-Oakland and designate his station a San Francisco operation.

Appeal to Supreme Court, asking reversal of Court of Appeals decision voiding multiple ownership rules (Vol. 11:9), was sought by FCC this week as it asked high court for writ of certiorari. Acting on appeal of Storer Bcstg. Co., appeals court had ruled that Commission has no right to set numerical limit on number of stations anyone can own and that every application is entitled to a hearing. At same time, Commission turned down Storer's petition asking that his old Ch. 10 application for Miami be reinstated, citing rights of other Ch. 10 applicants and Storer's failure to complain when application was dismissed. Also turned down was petition of WWTW, Cadillac, Mich. (Ch. 13) that WJRT, Flint (Ch. 12) be stayed from building near Saginaw.

WITV, Ft. Lauderdale, asked Commission to amend its rules to provide that "no license shall be granted to a TV station that broadcasts the programs of more than one network if there is another TV station in the same area ready and willing to affiliate with and broadcast the programs of the second network."

KWTV-TV, Waco, Tex. (Ch. 10) dismissed its anti-trust protest against power increase granted KTBC-TV, Austin (Vol. 11:18) after obtaining ABC affiliation.



NBC's purchase of WKNB-TV, New Britain, Conn. (Ch. 30) and radio WKNB (Vol. 11:2,5) was set for oral argument June 20 before full Commission, with objectors WNHC-TV, New Haven (Ch. 8) and WTAR-TV, Waterbury, Conn. (Ch. 53) participating. Issues in hearing will be whether overlap between NBC's New York stations and the New Britain outlets violates duopoly rules and whether NBC's purchase would substantially restrain TV competition in New Britain area. NBC's proposed move of the channel from New Britain to Mt. Higby was not made issue of hearing. Comrs. Webster & Bartley dissented and voted for full evidentiary hearing; Comr. Hennock, in written dissent, urged fullscale hearing to show "horrendous impact on our society" of NBC's proposed purchase of WKNB-TV and Philadelphia's WPTZ, both in area contiguous to New York.

Proposed Armed Forces TV station on Guam (Vol. 11:16) drew objection this week from pres. Harry Engel of radio KUAM, Agana, Guam, who claimed in letter to FCC that low-power Ch. 8 outlet there would constitute "unfair competition." He asked Commission to "deny the request of the Armed Forces Radio Service" for use of Ch. 8 on Guam. Actually, FCC has no jurisdiction over military use of frequencies but acts in advisory capacity.

FIVE-MEGAWATT power ceiling for uhf will soon be proposed by FCC, and Commission will request "information concerning the possibility of improving the sensitivity of uhf receivers," Chairman McConnaughey revealed in May 24 address to NARTB. Leading transmitter makers tell us they can make 3-5 megawatt installations available at \$300-\$400,000 in 2 years or less, if there's any market for them.

Though uhf problems weren't on NARTB agenda, the Washington convention served as a backdrop not only for McConnaughey's proposals but for these other developments aimed at "equality of opportunity" among all TV channels:

(1) FCC Comr. Lee urged complete reallocation of radio spectrum as "long-range permanent solution" to uhf and other allocations problems. He presented a sample allocation plan, which would include 47 contiguous TV channels, beginning at 60 mc (Ch. 3) and running to 342 mc. His sample was submitted "solely to stimulate interest," he said, adding that final solution may require 3-15 years.

(2) Group of 45 uhf operators, meeting under aegis of UHF Industry Coordinating Committee, headed by Harold Thoms (WISE-TV, Asheville, N. C.) and Fred Weber (WFPG-TV, Atlantic City, now off air), worked up new proposal, undisclosed but presumed to relate to allocations, to present to FCC, and started concerted drive for moratorium on equipment and film payments and for greater availability of network programs.

(3) Chairman Magnuson (D-Wash.) of Senate Commerce Committee announced that his committee's TV hearings—centered around plight of uhf—won't begin until after Congress recesses this summer, but there was speculation that it might be fall or even winter before sessions get under way.

(4) ABC pres. Robert E. Kintner called for "quick action" on deintermixture, on market-by-market basis.

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McConnaughey's announcement of an FCC drive to improve uhf sets came as a surprise. Apparently this was a very recent proposal at the Commission, and ideas on how it is to be carried out aren't yet very well formed. Its purpose, apparently, is to use "moral suasion" to induce manufacturers to develop better receivers.

The 5-megawatt ERP proposal is due to come out in form of rule-making soon. We checked 2 top transmitter makers, neither of whom saw any insurmountable technical obstacles—high-power tubes already being under development, presumably for military requirements. RCA has triode in the works which could deliver 60-100 kw transmitter power, 3-megawatt or greater ERP with high-gain antenna. It would require expenditure of another

\$300,000 to complete the development, and this would have to be justified by demand. RCA spokesman said company hasn't decided whether to go ahead with it, though interest has been expressed by NBC, Storer and Wilkes-Barre's WBRE-TV. It probably could be ready in 1½-2 years.

GE says it can supply 5-megawatt unit "about one year after FCC approval" if there's any demand for it—"but there's no stampede even to 1-megawatt now." GE would get this power by using four 30-kw klystrons in transmitter, with 50-gain antenna, would require orders from about 5 stations to justify development. A company spokesman pointed out that GE's 1-megawatt installation in Wilkes-Barre could be boosted to about 2-megawatts by using 50-gain antenna.

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Magnuson told May 26 convention luncheon that his committee's forthcoming hearings won't be "looking for the villain in the piece," but will look into state of competition in TV industry, availability of programs, affiliation practices of networks. "We will hold hearings," he said, "when we are ready to hold constructive hearings and only then." He said he had written to Chairman Byrd (D-Va.) of Senate Finance Committee urging exemption of all-channel sets from Federal excise tax.

Commission appeared at brief public hearing this week before Sen. Magnuson in his capacity as chairman of independent offices appropriations subcommittee, to justify House-approved appropriation of \$6,870,000 for fiscal 1956, including an extra \$90,000 for processing backlog and \$80,000 for an FCC network investigation (Vol. 11:14). At a preliminary closed meeting with Sens. Magnuson and Dirksen (R-Ill.), McConnaughey apparently dropped his proposal for a much larger-scale investigation of entire TV-radio industry (Vol. 11:16) in return for Magnuson's support of the \$80,000 appropriation for more limited study of networks.

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Kintner, whose ABC network has most to gain from any deintermixture plan, told NARTB members that only 42 of the nation's 233 TV markets have 3 or more stations. "Under present allocations," he said, 165 markets will continue to be monopoly and duopoly in the vhf channels for the foreseeable future." He recommended area-by-area deintermixture as "a practical and immediate solution to permit a greater variety of national programming and a greater choice to which the public is entitled," referring to Boston, New Orleans, Miami, Pittsburgh and St. Louis as major markets where deintermixture can be accomplished. He also asked speedy FCC action on drop-ins—allocation of new vhf channels which will fit in the suburbs of major markets. As a third "partial solution" he urged careful consideration of switching educational vhf allocations to commercial operation in certain markets, substituting uhf channels for the educators.

Noting success with remote control of non-directional AM stations—630,970 hours of operation with lost-air figure of only .04%—NARTB engineering mgr. A. Prose Walker told conference this week that petition for remote control of directional and high-power stations would be filed with FCC in Aug. or Sept. He said that 19 lower-powered directional stations have operated experimentally with no problems and that experiments would be undertaken with at least one 50-kw station. "Modern transmitters and directional arrays," he said, "have reached such a high degree of stability as to warrant a change in the rules now requiring that first-class operators remain on duty." Walker declared that "there is a critical shortage of skilled engineers in this country today, and it ill behooves us not to devote our attention to more efficient methods of operation." Almost 700 radio stations have obtained FCC permission to operate by remote control.

Renewed interest in FM has been sparked by FCC's new multiplex rules, with quite a few stations visualizing new methods of getting on more profitable basis. This was evident at NARTB FM sessions and multiplex equipment exhibits and demonstrations. Multiplex Development Corp. pres. Wm. S. Halstead told engineering session cost will be so reasonable the broadcaster can realize his investment in less than year, that equipment will be available on 60-90 day basis, that "multiplexing will open up a whole new industry." Some panel speakers disagreed, urging operators to "keep FM in the broadcasting business."

Automatic programming of radio stations 15 hours daily, via tape, will be possible in near future, according to Ampex research engineer Philip Smaller, who told NARTB engineering conference that tapes handling 9 hours are now commercially available.

FIRST TV stations went on air this week in 2 small communities, and a uhf station resumed operation after being off air 7 months. KOTA-TV, Rapid City, S. D. (Ch. 3) opened up an entirely new TV area, KLFY-TV (Ch. 10) brought first local service to Lafayette, La., and WTOV-TV (Ch. 27) started up again in Norfolk area—bringing total on air to 433, of which 108 are uhf.

Rapid City, 220 mi. from nearest station, will get its first programs late in June, following month of test patterns. It has 500-watt RCA transmitter, 3-bay antenna on 300-ft. Fisher tower formerly used for FM. Owner is local clothier Helen S. Duhamel, who recently bought local radio KOTA. Gen. mgr. is Leo Borin; Wm. F. Turner, business mgr.; N. Heffron, program director; Bob Musfeldt, chief engineer. Base rate is \$150. Rep is Headley-Reed.

KLFY-TV started test patterns this week in Lafayette, 52 mi. from nearest outlets in Baton Rouge. CBS-affiliated, it has 5-kw DuMont transmitter, 12-bay RCA antenna on 483-ft. Trilsch tower. Earlier this year, DeClouet family which owns KLFY bought out *Lafayette Advertiser's* KVOL-TV, with which it shared CP (Vol. 11:4). Wm. Patton is gen. mgr.; John H. Selleck, program director; Maurice Wynne, chief engineer. Base rate is \$200. Reps are Venard, Rintoul & McConnell, and Clarke Brown for south.

WTOV-TV resumed operation May 25 under new owner Temus Bright, having been dark since last Oct. (Vol. 10:40). It's second uhf in area to return to air, New-

port News' WACH-TV (Ch. 33) having resumed with simulcasts in Aug. 1953 (Vol. 10:31). WTOV-TV is operating with syndicated film and live news, weather and sportscasts. Temporary studios are at Portsmouth transmitter site. Bright recently acquired WTOV-TV for \$95,000, including \$63,000 in RCA equipment notes (Vol. 11:6, 11). A. V. Bamford, ex-Oakland radio operator, is gen. mgr.; Ray Spearenberg, program director; Lee Marshall, production mgr.; Henry G. Root, chief engineer. Base hour rate is \$350.

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Another 1-megawatt station—probably this summer—will be Peoria's WTVH-TV (Ch. 19), which bought first of RCA's new 25-kw uhf transmitters, displayed at NARTB convention (Vol. 11:21). Used with supergain antenna, transmitter will deliver full 1,000,000 watts ERP. New transmitter is priced at \$186,000, compared to \$122,500 for RCA's 12½-kw uhf plant. RCA has also priced new 25-kw amplifier addition to 1-kw transmitter at \$163,500, and equipment to convert 12½-kw transmitter to 25-kw at \$70,000, less credit for returned parts. Supergain antenna to achieve megawatt power is priced at \$49,000.

Increase to 1-megawatt by KPTV, Portland (Ch. 27), scheduled for June 11 (Vol. 11:21) was postponed this week when huge supergain antenna was accidentally dropped by crane during final stages of construction at RCA's Camden plant. KPTV now says earliest shipment date will be June 10, with boost to 1,000,000 slated tentatively for July 1. Only equipment shipment reported this week was 2-kw RCA standby transmitter, sent May 25 to KWK-TV, St. Louis (Ch. 4).

Color Trends & Briefs: Color still awaits the mass-priced receiver. Though excellent choice of good live & film originating equipment dominated exhibits at NARTB convention this week, and though telecasters with well-saturated black-&-white markets look to color to strengthen their rate cards, no great rush to buy equipment developed. Instead, the heretofore modest flow of purchases is likely to continue.

There's no question that bigger telecasters would commit themselves heavily in color equipment if they felt confident that by so doing they would stimulate rapid growth in color set distribution. Price of today's sets, they say, offers little prospect of that.

Greatest activity continues in film chains—film being cheapest and easiest way for stations to originate color. RCA and DuMont have had market mostly to themselves up to now, with Philco playing a smaller role. GE has finished its developmental work, is making determined effort to catch up. In addition, many smaller companies have found RCA's 3-vidicon approach within their capabilities and are chipping away at major manufacturers' dominant position. Dage, GPL & Telechrome showed vidicon color cameras, some proposing them also for limited live use. Tel-Instrument offered associated equipment, such as color bar and sync generators, while Raytheon and Motorola presented color-handling microwave equipment.

RCA had most extensive exhibit, demonstrating live, film & slide equipment, feeding signals to numerous home-type receivers. GE showed its live "Chromacoder" camera but put most emphasis on continuous-film CR scanner.

DuMont's new "Vitascan" equipment for presenting live shows with CR scanner (Vol. 11:21) drew much comment—of all kinds. Some operators are ready to sign contracts, visualizing equipment as relatively inexpensive way of producing certain kinds of live shows. Others dismissed it as "a scientific curiosity" due to fade away.

Though telecasters haven't rushed to buy extensively,

they're deeply interested nonetheless. For example, several of the larger ones, like Storer, brought along reels of color film, had competing manufacturers run it through chains. Each equipment maker claimed distinct points of preference in the results.

Basic appeal of color, whether to telecasters or to public, can't be denied. For example, during awkward lull while stopwatches were ticking toward on-camera time before his convention speech, President Eisenhower leaned over to RCA's Gen. Sarnoff and said that it was too bad telecast wasn't in color. Note: White House has a color set.

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Color is key to success of TV in secondary markets, Harold Hough, WBAP-TV, Fort Worth, told NARTB session May 26. Secondary market TV, he said, must depend on local advertising for sizable share of its revenue—and color is the answer. "Forget about the outlay of color TV," he said, "it can be installed cheaper than you think. It can be operated as simply as the black-&-white—but the impact, once it is under way, and that will not be as long as you expect, will be the salvation for TV in those markets . . . We know that color TV will revolutionize all advertising—and I do mean all."

Upcoming network color schedules: NBC-TV—May 30, *Producers' Showcase*, "The Petrified Forest," Humphrey Bogart, Henry Fonda, Lauren Bacall, 8-9:30 p.m.; June 4, *Max Liebman Presents*, "The Chocolate Soldier," Rise Stevens, Akim Tamiroff, Eddie Albert; June 7, President Eisenhower addresses West Point commencement exercises, 10-10:30 a.m.; June 8, *Home* segments, 11:02-11:04 & 11:50-11:57 a.m. CBS-TV—June 9, *Shower of Stars*, Edgar Bergen, Dan Dailey, Betty Grable, Harry James, Tony Martin, Ethel Merman, Red Skelton, Marilyn Maxwell, Jack Oakie, 8:30-9:30 p.m.

RCA shipped 3-V color film cameras May 20 to KMJ-TV, Fresno and to upcoming WXEX-TV, Petersburg-Richmond (Ch. 8), due this summer.

BIG APPLIANCE DEAL COOKING; LABOR PEACEFUL: A Justice Dept. opinion as to whether it violates the anti-trust laws is awaited as the major element in one of biggest appliance consolidations in years, involving RCA, Sears, Whirlpool, Seeger Refrigerator Co. and possibly others. All sorts of rumors have been rampant, making it difficult to separate fact from fancy, and principals are understandably reluctant to discuss it, but this is expected to materialize if Justice says it's legal:

Whirlpool Corp., St. Joseph, Mich., largest manufacturer of automatic washing machines, would merge with Seeger and perhaps others, into a single corporation, of which RCA would own about 20% and would contribute production of its RCA Estate Appliance Corp. (gas & electric ranges) into a common appliance pool. Sears owns about 28% of Whirlpool, which supplies it with Kenmore washer, and about 30% of Seeger, which furnishes it with Coldspot refrigerator, and Sears would continue as a stockholder in new entity. RCA's washer line probably would be RCA-Whirlpool.

Battle for distributors, already pitched in TV-radio industry as evidenced in executive changes last week (Vol. 11:21), would be intensified under such consolidation. RCA distributors presumably would handle the RCA-Whirlpool line, though it was considered possible that in some cases, existing Whirlpool distributors would get the RCA franchises. RCA officials declined comment.

Ephraim Jacobs, chief of Justice's anti-trust legislation & clearance branch, who must give unofficial opinion on legality of proposed deal, refused to discuss case, in accordance with Govt. policy. "We and the companies which make use of our clearance service regard the procedure as completely confidential," he said. "They come to us in the knowledge that this relationship will be so respected."

Elisha Gray II, pres. of Whirlpool, commented: "We have been conducting discussions with many companies, exploring possible avenues of expansion. I would not bet a nickel on the outcome of any of those discussions; that's how indefinite and inconclusive they are at this time."

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Brief highlights of other major trade developments this week:

LABOR: RCA and 7 IUE locals signed contract for 4-7¢ hourly wage increase, plus improved pension & fringe benefits, covering 14,000 workers in Camden & Moorestown, N.J., Cincinnati & Los Angeles. Union gave up earlier demand for guaranteed annual wage, apparently indicating that issue won't be pressed in electronics industry this year. Several hundred workers in GE's TV-radio dept. walked off jobs for 2 days this week in protest against suspension of 6 union stewards, but company officials said production wasn't seriously affected.

NEW MODELS: Midyear TV lines start appearing next week when Admiral holds annual distributors' convention, to be followed by other manufacturers in June and July (for list & dates of meetings announced thus far, see p. 13). Full new lines, rather than fill-ins, will be the rule, with several manufacturers promising radical changes in engineering & styling. Major trends are expected to be greater use of vertical chassis sets, more printed circuits, prices at approximately current level. There was also some unconfirmed speculation in trade that RCA and Philco would make sharp price cuts on 24-in. models in effort to capitalize on replacement market.

FAIR TRADE: New plea to Congress to strengthen fair trade laws was made by American Fair Trade Council, which urged crackdown on manufacturers & distributors who knowingly sell fair-traded merchandise to discount houses. Its statement was in support of bill (S-2055) by Sen. Capehart (R-Ind.) to permit any person or firm to sue for injunction and treble damages against manufacturer or distributor who ships fair-traded items to retail price-cutters. Meanwhile, Rep. Celler (D-N.Y.), chairman of House Judiciary Committee, told Maurice Mermey, director of Bureau of Education on Fair Trade, that national fair trade laws wouldn't be repealed in 1955.

PRODUCTION: TV output totaled 120,144 units week ended May 20, compared to 110,651 preceding week and 127,067 week ended May 6. It was 20th week of year by RETMA calculations and brought production for year to date to about 3,050,000, compared to approximately 2,350,000 in corresponding period of 1954.

Radio production totaled 280,445 (137,073 auto) week ended May 20, compared to 287,352 week ended May 13 and 286,284 week before. For 20 weeks, production was estimated at 5,720,000 vs. 4,000,000 in corresponding 1954 period.

Topics & Trends of TV Trade: Annual distributor conventions for introduction of fall TV lines (see p. 12) get under way next week, starting with Admiral's meeting June 2-3 at Chicago's Conrad Hilton & Blackstone Hotels, confabs continue through July. Other manufacturers who have announced dates thus far:

RCA, meeting with field reps, June 6-8 at Barbizon Plaza Hotel, N. Y.; Zenith, June 9 at Conrad Hilton, Chicago; Philco, June 26 at Fontainebleau Hotel, Miami Beach; GE, July 19 at National Assn. of Music Merchants convention in Chicago's Conrad Hilton Hotel; Motorola, July 21 at Conrad Hilton. DuMont will introduce new line at 5 regional meetings: June 14 at Hotel Statler, N. Y.; June 17 at Chicago's Edgewater Beach Hotel; June 20 at Statler, Los Angeles; June 23 at Broadmoor Hotel, Colorado Springs; June 27 at Dinkler Plaza, Atlanta.

Most lines which have been introduced by then will be shown to dealers week of June 20 at American Furniture Mart and Merchandise Mart in Chicago's summer markets. Total of 15 manufacturers will exhibit, with following lineup:

Furniture Mart—Admiral, Bendix Radio, Hallcrafters, Philco, RCA, Sparton, Zenith. Merchandise Mart—Capehart-Farnsworth, CBS-Columbia, Crosley, GE, Magnavox, Motorola, Raytheon, Westinghouse.

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Annual plant shutdowns for vacations, traditional in industry to fulfill union contracts and give manufacturers chance to check inventory in preparation for fall lines, include these companies, as reported to RETMA by members:

Set manufacturers: Avco, June 27-July 10; Bendix Radio, June 27-July 10; Capehart-Farnsworth, July 18-31; CBS-Columbia, July 4-17; DeWald Radio, July 25-Aug. 7; Emerson, Aug. 1-14; GE, July 4-17; Hallcrafters, July 4-17; Hoffman, July 18-31; Magnavox, July 4-17; Motorola, June 27-July 10; Olympic Radio, July 1-17; Packard-Bell, June 30-July 17; Philco, July 18-31; Pilot Radio, July 4-17; RCA, July 18-31; Raytheon, July 1-17; Sentinel, July 4-17; Stromberg-Carlson, July 4-17; Sylvania, July 18-31; Trav-Ler, July 4-17; Wells-Gardner, July 4-18; Westinghouse, dates undetermined; Zenith, July 4-17. Admiral, not an RETMA member, usually closes down first 2 weeks of July.

Tubes: CBS-Hytron, July 4-17; DuMont, July 4-17; Eitel-McCullough, Aug. 1-14; Federal, July 4-17; Machlett Labs, Aug. 1-14; Sylvania, July 4-17; Thomas Electronics, July 4-17; Tung-Sol, July 18-31; Westinghouse, July 4-17.

Components and others: Alliance Mfg. Co., July 4-17; American Condenser, July 4-17; American Phenolic, July 4-17; David Bogen Co., July 4-10; Clarostat, July 11-17; Erie Resistor, July 4-17; Hazeltine, July 25-Aug. 7; International Resistance, July 25-Aug. 7; Quam-Nichols, July 4-17; Radio Condenser Co., July 18-31; Weston Electrical, July 18-31. Among those not shutting down are P. R. Mallory, Muter Co., Oak Mfg. Co., Sprague Electric.

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Another aircraft company acquires electronics business: Bellanca Aircraft Corp., New Castle, Del., purchases National Electronics Laboratories Inc., Washington, D. C. manufacturer of aviation electronics and radar equipment in exchange for 16,000 shares of Bellanca common stock.

DISTRIBUTOR NOTES: Admiral appoints Pittsburgh Products Tri-State Co. Inc., 500 Fontella St., Pittsburgh (Richard W. Evans, v.p.-gen. mgr.), replacing own factory branch established several months ago. Admiral gen. sales mgr. H. D. Conklin said move "is in accordance with Admiral's policy of appointing independent distributors wherever possible" . . . Sentinel Radio appoints Main-Line Distributors Inc., Chicago, replacing own factory branch . . . Sampson Co., Chicago, relinquishes Capehart-Farnsworth line . . . Admiral appoints Carl Lantz as gen. mgr. of Chicago factory branch, succeeding Wm. F. Hand, promoted to regional sales mgr.; Charles M. Svoboda, from Los Angeles branch, succeeds Lantz as gen. mgr. of San Diego div. . . Zerega Distributing Co., Seattle (Motorola) appoints Charles W. Schuchart Jr., ex-Westinghouse Electric Supply Co., as sales mgr. . . Fridley Bros. Inc., Kansas City (CBS-Columbia) appoints Ted Gilmore gen. mgr., replacing Wm. Burns, resigned . . . Hoffman Sales Corp. of St. Louis appoints Joseph McFarland, ex-Graybar, as sales mgr. . . Federal Distributing Co., Des Moines (Sylvania) appoints John O'Neil sales mgr. for Des Moines territory, Guy Leatherby for Davenport, both succeeding the late Peter Prescott.

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Zenith attorney Thomas C. McConnell admitted error this week in charging that RCA counsel John T. Cahill, in contesting Zenith's anti-trust suit against RCA, quoted portions of recently-released report of Attorney General's Committee to Study the Anti-Trust Laws (of which Cahill is member) nearly a year before its publication. Mr. McConnell wrote Rep. Celler (D-N. Y.) that he erred last week in his widely publicized testimony before Celler's Judiciary subcommittee, and conceded that Cahill had actually quoted from report of special committee of American Bar Assn., as Cahill claimed. Celler inserted McConnell's letter in his subcommittee's hearing record, along with comment that McConnell "misled this committee" and "deserves condemnation and criticism." Cahill said "this kind of irresponsible conduct is typical of Mr. McConnell's tactics."

Color converter employing motor and disc, developed by Airtronic Research Inc., Bethesda, Md. (Vol. 10:6), will be made by Color Converter Inc., Columbia City, Ind., licensed by Airtronics. The \$149.95 device includes 2 units—electronic section attached to back of set and motor-disc assembly placed in front of picture tube. Latter weighs 15 lbs., has diameter about 30-in., produces 14-in. color picture, can be removed when not in use. Company, owned by James D. Adams & M. V. Lowe, says it has production capacity of 800 units daily. When demonstrated last year, device suffered from serious flicker and low brightness, but developers claim improvement has been made. They say 1000 converters have been made.

Canadian RTMA's annual meeting June 2-3 at Sheraton Brock Hotel, Niagara Falls, Ont. will be highlighted by panel on color developments. Participants are RETMA chairman Max Balcom; J. Alphonse Ouimet, CBC gen. mgr.; F. W. Radcliffe, commercial v.p. of RCA Victor Co. Ltd.; Ralph A. Hackbusch, pres. of Hackbusch Electronics Ltd. Panel chairman is Ivor M. Leslie, v.p.-gen. mgr. of Crosley div., Avco of Canada Ltd.

Trade Personals: Fritz P. Rice, DuMont director of manufacturing & purchasing, promoted to new post of operations director, consumer products, supervising production & sales of receivers & picture tubes . . . Reese B. Lloyd, Philco director of industrial & personnel relations, promoted to operations v.p. of TV div., succeeding Wm. J. Peltz, now v.p.-gen. mgr. of new Lansdale Tube & Transistor Co. div.; Wm. H. Mattison, TV production mgr., promoted to production v.p. . . . Lester Krugman, ex-Bulova, onetime exec. on Emerson Radio account at Grey Adv., joins Emerson in new post of marketing v.p., supervising adv., sales promotion, public relations & marketing research; Michael Kory, Emerson sales director, elected a v.p. . . . John J. Hemberger named administrator, black-&-white picture tube sales, RCA tube div. . . . Warren H. Rymer appointed Hoffman Electronics east central district mgr., Kansas City, succeeding Byron Brown, who joins Hoffman Labs, Los Angeles . . . Gramer Yarbrough promoted to sales mgr., American Microphone Co., Pasadena, Cal. . . . Melvin L. Hayden, ex-Westinghouse Electric Supply Co., Boston, named adv.-sales promotion mgr., National Co., Malden, Mass. (communications equipment) . . . Thomas B. Moseley, ex-DuMont, named director of sales & contract negotiations, Continental Electronics, Dallas.

National Assn. of Electrical Distributors, at 47th annual convention this week at Chicago's Conrad Hilton Hotel, elected following officers: pres., Lester E. Barrett, Barrett Electrical Supply Co., St. Louis; v.p.'s, Ralph J. Brown, GE Supply Co., Bridgeport, Conn.; J. P. Hamblen, Southern Electric Supply Co., Houston; George Albiez, Englewood Electric Supply Co., Chicago; Irving P. Bean, Bean Electric Co., Seattle.

Albert C. Embrechts promoted from v.p.-gen. mgr. to pres. of IT&T's International Standard Trading Corp., which develops and coordinates automation practices and equipment within IT&T system; technical director Eric M. S. McWhirter & sales mgr. John T. Benjamin, were elected v.p.'s.

Sir Robert A. Watson-Watt, the Briton credited as discover and developer of radar, has been named chairman & pres. of Logistics Research Inc., Redondo Beach, Cal., designers and manufacturers of electronic computers.

Bell Telephone Labs names military communications systems director Estill I. Green to post of v.p. in charge of systems engineering, promotes research v.p. Dr. James B. Fisk to exec. v.p.

Dr. Bernard Kopelman from Sylvania's metallurgy research laboratory, named chief engineer of company's atomic energy div.

Extensive study of corporate mergers between 1948 & 1954 has been released by Federal Trade Commission in 233-p. report which notes that mergers & acquisitions are currently nearing postwar peak rate of 1946-47 but are well below pre-depression rate of late 1920s. Report makes no recommendations for solutions. Only allusion to TV-radio-appliance trade is brief reference to Aveco's addition of household appliances & farm equipment lines.

Color in Britain within 3 years is expected by B. V. Soames-Charlton, of Pye Ltd. research labs. He said system will be simpler than that of U. S. but will give adequate color, and sets will sell for about \$420. He doubted that BBC will tackle color in less than 5 years but expected new ITA to inaugurate it in 3.

International Resistance Co. has purchased EMEC Inc., Seattle, manufacturer of magnetic clutches for electronic applications.

New ad agency appointed by General Precision Labs: Geer, DuBois & Co., 40 E. 49th St., N. Y.

Huge new electronics manufacturer—Sperry Rand Corp.—will be formed July 1 as result of overwhelming approval of Remington Rand-Sperry Corp. merger by both companies' stockholders at meetings this week (Vol. 11:12). Remington Rand chairman Gen. Douglas MacArthur and pres. James H. Rand will be chairman and vice chairman of new firm, which will have assets of about \$484,000,000 and estimated annual sales totaling nearly \$900,000,000—just about 10% smaller than RCA in size & sales. Sperry pres. Harry Vickers becomes pres. & chief executive officer, Sperry senior v.p. John Sanderson v.p.-secy., Remington exec. v.p. Bernard O. Reuther v.p.-treas. Under terms of consolidation, each share of Sperry stock will be converted into 3¼ shares of Sperry Rand, each share of Remington Rand to be exchanged for 2 new shares. Both Sperry and Remington Rand will retain their old corporate names for advertising and trade purposes. In first quarter statement just released, Sperry reported net profit of \$6,683,359 (\$1.46 a share) on sales of \$103,683,000, compared with \$5,579,314 (\$1.33) and \$120,414,000 for first quarter 1954.

FCC's patent-filing proposal, which would have required licensees to file vast amount of patent information with Commission (Vol. 10:50, 11:2-4), has been sharply revised as result of strenuous industry opposition, and in new form removes most of the objections. New proposal would require no reports by those who control less than 10 communications patents, and reduce information required by eliminating reports of patents not directly connected with transmission or reception as well as reports on licensees' use of patents. Comments on new proposal are due June 30.

Lack of national TV distributors organization has impelled NARDA to set up a "distributor-booster" category in its group, to be composed of TV-radio distributors "who feel NARDA's work in building better dealers deserves their support." It's regarded as first step in bringing distributors into full membership in dealers' organization. Participation by distributors at outset will involve annual contribution of \$50, entitling them to most NARDA services and invitations to annual convention.

Picture tube sales in first 3 months totaled 2,608,753, valued at \$52,027,429, compared to 1,962,864 worth \$41,995,088 in first quarter of 1954, reports RETMA. March sales were 882,268 worth \$17,246,843, compared to 859,529 in Feb. and 759,468 at \$15,904,687 in March 1954. Receiving tube sales in first 3 months were 117,557,439, valued at \$84,906,835, compared to 76,385,978 worth \$56,862,951 in first 1954 quarter. March sales were 41,080,881 worth \$29,922,192 vs. 38,526,796 at \$28,107,186 in Feb. and 29,063,484 at \$22,130,627 in March 1954.

NARDA has taken policy stand against centralized servicing "as a device which diminishes the worth of the retailer to the total merchandising picture; which causes separation between his customer and the retailer, and which fails to allow ample recognition to the established type of merchant."

Rep. Williams D-Miss.) last week introduced legislation (HR-5947) to ban sales by manufacturers to discount houses; it was referred to House Interstate & Foreign Commerce Committee, where it stands little chance of favorable action.

RETMA publishes 3rd edition of its popular 16-p. booklet, *Things You Should Know About the Purchase and Servicing of Television Sets*, available free from RETMA or local Better Business Bureaus.

Motorola & Admiral will move from American Furniture Mart to 11th floor of Merchandise Mart, Chicago, though latter's space won't be occupied until June 1956.

Financial & Trade Notes: "Earnings reports of most leading TV manufacturers for the first quarter of 1955 showed good year-to-year gains, and similar favorable comparisons are indicated for the June quarter," reports Standard & Poor's May 25 survey of electrical products industry. "However, results in the final half of 1955, particularly in the last 3 months, are not expected to exceed those of a year earlier. Thus, normal seasonal improvement (starting in the fall of the year) will be considerably less pronounced this year than in 1954 . . .

"Earnings of TV producers this year will generally show a modest improvement over the 1954 level, due to a more even production flow and good early-year improvement . . . Dividends may be increased by some TV and appliance manufacturers. Payments by most others should be in line with the 1954 experience."

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United Business Service devotes its May 23 investment report in large part to "Television Brought Up to Date," adds CBS "A" to its "supervised list," recommends it along with Motorola & RCA for new purchases, suggests to its subscribers they maintain holdings of Philco. It lists this handy table of leading TV stocks:

	Earnings Est. 1955	Share Ac-tual 1954	Recent Price	Dividends Past 12 Mos.	Yield %	Price Earnings Ratio
Admiral Corp.	\$2.75	\$2.78	26	\$1.00	3.8	9.5
Am. Broadcasting-Para.	2.00	1.06	31	1.00	3.2	15.5
Avco Mfg.	10.35	10.37	7	10.40	5.7	20.0
CBS "A"	2.30	1.56	28	10.80	2.9	12.2
DuMont Laboratories "A"	Nil	0.32	\$16	Nil	Nil	
Emerson Radio	c1.10	c0.97	14	0.60	4.3	12.7
Hoffman Electronics	2.50	2.08	28	1.00	3.6	11.2
Magnavox Co.	b3.00	b2.77	36	1.50+	4.2	12.0
Motorola, Inc.	4.50	3.91	52	1.50	2.9	11.5
Philco Corp.	3.50	1.70	40	1.60	4.0	11.4
Radio Corp.	3.10	2.66	49	1.35	2.8	15.8
Raytheon Mfg.	a1.85	a1.39	23	Nil	Nil	12.4
Sylvania Electric	4.00	2.93	48	2.00	4.2	12.0
Zenith Radio	14.00	11.53	130	3.25	2.5	9.3

† Based on estimated 1955 earnings. ‡ Indicated rate. + Plus 5% stock. \$ American S.E. a Year ending May. b Year ending June. c Year ending Oct. † Year ending Nov.

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National Telefilm Assoc., film syndication firm headed by Ely Landau and 65% owners of GE-supported National Affiliated Television Stations Inc., which has been set up to help stations achieve profitable operations (Vol. 11:14), offers 312,500 common shares at \$5, thru underwriter Charles Plohn & Co., in prospectus dated May 19. After offering, firm will have 650,000 common shares outstanding. Net proceeds of issue, estimated at \$1,260,000, will be used to pay off loan of \$334,153, with balance to be used for working capital. Prospectus says money will be available for "acquisition of distribution rights, retirement of film acquisition loans and repurchase of the lenders' participations in the gross proceeds of related films, or other corporate purposes, including the possible financing of film production." For 8 months ended March 31, company had net loss of \$156,658, prospectus reveals. For fiscal year ended last July 31, net loss was \$139,830.

Dividends: Philco, 40¢ payable June 13 to stockholders of record June 6; Sylvania, 50¢ July 1 to holders June 10; Stromberg-Carlson, 40¢ June 30 to holders June 15; Wells-Gardner, 15¢ June 15 to holders June 3; Radio Condenser Co., 5¢ June 20 to holders June 1; Hazeltine, 35¢ June 15 to holders June 1; GE, 40¢ July 25 to holders June 17; Sprague Electric, 30¢ June 14 to holders May 31; General Precision Equipment, 60¢ June 15 to holders June 6; National Co., 10¢ June 30 to holders June 25, 10¢ Dec. 30 to holders Dec. 25, plus 2% stock Sept. 30 to holders Sept. 25; Famous Players (Canada), 37½¢ June 29 to holders June 3; Electronic Assoc., 100¢ stock July 1 to holders June 20.

Decca Records Inc. reports first quarter net income of \$816,339 (50¢ a share) compared to \$635,238 (42¢) for first quarter 1954.

Among officers' & directors' stock transactions reported by SEC for March: Gordon T. Ritter sold 100 Avco, holds 624; Irving B. Babcock sold 1500 Avco, holds 4897; Edward K. Foster bought 200 Bendix Aviation, holds 400; J. L. Van Volkenburg bought 1000 CBS "A" by joint tenancy, holds 102 personally and 1000 by joint tenancy; Seymour Mintz bought 300 CBS "A," holds 300; Adrian Murphy bought 1989 CBS "A," holds 1989; Arthur G. B. Metcalf sold 2334 Electronics Corp. of America, holds 22,333 personally and 142,000 thru trust; John H. Briggs bought 1115 Gabriel Co., holds 37,000; Harry S. Samuels bought 1900 Gabriel Co., holds 5000 personally and 700 with wife; Lawrence B. Richardson sold 300 General Dynamics, holds 4930; Charles D. Dickey bought 500 GE, holds 7500; Clarence H. Linder bought 1070 GE, holds 2640; John D. Lockton bought 1500 GE, holds 2019; Philip D. Reed bought 3300 GE, holds 6300; Walter O. Menge bought 100 Magnavox, holds 100; E. W. Engstrom bought 100 RCA, holds 600; Robert A. Seidel bought 180 RCA, holds 680; Paul F. Hannah bought 2000 Raytheon, holds 2236; Charles M. Hofman sold 760 Raytheon, holds 640 personally and 1569 jointly with wife; Harold C. Mattes sold 1000 Raytheon, holds 9234; Frank J. Healy bought 181 Sylvania, holds 2722; Don G. Mitchell sold 100 Sylvania, holds 2461; R. D. Blasier bought 150 Westinghouse, holds 833; Leslie E. Lynde bought 725 Westinghouse, holds 1510.

Capehart-Farnsworth Co. had net loss of about \$26,000 in first 4 months of 1954, with most of loss occurring in April, annual meeting of IT&T stockholders was told this week by pres. Gen. Wm. H. Harrison. He "hopes and expects" that company will "about break even" for all of 1955. Capehart-Farnsworth last year lost \$800,000-\$900,000 before taxes, he said. Farnsworth Electronics Co., research & industrial subsidiary formed out of original Capehart-Farnsworth subsidiary, had profit of \$320,000 before taxes in first 4 months this year, he noted.

American Electronics Inc., Los Angeles, in May 10 prospectus offers \$1,250,000 in 5% convertible debentures due May 1, 1967 through Van Alstyne, Noel & Co. and Crowell, Weedon & Co. Firm is vendor to Hughes Aircraft and other aeronautical firms and to govt., had net sales of \$5,461,074 and profit of \$273,057 in 1954. It owns Pierson Electrical & Engineering Corp. and Electroflow Inc.; latter last Feb. entered into merger agreement with Berlant Associates and Tri-D Sound Corp., whereby it proposes to enter magnetic tape recorder field.

Westinghouse reports first quarter sales of \$367,705,000, earnings of \$12,782,000 (75¢ a share), both sharply below the \$403,537,000 & \$26,286,000 reported for first quarter 1954. Pres. Gwilym A. Price blamed decline of backlogs for apparatus and industrial equipment, but said this trend has been sharply reversed recently. Consumer products sales, he added, are up considerably over first quarter 1954.

American Phenolic Corp. earned \$204,451 (51¢ a share (after taxes of \$190,000 on sales of \$6,006,243 in first quarter, compared to \$121,016 (30¢) after \$134,000 on \$6,261,035 in corresponding 1954 period. Backlog of orders totaled \$6,300,000 as of March 31. Working capital increased by \$127,413 during quarter.

Warner Bros. Pictures profit of \$2,081,000 (84¢ a share) in 6 months ended Feb. 26 was highest for any half-year since its separation from theatre-exhibitor operations in Feb. 1953. Film rentals & sales totaled \$35,079,000. Profit in corresponding period year ago was \$1,618,000 (65¢), rentals & sales \$34,059,000. Taxes were \$2,100,000 vs. \$1,700,000 year ago.

Oak Mfg. Co. first-quarter earnings were \$441,998 (84¢ a share) vs. \$240,971 (46¢) first 1954 quarter.

Richard A. Mack of Coral Gables, Fla., was nominated May 27 by President Eisenhower to 7-year term as a Democratic FCC member (Vol. 11:19-20), succeeding Comr. Frieda B. Hennock, whose term expires June 30. Member and former chairman of Florida Railroad & Public Utilities Commission and 2nd v.p. of National Assn. of Railroad and Utility Commissioners, he'll be 3rd member of FCC picked from ranks of state utility commissioners by an Administration whose policy toward business is laissez-faire—others being Republicans Chairman McConnaughey and Comr. Doerfer, who formerly headed Ohio and Wisconsin utilities commissions. Appointment of the 46-year-old Mack was hailed in statements by his sponsors, Florida Democratic Sens. Holland & Smathers, latter being member of Interstate & Foreign Commerce Committee, which will hold hearings on appointment. Smathers said he has "known Richie personally for almost 25 years," termed him "eminently qualified" and "a loyal and faithful Democrat." Committee Chairman Magnuson (D-Wash.) said that hearing probably will be held in "a couple of weeks," that he doesn't know Mack. There was speculation that Administration's announcement was timed by GOP to make political capital by disclosing Comr. Hennock's successor during week of NARTB convention, when many of nation's broadcasters were in Washington. Comr. Hennock, a New York lawyer, hasn't revealed her plans.

First tower over 1000 ft. to receive aeronautical clearance in more than 6 months is 1110-ft. structure proposed by KWWL-TV, Waterloo, Ia. (Ch. 7), which got OK from Washington Airspace Subcommittee May 24. Military members of subcommittee have been blocking approval of all tall towers on grounds that they are hazardous to air navigation (Vol. 11:11). Two of the rejected tower proposals have already been given hearings by FCC, at which military and aviation industry spokesmen have appeared to state their opposition, and FCC's Broadcast Bureau last week backed applicant in one of these cases (Vol. 11:21). Third case—that of WSLA, Selma, Ala. (Ch. 8)—is scheduled for June 16 hearing. KWWL-TV plans to move to new tower Aug. 1, increase power to 316-kw at same time. Station hopes to serve Dubuque and Mason City, as well as Waterloo, from new tower.

Two microwave applications for links to serve community antenna systems in Rapid City, S. D. with signals of Denver stations (Vol. 10:39, 51) were set down for FCC hearing July 5. Commission informed Bartlett & Reed Management and Blackhills Video Co. that neither had proved its proposed service would be in public interest. In any event, Commission added, 2 such systems might be a wasteful duplication. All aspects of proposals are to be explored at hearing: need, technicalities, personnel, rates, regulations, operational practices, qualifications of applicants. Big microwave system to serve community systems in Wyoming is being planned by Pioneer Transmission Corp., Worland, Wyo. (H. B. Van Buskirk & J. R. McKibbin), proposing to serve existing and proposed systems in Worland, Lander, Riverton, Thermopolis, Rock Springs, Rawlins & Green River.

Evil effects of TV are being discovered in Russia, as they were here when the medium was in its infancy. Answering questions raised "in connection with the spread of TV in the USSR," Radio Moscow this week told worried listeners: (1) "TV must be used intelligently without disturbing the daily routine of children." (2) "TV rays have no effect whatever on the human organism."

Brand Names Foundation Inc., in first service to TV, provides 275 stations with kits pointing up benefits of brand buying. Kit includes 2 animated cartoon spots and fact sheets for use in integrated commercials.

Radio is making spirited comeback, despite inroads of TV, NARTB convention was told. Increasing demand for sets, new programming concepts and revisions of rate structures have been major factors, speakers stressed. NARTB pres. Harold Fellows said that in face of 25% decline in network time sales in 1952-54, some 1012 out of NARTB's 1220 AM members increased sales or held their own, during 1954. He attributed radio's comeback to improvement of management and selling techniques. In keynote award speech, Mark Ethridge (WHAS-TV & WHAS, Louisville) said: "I don't think radio has ever had better days program-wise and public service-wise than it has now. It is more of the people than it has ever been; it is closer to them than it has ever been. And they bought more sets in the first quarter of this year than they bought in the first 17 weeks of last year." Radio Advertising Bureau pres. Kevin Sweeney said plans call for enlarging sales staff to 12, expanding sales committees to 115 cities and devoting \$120,000 annually to "wider and deeper research to strengthen radio's competitive position." (For proposed rate structure changes by CBS and MBS, see p. 7.)

Are broadcasters in danger of losing their "Magna Carta"—Title III of Communications Act, which establishes principle of free broadcasting? Chairman Priest (D-Tenn.) of House Interstate & Foreign Commerce Committee senses "a growing feeling among many members of Congress that more regulation of the broadcasting industry is called for in view of changed circumstances." In address to NARTB convention May 24, he said the frequency of complaints about TV & radio from the public—and from congressmen—is increasing "day by day." He cited complaints about caliber and amount of advertising, prize fight "blackouts," programming, and stated: "If Congress were confronted today anew with the problem of writing a broadcast law designed to safeguard the public interest, it is questionable whether you, the broadcasters, would be successful in persuading the Congress to give you the same degree of freedom that Congress gave you in [the Radio Act of] 1927 and again in [Communications Act of] 1934." He warned broadcasters to "prove by your deeds that the principles of the charter granted to you should be left intact."

Lamb hearing record was closed May 24 following brief procedural session with examiner Herbert Sharfman by attorneys representing broadcaster-publisher-industrialist Edward O. Lamb and FCC Broadcast Bureau. Both sides agreed to submit proposed findings within 60 days. On May 26, appeals court upheld lower court decision which dismissed Lamb's long-ago attempt to block hearings on the Communist-association charges. Meanwhile, Commission dismissed Lamb's application to sell radio WHOO & WHOO-FM, Orlando, Fla., at request of prospective purchaser Mowry Lowe, who backed out after 9-month purchase agreement expired. FCC had held up approval of sale pending decision on charges against Lamb.

Relected to TV board of NARTB at convention this week, for 2-year terms: Kenneth L. Carter, WAAM, Baltimore; Campbell Arnoux, WTAR-TV, Norfolk; Wm. Fay, WHAM-TV, Rochester; Ward L. Quaal, WLWT, Cincinnati. Joseph E. Baudino, Westinghouse, was elected to fill unexpired term of John Esau, resigned to join *Television Age*.

New Yorker Magazine's profile of NBC-TV's Pat Weaver, titled "The Communicator" and carried Oct. 16 & 23, later made available as reprint, has won for its author Thomas Whiteside the Benjamin Franklin Award of U of Illinois for best biographical writing of the year.

Licensed TV sets in Britain totaled 4,503,766 at end of March, up 96,373 in month.

MARTIN CODEL'S

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

Television Digest

with **ELECTRONICS REPORTS**

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FIRST-RUN MOVIE on network TV in color next fall is symptomatic of Hollywood-TV interdependence, may lead to more "TV premieres" of major films (p. 1).

IDEAS FOR ADDING VHF channels analyzed by FCC staff expert; problems of conversion and costs of moving govt. services inherent in all (p. 2).

RELEASE OF VHF EDUCATIONAL channel proposed by FCC in Des Moines, first such move to date; proposed decisions for Ch. 3, Hartford & Ch. 6, Milwaukee (p. 4).

TWO NEW STATIONS—one in non-TV area, other a Spanish-language uhf—go on air as uhf outlets sign off in Atlanta & Macon, Ga. and Jackson, Miss. (p. 6).

NEW PRODUCTION TECHNOLOGY built into "1956" TVs; first "Tinkertoy" set due soon, following Admiral's 80% printed-circuit chassis (p. 9).

23 ELECTRONICS FIRMS on post-Korea list of top 100 military contractors; procurement cancellations & cut-backs, emphasis on aircraft shown on new list (p. 12).

COMMUNITY ANTENNA business continues remarkably vital, serving 1,000,000 people; association holding N. Y. convention June 6-8 (p. 8).

REPEAT PERFORMANCES of hit live programs draw more support—from CBS-TV pres. Jack Van Volkenburg and veteran producer Worthington Miner (p. 14).

NETWORK TV BILLINGS slip slightly in April but are well ahead of April 1954; PIB figures show first 4 months' TV billings more than 30% ahead of 1954 (p. 14).

BIG GUNS POISED IN PAY-AS-YOU-LOOK BATTLE: The big showdown on subscription TV begins next week with filing of official comments at FCC by June 9 deadline. All the big industry entities are expected to file -- the 4 networks, 3 pay-TV proponents (Paramount, Skiatron, Zenith), Joint Committee on Toll TV, NARTB, etc.

Next official step will be filing of "reply comments" July 11 -- or later if postponement is requested and granted. After that, it's pure guesswork as to how FCC procedures will run. If Commission is anxious for quick decision, windup could come before year's end. More likely, however, FCC will be quite deliberate, running proceedings well into next year -- if not longer.

Some parties will wait until June 9 deadline to file, but one of those filing early is NBC. Chairman Sarnoff devotes blistering 28-page attack to point-by-point refutation of proponents' arguments, keyed to theme that "pay-TV would degrade and ultimately destroy the present system of free TV." He concludes:

"Our American principle of Freedom to Listen and Freedom to Look is chiefly responsible for the growth of the most dynamic industry in the world today. It has made the American people the best informed in the world and it has done so without discriminating between the poor and the rich.

"It would be tragic for this Commission to authorize pay-TV to cripple this great democratic medium for the free dissemination of ideas, education and entertainment to all the people of America. My earnest plea to the FCC is: Keep American Radio and Television Broadcasting Free to the Public." (For details of Gen. Sarnoff's comments and other subscription TV developments, see p. 5.)

FIRST-RUN RELEASE TO TV—IN COLOR: There's more significance than at first apparent in NBC-TV's announcement that it has bought (for reported \$250,000) first-run rights to a full-length British feature film which it will telecast -- in color -- as first filmed spectacular in its "Color Spread" series starting Sept. 11, 7:30-9 p.m.

Recently released in English theatres, where it got very good reviews, the Alexander Korda comedy "The Constant Husband", starring Rex Harrison, will debut in U.S. as a one-shot before a U.S. audience that has come to like many of the British oldies and not-so-oldies that have crowded its TV screens in recent years.

Built up as an American premiere, offered in prime Sun. night time, assured

a home audience running into millions, will the TV showing kill off the picture's U.S. theatre boxoffice? If it clicks with the TV public, and profits the producer, can more of the same be far behind -- domestic as well as foreign, black-&-white as well as color? Also...

What need for subscription TV if good new or recent films find their way to TV naturally? And what price films still held in the major U.S. producers' vaults if TV should prove, as it is doing in the case of Davy Crockett, that it can introduce and share the showing of new shows without killing off boxoffice?

* * * *

It happened slowly -- and with some elements of the movie industry protesting all the way, just as did the newspapers against early radio -- but it's obvious now that the movie producing and TV arts and industries have become mutually interdependent. It would be difficult now for either to do without the other.

Only sour note in the relationship is the continued opposition of most movie exhibitors who, while they probably would be better off if TV had never been invented, are still refusing to recognize that it has been invented and accepted and are closing their eyes to best promotional medium available to them.

Their eyes are being opened -- but slowly. Walt Disney's delightful "hour-long commercials" for his theatrical products have packed movie houses for his new and old pictures. Enlightened exhibitors are said to be fighting for rights to show "Davy Crockett", produced originally for TV and shown twice on "Disneyland" before it ever appeared in a movie theatre -- and it's not even in Cinemascope!

The Korda film to be shown as an NBC color spectacular will net its producer from TV an estimated 25% of its production cost, leading Korda's U.S. representative Morris Helprin, pres. of London Films, to remark: "We believe that eventually the whole pattern of motion picture distribution may be reversed. 'The Constant Husband' will be the most talked-about movie in the country, just because of the exploitation it will get from TV. We feel there are other picture producers who want to do something like this -- but they're a little timid about it."

Just as it took Walt Disney to wake up the majors to the promotional and financial values of putting on their own network TV shows, it may well be that a British producer will show that a pre-theatre TV showing of a good picture can even enhance its boxoffice.

* * * *

Hollywood's new TV-made prosperity is another facet of movie-TV interdependence. Not even in the heyday of the silver screen have so many film actors, directors, producers & writers been working and eating. But instead of a handful of production and distribution firms, there are now about 1000 that make films of one sort or other, nearly every one producing for TV. Judy Dupuy's "Who's Who" directory lists 961 firms, 122 of them regarded important.

Consider also these statistics from the first major movie producer to enter TV film making: Columbia Pictures' Screen Gems will turn out 286 half-hour films for next season, or about half the number of feature-length theatrical pictures due to be made by all the Hollywood studios combined. Screen Gems recently had 42 writers working, while the 9 major Hollywood studios together had 166. In Hollywood alone, TV film slated to be produced for next season will total some 900 hours.

ENIGMAS OF THE TV ALLOCATIONS PLAN: Allocations picture is one of most perplexing ever to face FCC. On one hand, there's the demand that uhf areas be kept pure uhf by eliminating vhf assignments. That's the deintermixture principle. On the other hand, there's demand that more vhf channels be assigned -- "enough for everyone" -- to be accomplished through many suggested plans.

Among the FCC members, there are as many opinions as there are commissioners, and it's impossible to predict ultimate vote on any new plan -- though odds always favor a decision to leave things essentially as they are.

FCC staff has racked its brains over problem for a long time, and its recommendations usually carry much weight with commissioners. Here's how a veteran staff member, expert in such matters, summarizes situation as of now; because of his position and because the subject is so controversial, his identity is withheld:

"It's not the public that's complaining. The Commission knew what it was doing when it adopted as first priority the concept of giving everyone at least one TV signal. Scarcely anyone cannot now get a picture. The Commission has really done a good job for the public and doesn't get enough credit for it.

"There are vhf stations as well as uhfs in financial trouble, and you wonder whether the economics of TV will support many more stations as of today. However, there are various plans for getting more vhf channels where demand for them is the greatest. How feasible are these plans?

"There are predictions that present vhf channels will be 'broken down' -- new stations squeezed in by directional antennas and small-coverage assignments -- all at the expense of today's vhfs. I think you'll have a 'clear channel' situation. If the few dozen AM clear channel stations have been able to resist encroachments for 30 years, don't you think 300-400 vhfs would be able to do at least as well?

"Then there is Comr. Lee's idea. He suggests that the spectrum be reallocated to give TV 47 vhf channels in the 60-342 mc band, dropping uhf. This may sound good to a group of broadcasters looking for vhf channels. But would it solve their problems any more than uhf would? Let's see.

* * * *

"Uhf's problem is not propagation; it's circulation, conversions. Lee's plan would still require conversions. Then, the plan would move many govt. services up higher in the spectrum. A 3-kc voice channel is very inefficiently used at, say, 1000 mc -- perhaps 1½% efficient. On the other hand, TV is 75% efficient wherever it's used. On top of that, the Govt. has millions invested in its present facilities -- aircraft navigation equipment. Would the John Tabers of Congress appropriate the money to move these services, essential to safety of life and property, just to take care of an 'entertainment' service?

"If the Commission really wants to authorize a lot of vhf stations, it could conceivably do it by appropriating the 88-108 mc FM band and cut it into 2 or 3 TV channels. This is the 6A-6B-6C idea. What it could do is to cut the channel separations of the new channels way down, protecting the present Ch. 6 (82-88 mc), but giving the new channels really postage-stamp coverage.

"You could get an awful lot of them that way -- probably hundreds. They'd have a coverage radius of 5-10 mi., compared with 60 mi. or more for present vhf channels. They'd be comparable with 250-watt AMs, many of which do very well, even in big cities. There would still be a conversion problem, but the operators would be able to tell Madison Avenue that they have vhf stations. Perhaps these new channels could be used to deintermix, to give each uhf a vhf channel, but it couldn't take care of all uhf stations; they're too concentrated in some places.

"What would happen to FM? The proponents of the plan think they could squeeze most existing FMs into the 8 mc left if 2 TV channels are carved out, but they agree that little could be done with the 2 mc left if 3 TV channels are created. I'm dubious whether even 8 mc could take care of all the FM stations."

* * * *

Note: "Re-evaluation of the allocation plan" by committee of engineers may be next big project in Senate Commerce Committee's TV investigation. Chief counsel Sidney Davis has been discussing such a proposal with industry representatives, with idea of forming ad hoc committee of "the best engineering talent" to study engineering aspects of channel allocations, perhaps come up with alternative plans. Queried about project, Chairman Magnuson (D-Wash.) said no members have been picked for the committee, and, in fact "nothing has been started yet."

More than 50% of business films are made with eye toward eventual TV distribution—in contrast to situation just year ago when only 10% of business film sponsors were thinking in terms of TV showings. This is one of hitherto unrevealed facts brought to light in survey of 157 business films by Association of National Advertisers, published as *The Dollars & Sense of Business Films* (ANA, 285 Madison Ave., N. Y., 128-pp., \$5). Though study is devoted mainly to economics of commercial films, these TV

facts are brought out: Excluding TV showings, business films draw from 40,000 to 21,850,000 each, with median of 1,269,000 spectators. Nine films in survey shown on TV reached 1,095,000 to 10,975,000 persons each, with median of 3,465,000—though the film with largest total audience has never been used on TV. Figures show average business film costs 4.6¢ per spectator—but when 9 films were given additional distribution on TV, cost per spectator was reduced to 1.6¢.

Personal Notes: Harry Ackerman relinquishes post as CBS-TV program v.p., Hollywood, to become exec. director of new CBS-TV special projects div., operating out of N. Y. & Hollywood, in charge of developing & administering new programs, sharing ownership of some; Alfred J. Scalpone resigns as McCann-Erickson TV-radio v.p. to succeed Ackerman as CBS-TV Hollywood program v.p., effective July 1 . . . Edward H. Benedict, ex-Ziv, named national sales mgr. of Triangle Publications' WFIL-TV & WFIL, Philadelphia, and WNBC-TV & WNBC, Binghamton; A. G. Hubbell succeeds S. N. Heslop as WNBC-TV sales mgr. . . . John T. Murphy, Crosley v.p., named midwest membership committee chairman, Television Bureau of Advertising . . . Stanley Neustadt, ex-FCC litigation div., joins Cohn & Marks law firm . . . Joe Bernard, gen. mgr., elected v.p. of WGR Inc., Buffalo (WGR-TV), Karl Hoffman engineering v.p.; George F. Goodyear is chairman-pres. . . . James C. Hirsch, ex-sales mgr., WRC, Washington, joins Petry in N. Y. as radio sales promotion mgr. under new exec. v.p. Tom Knode . . . George Swearingen Jr., ex-Weed, named mgr. of CBS Radio Spot Sales, Atlanta, succeeding David Kittrell, resigned . . . Richard Dorso, founder & exec. v.p. of United Television Programs, joins Ziv TV Programs Inc., heading up development of new programs & packages . . . John T. Parsons resigns as mgr. of WMGT, Adams-Pittsfield, Mass., to become mgr. of WHYN-TV, Holyoke, Mass.; he's succeeded by Wm. P. Geary, WMGT commercial mgr. . . . Dwight Hinshaw, ex-KCKT, Great Bend, Kan., named regional sales mgr., KEDD, Wichita . . . Charles Mercer, AP feature writer, succeeds Wayne Oliver as TV-radio editor, latter joining *Television Magazine* Aug. 1 . . . Richard W. Bowman, ex-Foote, Cone & Belding, joins Wm. H. Weintraub & Co. as TV-radio copy supervisor . . . John C. Spearman, of Spearman & Roberson law firm, suffered heart attack, is confined in Doctors Hospital, Washington.

FCC Comr. Rosel H. Hyde, who left for Hawaii on Commission business May 28, speaks at BMI clinics in Twin Falls, Ida. & Salt Lake City June 13 & 15 before returning to Washington June 18. Comr. John C. Doerfer speaks at National Community TV Assn. convention in New York's Park Sheraton Hotel June 8, at D. C.-Md.-Va. Bstrs. Assn. meeting at Ocean City, Md. June 17.

John F. Patt, pres. of WJR, Detroit and upcoming WJRT, Flint (Ch. 12), who was stricken with coronary occlusion while attending NARTB convention in Washington last week, is reported recovering slowly, will continue to be confined in Georgetown Hospital for at least a few more weeks. He was taken out of oxygen tent this week, can receive no visitors other than Mrs. Patt.

Morris Novik, TV-radio consultant for various labor & educational organizations, has purchased Richard E. O'Dea's interest in WOV, N. Y. Mr. O'Dea is retiring.

Frank H. McIntosh & Assoc. Consulting Radio Engineers is new name of Washington firm, following being named associates: Robert E. Baluta, James R. Croy, Elizabeth L. Dahlberg.

George Heller, 49, national exec. secy. of AFTRA, who negotiated first union contracts for TV-radio actors, died May 29 in N. Y. after 7-week illness. He had been ballet dancer, actor, composer & producer, was instrumental in founding AFTRA and later the TV Authority, of which he became exec. secy. in 1949, retaining same position in AFTRA when the 2 unions merged in 1952.

Benjamin J. Atlas, 48, Washington correspondent of *Billboard* and *Tide*, onetime reporter on *Syracuse Herald-Journal* and other upstate N. Y. newspapers, died June 1. Surviving are his widow, son and daughter.

SANCTITY of the educational channels was breached this week—but ever so slightly—when FCC for first time started proposed rule-making to explore possibility of opening one to commercial use. On petition of red-inked KGTV, Des Moines (Ch. 17), it proposed to open Ch. 11 to commercial applicants.

Everyone at FCC cautions that move shouldn't be interpreted as "beginning of the end" of unused educational vhf channels; that each case is being considered individually; that Commission had in mind Congressional criticism that it has too often dismissed petitions "summarily"; that only last week it shifted Ch. 13 in Monroe, La. from commercial to educational use, etc. Nonetheless, move is regarded as a "first"—with potentials.

There were no CPs, but 2 initial decisions were issued—one of them in the tough Hartford Ch. 3 case, wherein examiner Fanny N. Litvin recommended grant to Travelers Insurance's WTIC (Fritz Morency) over group sparked by Harry Butcher, Hartford Telecasting Co. She said pioneer WTIC's excellent broadcasting record and superior proposed programming overbalanced fact that grant to Butcher's group would promote greater diversification of mass media ownership. She rejected Hartford Telecasting's contention that Travelers Insurance is the "dominating" economic power in area.

Other initial decision was pro forma action looking toward Ch. 6 grant in Milwaukee suburb Whitefish Bay to Independent TV Inc. after dropout of WMIL (Vol. 11:17). Pres. of Independent is Jack Kahn, yarn & hosiery mfr.

Way was finally cleared for Ch. 11 CP in Pittsburgh this week when competitors WWSW and WJAS got together on 50-50 merger. Each is putting up half the capital, and WJAS will be sold. Each will have 3 members on board, with 7th member to be mutually acceptable. Officers will also be balanced 50-50.

* * * *

Long squabble in Houston-Galveston reached initial decision stage when examiner John B. Poindexter rejected all arguments of KTRK-TV, Houston, that KGUL-TV, Galveston, was really becoming a Houston station and ignoring Galveston—in violation of allocation plan and FCC rules—by getting transmitter site 27 mi. from Galveston and 24 mi. from Houston.

First TV hearing outside Washington since freeze will be held in Biloxi, Miss. Though examiner issued initial decision favoring WVMI over WLOX for Ch. 13, FCC ordered further hearing into cross-charges by both parties that principals of each violated liquor laws in their hotel operations and other character qualifications need looking into.

In allocations, Commission received petition from WDMJ, Marquette, Mich. that Ch. 5 be substituted for Ch. 13 in Calumet, shifting Ch. 13 to Marquette. Also filed was petition of KSVP, Artesia, N. M. to shift Ch. 10 from Roswell to Artesia.

To build up data on TV propagation, Commission has set up a "central reference file" and is soliciting field strength coverage surveys. File will be split—one section for public inspection, other confidential for FCC staff, latter to prevent stations from using data to competitive advantage.

■

FCC's proposed investigation of networks won approval of Senate Appropriations Committee June 3. It okayed House-passed appropriation of \$6,870,000 for fiscal 1956, including \$80,000 for getting the network study started and \$90,000 for processing application backlog (Vol. 11:14,22).

OBVIOUSLY relishing quoting pessimistic statements regarding sponsored TV, uttered during 1946-48 by Zenith president Eugene F. McDonald, prime subscription TV proponent, RCA-NBC chairman David Sarnoff, in comments filed with FCC, aims to show that Comdr. McDonald is still wrong. Rugged individualists both, they've fought in the past over FM, uhf and TV, are still litigating over patents and are intense rivals in set & tube field; indeed it was only on compatible color that they seem ever to have agreed.

Quoting multi-billion-dollar statistics on TV's stature, Sarnoff cites such statements in 1947 by McDonald as: "I have said that TV required a boxoffice to pay for the type of programming that would give it mass appeal, and events have borne me out."

Gen. Sarnoff said pay-TV proponents favor "paid narrowcasting" as against "free broadcasting"; that their attitude is "No Fee—No See." He asserted that pay-TV would undoubtedly attract best free programs and talent, and as result: "Shrinking revenues of TV broadcasters and the economic facts of life not only would result in inferior sponsored programs but, as well, would force curtailment and perhaps abandonment of public affairs, cultural and educational programs which are now presented by free TV. This would be a tragic loss to the public and to the nation."

He foresaw Hollywood taking over, saying that movie producers, "having been legally divorced by the courts from several thousand theatre boxoffices to which they were for so long wedded, are now panting for marriage to cash boxes that can be attached to 35,000,000 TV receivers now in American homes."

Sarnoff noted that 45 markets have only one station each; that 6,500,000 people in those areas would get nothing when toll TV programs were telecast unless they paid; that 64 more areas have only 2 stations each, serving some 12,500,000 people who would lose half their free programming whenever only one station scrambled its pictures, all of it when both did. The idea of limiting pay-TV to major urban areas isn't practical, he said, because it's the large audiences in these areas that make possible costly programs now provided free.

As for argument that people now pay for free programs by paying more for products, Sarnoff said this "is as absurd as contending that purchases of automobiles and clothing subsidize the press and that, were there no press, automobiles and clothing would cost the consumer less. Of course, it is elementary economics that advertising produces increased sales which in turn make possible increased production, lower costs, and lower prices to the consumer."

Note: Copies of the Sarnoff printed brief are available from NBC or RCA.

* * * *

Letters and cards keep flowing into FCC files, and sentiment is almost entirely against toll TV now. Ratio is running somewhere between 10-to-1 and 20-to-1. Due to early start, pro-pay comments still hold lead in total count—running about 10,000 for, 5500 against. Rate of influx has slackened somewhat.

Subject gets big play in press, will get great deal more next week when industry comments are filed with FCC. This week, *N. Y. Herald Tribune* devoted 1½ pages to it. *Wall St. Journal* carried long feature on it. *Tide Magazine* is satisfied that pay-TV is inevitable, stating: "Like it or not, toll TV is on the way . . . It offers the public a convenience never before available. It is coming." *Billboard* poll of stations, agencies, advertisers, film producers & distributors shows 127 executives calling toll TV a threat to free TV, 138 terming it no threat; 55 station & network men said it's a threat, 37 said "no threat." Of total, 161 predict that FCC will approve pay-TV, 78 say it won't; 43 telecasters say it will, 40 say it won't.

Interestingly, while British film magnate was announcing contract permitting a new feature to be premiered on NBC-TV this fall (p. 1), Zenith's McDonald was reporting that Korda has signed up for British rights to Phonevision, saying Korda will seek govt. permission to set up pay system in British Isles.

Dramatists Guild of Authors League of America, through pres. Moss Hart, wrote FCC that: "The inexorable law of the boxoffice is, we think, sound and we would prefer to have this govern our returns rather than the sales volume of a commercial product, as at present." A National League of Televiewers has been organized by Joseph J. Mahoney, of Newark, who asked FCC to delay comments deadline from June 9 to Sept. 9 so that public can "become fully informed" and express its opposition.

Telecasting Notes: Big 20th Century-Fox's TV film subsidiary, TCF Television Productions Inc., began operation this week at Fox's Western Ave. lot in Hollywood, which was completely redesigned for TV at cost of about \$2,000,000. "Best equipped in world" and "first film studios specially designed for TV" are phrases used to describe TCF lot which eventually will have 14 studios plus complete theatre for audience participation programs . . . At full capacity, TCF studios will be able to handle 680 half-hour shows a year. TCF also is building permanent "western" set at 20th Century's Malibu, Cal. lot. Its first project is *My Friend Flicka* series, to be shot in color, already sold to CBS for fall. Cameras roll next month on 20 full-hour black-&-white films, following *Disneyland* formula, for GE sponsorship, to be shown alt. weeks on CBS beginning Sept. 21. TCF is headed by Sid Rogell, with Michael Kraike in charge of production; it already has more than 100 on payroll, including 15 writers for first 2 series . . . Neat turn: Margaret Truman (NBC contract artist) substituted for Ed Murrow on his CBS *Person to Person* May 27 to interview her parents by remote control to their home in Independence, Mo. in a homey, happy, much-quoted telecast . . . In Britain, where he went to cover the elections, Murrow saw campaign handled on

BBC-TV on "rationed" basis—6 periods only, 3 each for Conservative and Labor spokesmen—and it didn't go too well with electorate, who regarded the straight speechmaking by party leaders as monotonous and dull . . . *London Daily Express* suggested: "The more the party leaders stay off the television programme, the more likely they are to win the nation's confidence" . . . Ace director Alex Segal, of *U. S. Steel Hour* (which shifts to CBS next season) has called off new contract with ABC, which reportedly would have paid him \$100,000 for 26 new shows next season; he may freelance in TV next season or produce Broadway play . . . CBS Newfilm at NARTB convention filmed station owners and operators with local Congressmen and TV stars at CBS film display; about 50 such interviews were filmed and mailed "home" for showing on local stations . . . CBS Foundation contributes \$10,000 to projected American Shakespeare Festival Theatre, Stratford, Conn. . . . Another radio show goes TV: Ziv signs Jean Hersholt to star in new film series as "Dr. Christian," same part he played in radio for 17 years . . . Film Festival—preview screenings of portions of all types of film available for spot sponsorship—will be held for 4th year June 22 by WGN-TV, Chicago; last year's showing of 33 films drew 300 admen.

TWO NEW STATIONS went on air this week —while 3 uhf outlets signed off. New vhf outlet opened up Twin Falls, Ida. area, and Spanish-language uhf went into pre-freeze San Antonio. Stations suspending were in Atlanta & Macon, Ga. and Jackson, Miss. On-air total now is 432, including 106 uhf.

KLIX-TV, Twin Falls, Ida. (Ch. 11), more than 100 mi. from nearest other station, began test patterns Memorial Day. Principals are J. Robb Brady Trust Co., holding 50%, and Frank C. Carman & Grant R. Wrathall each holding 12.5%. Carman & Wrathall own 25% each of KUTV, Salt Lake City, and have interests in group of western radio stations. KLIX-TV has 5-kw DuMont transmitter & 6-bay RCA antenna formerly used by WFAA-TV, Dallas, and old GE microwave equipment of WBKB, Chicago. It has 250-ft. tower on Flat Top Butte, 14 mi. north of city. Frank C. McIntyre is v.p.-gen. mgr. & sales mgr.; Paul Droubay, program director; C. W. Evans, technical director. Affiliated with CBS & ABC, it has \$120 base rate. Rep is Moore & Lund.

KCOR-TV, San Antonio (Ch. 41), which begins programming June 10, aired first test patterns June 2. First uhf in city already served by pre-freeze WOAI-TV & KENS-TV, 90% of its programming will consist of Latin-American films & kines. It has 1-kw RCA transmitter, pylon antenna on 558-ft. Truscon tower. Principal owner is R. A. Cortez, with R. A. Cortez Jr. as v.p.-commercial mgr.; W. P. Smythe, v.p.-gen. mgr.; Martin L. Fieldler, chief engineer. Base hour is \$200. Rep is Richard O'Connell.

WQXI-TV, Atlanta (Ch. 36) signed off May 31 after 5½ months of commercial operation in city with competition from three pre-freeze vhf outlets. Owner Robert W. Rounsaville told FCC revenue has been below \$1000 a month, while monthly operating losses have exceeded \$10,000. It had no network. Rounsaville continues to operate radio WQXI and 6 other AM properties. He still holds CPs for WQXL-TV, Louisville (Ch. 41) & WQXN-TV, Cincinnati (Ch. 54).

Also suspending operation May 31 was WOKA, Macon, Ga. (Ch. 47), formerly WNEX-TV, which was transferred to new owners E. K. Cargill & J. C. Barnes in April (Vol. 11:14,17). It began commercial operation as WETV in Aug. 1953. Jackson's uhf outlet signed off May 31 after its owners (*Jackson Clarion Ledger*) merged with vhf competitor WSLI-TV (Vol. 11:12,21), whose Ch. 12 facilities were retained, using WJTV call letters. Ch. 35 grant has been surrendered. Jackson operation was one of first uhf stations, went on air in Jan. 1953.

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

KRNT-TV, Des Moines (Ch. 8) has June 20 target for test pattern, Aug. 1 for programming as CBS basic, writes v.p. Bob Dillon. The Cowles station is now completing wiring of GE transmitter, has installed RCA 12-bay antenna on existing 709-ft. Ideco tower. Base hour rate will be \$650. Rep will be Katz.

KRBB, El Dorado, Ark. (Ch. 10) has 5-kw RCA transmitter purchased from Terre Haute's WTHI-TV (Ch. 10), but hasn't set targets, reports one-third owner Wm. M. Bigley. RCA 6-bay antenna is ready on 600-ft. Skyline tower. It's near southern border of state, over 100 mi. from Little Rock, the nearest TV stations being KNOE-TV, Monroe, La. (Ch. 8), 59 mi., and KSLA, Shreveport (Ch. 12), 81 mi. away. KRBB owners control radio KVMA, Magnolia, Ark. Rep will be Pearson.

KNTV, San Jose, Cal. (Ch. 11), has 2-kw RCA transmitter, plans July 15 test patterns, reports mgr. Harry Y. Maynard. It will use 12-bay RCA antenna on 218-ft. Ideco tower. Owner is A. T. Gilliland's Sunlite Bakery, which bought out 36 other stockholders last winter (Vol. 10:52). Base rate will be approximately \$300. Rep not yet chosen.

KMVI-TV, Wailuku, Hawaii (Ch. 12), granted May 25, plans start in 120 days, reports pres. J. Walter Cameron for grantee Maui Publishing Co. Ltd., publisher of semi-weekly *Maui News* (KMVI). With GE transmitter on order, transmitter house atop Haleakala Crater is to be ready in 6 weeks. Supertent 6-bay antenna will rise 137-ft. above ground. Microwave connecting Wailuku studios will be built later. KMVI-TV will re-transmit Honolulu's KONA programs, in much same way that KGMB-TV programs are picked up and rebroadcast by satellite KMAU, also on Haleakala. Ezra J. Crane, gen. mgr. of newspaper, will be TV gen. mgr.; Richard E. Mawson, KMVI mgr., asst. gen. mgr.; Frank Kovacic, KMVI sales mgr., TV sales mgr.; Alan J. Delpech, TV ad director; George Tam, TV-radio chief engineer. Rep will be NBC Spot Sales.

WHTN-TV, Huntington, W. Va. (Ch. 13), now plans start next Sept. 25, reports v.p. Fred Weber, also pres. of off-air WFPG-TV, Atlantic City (Ch. 46). First competitor for pre-freeze WSAZ-TV (Ch. 3), it has signed with ABC. Base hour will be \$460. Rep will be Petry.

WOOK-TV, Washington, D. C., recently granted Ch. 14 in lieu of originally-assigned Ch. 50 (Vol. 11:5), still has plans to start in 4-vhf capital, seeing need for "specialized" types of service, reports exec. v.p. Arthur Snowberger. Owner is Richard Eaton, who has purchased 12-kw GE transmitter and helical antenna of defunct KACY, Festus-St. Louis (Ch. 14) and will use 300-ft. tower of WFAN, FM affiliate of Eaton's radio WOOK, at First Place & Riggs Rd. N.E., also location of new TV-radio studios. Fall start also is planned for Eaton's WTLF, Baltimore (Ch. 18), which has asked for new call WSID-TV. It already has 1-kw RCA transmitter, has purchased antenna from off-air WECT, Elmira, N. Y. (Ch. 18). It will use 488-ft. Truscon tower with TV transmitter & studios housed with WSID at 912 N. Charles St. Eaton also operates radios WARK, Hagerstown, Md.; WINX, Rockville, Md.; WANT, Richmond, Va.; WJMO, Cleveland. Rep for both TVs will be Eaton's United Bestg. Co.

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Five Canadian TV applicants: On agenda for June 24 meeting of CBC are applications of G. A. Alger & J. F. Grainger, latter gen. mgr. of *North Bay Nugget*, competing for Ch. 10, North Bay, Ont.; CKRD, Red Deer, Alta., for Ch. 6 there; J. Conrad Lavinger, operator of radio CFCL, Timmins, Ont., for Ch. 6 there; Quebec North Shore & Labrador Railway Co., for Ch. 9 in Schefferville, Que., new iron mining town near Labrador border.

This week's equipment shipments: DuMont—25-kw transmitter, film & live studio equipment to KTBS-TV, Shreveport, La. (Ch. 3), due on air next Sept.; 50-kw amplifier to KCRG-TV, Cedar Rapids, Ia. (Ch. 9). GE—50-kw transmitter & network color equipment to KRNT, Des Moines (Ch. 8), due in Aug.; 12-bay antenna to KFJZ-TV, Ft. Worth (Ch. 11), Aug. target. RCA—12½-kw amplifier to WMTV, Madison, Wis. (Ch. 33); 2-kw standby transmitter to WCCO-TV, Minneapolis (Ch. 4). GE also reports new order from WCTV, Thomasville, Ga. (Ch. 6), due on air in Aug., for 35-kw transmitter, 5-bay antenna, complete studio equipment, for June delivery.

New call letters: WPFH, Wilmington, Del. (Ch. 12), formerly WDEL-TV. New owner is Paul F. Harron.

Station Accounts: Entire Sat. afternoon, 1-6 p.m. for 8 weeks from May 21, purchased on NBC's WNBQ, Chicago, by Cole-Finder Co., Lincoln Mercury dealer, in biggest local time block station ever sold; it will sponsor 5 one-hour feature films seriatim under title *Pieturama*, thru Rocklin-Irving & Assoc. It's package deal, details undisclosed, but WNBQ Class C rate, covering 7 a.m.-6:30 p.m. Sat., is \$1650 per hour before frequency discounts . . . Even bigger local time purchase, by Polk Bros. dept. store chain, already big TV advertiser, extended TV sponsorships to 18½ hrs. per week for 52 weeks on ABC's WBKB, Chicago, embracing 7 morning, afternoon & evening programs (3 new, 4 renewals) . . . Loss of shoppers to N. Y. City and outlying shopping centers led group of Paterson, N. J. merchants to buy spots on various daytime shows on WRCA-TV & WRCA, N. Y. June 1-7 to plug slogan "Downtown Paterson Has Everything"; stations produce shows about the city, for which Commercial Development Fund, as group calls itself, solicits local commercial participants . . . Click program *The Big Idea*, aimed at amateur inventors, sponsored last 5 years by Philadelphia Saving Fund Society on WCAU-TV Tue. 7-7:30 p.m., and seen for 10 months on DuMont, will be filmed by Donn Bennett Productions at RKO-Pathe in 52 segments for national syndication in Sept. . . . Glass Container Mfrs. Institute, N. Y., comprising 74 manufacturers, to spend \$1,200,000 this year in all-media campaign to promote greater use of glass by food & beverage packers, thru Kenyon & Eckhardt . . . Wool Bureau Inc., 16 W. 46th St., N. Y. has released *Today's Male*, 6-min. TV film, offered one station per city . . . Among other advertisers currently reported using or preparing to use TV: National Paint & Varnish Co., thru Caples Co., Los Angeles; Regina Trading Corp. (Liebig Soups of France), thru Ralph D. Gardner Adv., N. Y.; Cheramy Perfumer (April Showers deodorant), thru Emil Mogul; Allechem Mfg. Co. Inc., N. Y. (Kill-Flame fire extinguisher), thru C. J. Herrick Assoc., N. Y.; Baylis Bros., Cincinnati (Kathy Don & Polly Flinders children's dresses), thru J. Gerald Brown Adv., Hempstead, N. Y.; Lufthansa Airline, N. Y., thru Albert Woodley Co., N. Y.; Solby Bayes, Boston (shoes), thru Mina Lee Simon, Boston; Tanner Products, Los Angeles (Leather-Kleen leather protective), thru Philip J. Meany Co., Los Angeles; Shircraft Co., N. Y. (Airman shirts & sportswear), thru Willsted & Schacter, N. Y.; Weaver Products Co., Minneapolis (Spoolies curlers), thru Gregory & House, Terre Haute; Sperry Candy Co., Milwaukee (Chicken Dinner candy bar), thru Keck Adv., Oconomowoc, Wis.; Lydia O'Leary Inc., N. Y. (Covermark cosmetic), thru Gibbons-O'Neill, N. Y.; Norwegian Frozen Foods Ltd., Jersey City, N. J., thru Creative Adv., Jersey City; General Petroleum Corp., Los Angeles (Mobilgas "R" gasoline), thru Stromberger, LaVene & McKenzie, Los Angeles; Welch Grape Juice Co., Westfield, N. Y. (Fruit-of-the-Vine preserves), thru Kenyon & Eckhardt; Western Tool & Stamping Co., Des Moines (power mowers, lawn sweepers), thru A. Martin Rothbardt, Chicago; Ferber Corp., Englewood, N. J. (Vu-Riter ball point pen), thru Emil Mogul; Block Drug Co. (Stera-Kleen), thru Dowd, Redfield & Johnstone, N. Y.

More honorary degrees: To Ben Duffy, BBDO pres., from St. Joseph's College, Philadelphia. To Will C. Grant, pres. of Grant Adv., from Southern Methodist U, his alma mater. To Edward J. Noble, chairman of finance committee, ABC-Paramount, and Samuel I. Newhouse, chain newspaper publisher and owner of WSYR-TV, Syracuse, among other stations—both from Syracuse U.

Wallace-Ferry-Hanley Co. (Campana Sales Co. & other accounts) closes up shop June 30, pres. L. T. Wallace and v.p. L. H. Ploetz joining Fletcher D. Richards Inc.,

Network Accounts: Auto manufacturers dominated this week's network TV purchases, epitomizing keen competitive struggle among car makers this fall. Ford bought all 10 Sat. night 90-min. "specials" on CBS-TV (9:30-11 p.m.), some of them in color, thru J. Walter Thompson, retaining part sponsorship of Mon. night color spectaculars on NBC-TV. Chevrolet bought 17 of Tue. 8-9 p.m. periods on NBC-TV for variety show featuring Bob Hope on at least 6. Dodge will sponsor *Lawrence Welk Show* on ABC-TV starting July 2, Sat. 9-10 p.m., thru Grant Adv., retaining *Break the Bank* on ABC-TV Sun. 10-10:30 p.m. . . . Reynolds Metals to sponsor do-it-yourself program on NBC-TV starting June 26, Sun. 7:30-8 p.m., as replacement for *Mr. Peepers*, thru Clinton Frank, Chicago . . . Hazel Bishop to sponsor *The Dunninger Show* on NBC-TV starting June 25, Sat. 8:30-9 p.m., thru Raymond Spector . . . Sheaffer Pen & Maytag to be alt. sponsors of *Navy Log*, adventure series taken from Navy files, on CBS-TV in fall, Tue. 8-8:30 p.m., thru Russel M. Seeds Co. & McCann-Erickson . . . Whitehall Pharmacal & Procter & Gamble to be alt. sponsors of *Down You Go*, another ex-DuMont show, on CBS-TV starting June 11, Sat. 9:30-10 p.m. as summer replacement for *My Favorite Husband*, thru Biow-Beirn-Toigo and Young & Rubicam . . . Pharmaceuticals Inc. to be alt. sponsor (with Esquire Shoe Polish) of *Masquerade Party* on ABC-TV starting July 13, Wed. 9-9:30 p.m., thru Edward Kletter Assoc. . . General Foods & Procter & Gamble to be alt. sponsors of *Those Whiting Girls* on CBS-TV starting July 4, Mon. 9-9:30 p.m., thru Young & Rubicam and Biow-Beirn-Toigo . . . Parker Pens to be alt. sponsor (with General Mills) of *Wyatt Earp* series on ABC-TV next fall, Tue. 8:30-9 p.m., thru Tatham-Laird . . . General Mills to sponsor *Screen Gems' Tales of the Texas Rangers* on CBS-TV starting in fall, Sat. 11:30-noon, thru Tatham-Laird . . . Lee Ltd. (Dri-Mist deodorant) to sponsor *Caesar Presents*, variety show produced by Sid Caesar, as summer replacement for his *Caesar's Hour* on NBC-TV starting July 4, Mon. 8-9 p.m., thru Erwin Wasey & Milton Weinberg Adv., Los Angeles.

NBC to offer advertisers combination rate for participations in either *Today*, *Home* or *Tonight* show along with spots on *Monitor*, its upcoming around-the-clock weekend radio service (Vol. 11:15). Sales presentation will stress advantages of retaining audience via radio on weekends at beaches and in cars during summer. *Monitor's* introductory simulcast on NBC June 12 (4-5 p.m.) will pick up excerpts of jazz concert in Hermosa Beach, Cal., trans-Atlantic plane flight, interview with San Quentin inmates, debate on "spiritual climate of America," scene from "The Fairly Fortune" drama at Bucks County Playhouse.

Rate increases: KULA-TV, Honolulu, July 1 adds new Class AA hour (6-9 p.m. daily) at \$300, min. at \$60, Class A hour remaining \$250; KFDX-TV, Wichita Falls, has raised base hour from \$250 to \$300, min. \$50 to \$60; WDXI-TV, Jackson, Tenn., hour from \$150 to \$200, min. \$20 to \$40; CBFT, Montreal, Que., has raised base hour from \$650 to \$700 and added Class AA min. only rate (7:30-10:30 p.m. Mon.-Sat.) at \$175, Class A min. going from \$130 to \$140.

"Story of Advertising" will be told on NBC-TV's *Mr. Executive*, Sat. June 11 at 12:30 p.m., with Conrad Nagel interviewing *Tide's* Morgan Browne, camera then turning to Grey Adv. Agency to show how typical agency works on a campaign.

New program with Perle Mesta as hostess interviewing celebrities is proposed for this fall by Ted Cott for WABD, N. Y. & WTTG, Washington. He has optioned her services, will arrange format later.

COMMUNITY ANTENNA business continues to flourish with stubborn vitality, to surprise of some in the TV industry, as National Community TV Assn. holds annual convention in New York's Park Sheraton Hotel June 6-8—bigger and stronger than ever. Systems blossomed during 1948-1952 freeze, but there were warnings that business would collapse with rush of new stations on air offering free signals, yet they've confounded the pessimists.

Indicative of systems' health are many factors. Among them:

(1) Number serving 100 or more homes each is 325-350, and additional 100-200 serve 50-100 each.

(2) Average circulation of the over-100 group is 860, up from 728 year ago.

(3) Total homes reached is some 250,000, representing nearly 1,000,000 people.

(4) Big RCA, a small factor in community equipment business up to now, is intensifying efforts on basis of survey by James E. Jump & Assoc., recently became NCTA member. Jerrold Electronics, major equipment producer and large system operator, is expanding, encouraged by Ebasco surveys.

(5) Failures of systems are almost unheard of, only 2-3 going under in 6 years since systems started.

(6) Value of systems continues to increase, the biggest one, in Williamsport, Pa., selling for close to \$1,000,000 a few months ago.

(7) Membership of NCTA has doubled in last year—going from 93 to nearly 200.

(8) To get better signals, operators are investing very heavily in microwave systems costing up to \$200,000.

Now the talk of a "threat" centers on boosters and satellites. This, too, is largely discounted by system operators. They point to costs of building and operating satellites, to difficulties of "policing" viewers to make sure they help support satellites rather than "pirate" signals for free. Most of all, they say, a satellite offers only one signal, where as systems supply 3 or more.

"Type acceptance" procedure of FCC for passing on TV-AM-FM transmitters was incorporated into Part 3 of Commission's rules last week, effective June 30. Procedure provides that manufacturers submit technical data to FCC, which then rules on acceptability of equipment. Up to now, TV transmitters have not been subject to formal FCC approval, but they have been approved informally—and Commission had power to stop use of unsatisfactory transmitters. AM & FM transmitters had previously been subject to "type approval," another method of Commission examination. List of transmitters, broadcast and non-broadcast, which have passed FCC muster, may be inspected at Commission.

Canadians prefer U. S. TV: Results of survey by Canadian Assn. of Radio & Television Broadcasters, presented to House of Commons, shows that 60% of Toronto area audience prefer watching Buffalo & Rochester stations to local CBC outlet, 77% of Essex County viewers prefer Detroit & Cleveland programs. Figures were used as argument for immediate grants of private TV stations as competition to CBC.

Low-priced 16mm film projector for telecasting magnetic as well as optical sound films was introduced by Bell & Howell at NARTB convention. Priced at \$2500, model 614 CBVM is said to be "the first TV projector which need not be electrically locked to the telecast signal," eliminating need for special motor drive and lowering installation and maintenance costs.

A short-range impact of satellites and boosters is visualized, however. NCTA exec. secy. E. Stratford Smith says that rash of illegal boosters in Pacific Northwest did slow down community systems in area for a while but that they've resumed growth. Even if satellites manage to supply several signals, as proposed by application for experimental station in Clarkston, Wash. filed recently, there aren't enough uhf channels to take care of many of these. However, if FCC eventually commercializes such stations, it might reallocate, say, top 10 uhf channels, changing spacings so they'd cover tiny 2-3 mi. areas—enough for most towns.

Commission won't authorize experimentals generously right now, however. There is one "translator" type operating now in Manson, Wash., and Commission says it won't grant more if there's going to be unnecessary duplication of experimental work. In brief, it's leery of granting experimentals to those whose primary purpose is to serve public with TV now—rather than to conduct bona fide experimentation.

Experimental satellite sought for Clarkston, Wash. in application filed with FCC, by Orchards Community TV Assn., 3109 Fifth St., Lewiston, Ida., proposes to deliver signals of 3 Spokane stations by translating them to uhf channels 34, 40 & 46, using Adler equipment. It's non-profit organization (John H. Maynard, secy.), with 700 members who have contributed \$20 each, and it's seeking 2000 more members. Group has raised \$23,000, plans to build satellite for \$19,500, operate it for \$3000 first year. Mail campaign from area, urging quick action, has been felt at FCC—but Commission is going slow, fearful that go-ahead would precipitate demand for similar stations in many communities, encouraging people to buy sets for a new service not yet commercially authorized.

An experimental booster was granted this week to Lambda-Pacific Engineering Inc., Coalinga, Cal., which plans to rebroadcast signals of KJEO, Fresno (Ch. 47). Commission warned grantee, which plans to sell booster equipment, that authorization "is solely for the purpose of obtaining engineering data and will be terminated upon completion of project."

J. Patrick Beacom applied this week for permission to set aside 75% transfer of off-air WJPB-TV, Fairmont, W. Va. (Ch. 35) for \$147,000 to Cincinnati accountant Donn Baer, as approved by FCC last year (Vol. 10:47, 51). Under new terms, Beacom takes back 189 shares (70%) from Baer, bringing his holdings to 95%, Baer retaining 5%. Beacom would assume all liabilities of WJPB-TV, most of which are \$103,612 owed GPL for equipment. WJPB-TV also plans to file for Ch. 5 in Weston, W. Va. if FCC approves petition to change channel there from educational to commercial status. Last week, Baer & Beacom filed application to sell 95% of radios WVVW & WJPB (FM) for \$16,500 to Connie B. Gay, Beacom retaining 5%.

Seeking additional capital, KOAT-TV, Albuquerque (Ch. 7) last week asked FCC's permission to increase stock from 5000 to 24,340 shares, change par value from \$10 to \$1. Under new setup, Alvarado Bestg. Co. (radio KOAT) will reduce holdings from 56% to 33%, Albuquerque Exhibitors 35% to 30%, with other 37% held by minority stockholders. Feb. 28 balance sheet shows deficit of \$183,864, current liabilities of \$238,556, deferred liabilities \$267,570. Of \$397,263 total assets, \$43,448 are current, \$301,118 property.

Recent power increases: KFDA-TV, Amarillo (Ch. 10) to 250-kw ERP; KTVI, St. Louis (Ch. 35) to 500-kw.

Image orthicon tubes now being produced by Westinghouse; previously, RCA was sole U. S. manufacturer. GE also plans production.

NEW TECHNOLOGY IN NEW SETS; TINKERTOY SOON: The important new features of 1956 TV models will be inside the cabinets -- with industry heading into the most important changes in production methods in its history. One major TV manufacturer is expected later this month to introduce a set so radically new in design that it does away not only with conventional wiring but also with conventional components.

As if to set pace for the new TV technology, Admiral this week was first to show new lines at its Chicago convention. Its models have 75-80% of wiring printed on, and most components mounted automatically by Admiral's new automatic assembly machines. Admiral sets use 3 printed-circuit boards for chassis, eliminating more than 400 hand-soldered connections.

Admiral prices won't be announced until next week, but are understood to be generally at about present levels -- starting with 17-in. table model at \$130. (Other details of Admiral's line on p. 10.)

Only hint from bellwether RCA about its new line, which it shows to field reps at Barbizon Plaza, N.Y., on June 6-7 and to N.Y. area dealers June 14-16 is contained in memo from a distributor which reads: "Everything you will see is entirely new in design, utility & performance, completely new chassis -- new tuning devices...and prices are down as much as 29%." Memo adds that RCA's new color line will also be shown at same time.

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An even more radical change in TV set construction is due to be announced in next few weeks by an unidentified leading TV manufacturer -- not RCA or Philco, so far as we can learn. It's "Tinkertoy" principle of modular construction. At least 3 others, smaller TV producers but important names in electronics, are expected to follow with Tinkertoy sets. Thus Tinkertoy concept will find its way to consumer market this fall & winter, as we predicted last March (Vol. 11:12). Making Tinkertoy modules for the unnamed TV customers is ACF Electronics, Alexandria, Va., division of ACF Industries (formerly American Car & Foundry), which now employs most of the Bureau of Standards men who worked on original development.

Despite the widely-touted cost savings inherent in printed circuits and automatic production, the modular and other printed-circuit sets probably will not be priced lower than conventional sets -- at least not at first. Rather, prices may come down some time in future, depending on status of consumer market and studies by plants on just how much actually is saved. Most automation methods require big tooling-up job, which effectively eats into any cost advantage at outset.

Cost may well be least of the advantages of real automatic production. At least theoretically, more important features will be complete uniformity of sets of any particular model, extreme reliability, and in the case of modular sets, ease of servicing. Add to these advantages the lighter weight of plastic chassis, and the greater accessibility and compactness of vertical chassis.

Developed by Navy-Bureau of Standards team and first shown publicly nearly 2 years ago (Vol. 9:38), Tinkertoy, or modular design, is based on building blocks of small wafers slightly larger than postage stamp, which are stacked into modules or sub-assemblies and then mounted on printed-circuit chassis. Each ceramic wafer contains a circuit component -- a "printed" resistor, capacitor or inductance. When stacked and topped by a tube socket, these wafers constitute a module which contains an entire circuit stage. (Note: Excellent color photos of modular TV chassis and diagrams of Tinkertoy process appear in June Fortune Magazine.)

Note: ACF will demonstrate first modular 21-in. color sets Aug. 24-26 at Western Electronic (Wescon) show in San Francisco. They use conventional RCA circuit but employ Tinkertoy modules and printed circuitry, displayed to show adapt-

ability of modules to complicated color circuitry. At present we know of no manufacturer who has concrete plans to bring out modular-design color set.

Brief highlights of other trade developments this week:

DEALER PROBLEMS: Lots of anxiety among NARDA officials about increasing number of dealers shunting TV-radio-appliance lines to back of stores in favor of merchandising kitchen lines. This despite fact that TV was mentioned most frequently by NARDA members as the product which would sell best in 1955, in annual cost-of-doing business survey released this week (details below). Trend to merchandising kitchens is dangerous, in NARDA's view, because it diverts manpower and money away from basic TV-radio-appliances. Behind trend is simple fact that some dealers are getting sick-&-tired of bucking discount houses, price cutters, low margins, credit problems, etc., prefer to handle comparatively big-profit commodity like complete kitchens, where FHA financing is often available.

ECONOMIC CONTROLS: You can forget about any possibility of Federal standby price, wage & credit controls this year. President told newsmen this week it would be "psychologically unwise" for Congress to vote him such authority now in case of future national emergency. Rep. Spence (D-Ky.), chairman of powerful House Banking Committee, immediately remarked that "Congress will not thrust standby economic controls on the President unless he wants them."

ECONOMIC OUTLOOK: Another bullish business forecast for second half of 1955 came from convention of National Assn. of Purchasing Agents. On basis of survey, NAPA reported 33% of its members believe business in last half of year will be better than year ago, 42% feel it will be about same. The 25% who predicted decline agreed generally it would be more of a "breathing spell" than a major downswing, largely caused by industry vacations & possible slackening of automotive sales.

PRODUCTION: TV output went down to 110,944 week ended May 27 from 120,144 preceding week, running about equal to 110,651 week ended May 13. It was year's 21st week, brought output for year to date to about 3,160,000 vs. about 2,470,000 in same 1954 period. RETMA this week revised 4-month production figure to 2,771,426 vs. 1,904,718 in first 4 months of 1954.

Radio production totaled 266,946 (132,122 auto) week ended May 27, compared to 280,445 week ended May 20 and 287,352 week before. For 21 weeks, production was estimated at 5,900,000 vs. 4,200,000 in corresponding 1954 period. Official 4-month radio production was 4,739,919 vs. 3,326,800 in first 4 months year ago.

Topics & Trends of TV Trade: TV receivers led all appliances in retail dollar sales volume last year and are expected to be best individual product sellers for all of this year. That's major finding of NARDA's annual cost-of-doing-business survey among its members, released this week and available for \$1 (NARDA, Merchandise Mart, Chicago).

Of the 77% of reporting dealers who made sales predictions for 1955, 60% foresaw increases averaging 15% over 1954; 26% expect no change in total dollar sales; 14% believe sales will decline average 20%. Of the 62% making profit predictions, 55% predicted rise in profit averaging 18%; 30% expect no change from 1954; 15% foresee average 25% drop in net return. Increasing importance of servicing is shown by fact it represented 20.3% of dealer's total dollar volume last year, up from 11.7% in 1953.

Biggest problems seen by dealers for 1955, in order of frequency of mention: discount houses & price cutting; excessive trade-in allowances; low margins; by-pass selling by manufacturers & distributors; over-franchising by manufacturers & distributors; difficulties in disposing of trade-ins; uncertainty about color; rising TV market saturation; declining antenna sales; consumer credit problems.

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Admiral's new line, in addition to printed-circuit & automation features (see p. 9), has new type of speedier

uhf "spin" tuner, top-front tuning on vertical chassis receivers, illuminated periscope dial that can be read through cabinet top, "tilt-out" front auxiliary controls & automatic "range finder" tube for distant reception. Line consists of 14 basic models—5 tables, 8 consoles & 21-in. combination. In address to distributors, pres. Ross D. Siragusa predicted that TV shipments in first 6 months will be 30% ahead of first half of 1954 and second-half sales & dollar volume will exceed last 6 months of 1954. He said Admiral will produce its 5,000,000th TV set early in 4th quarter, less than 7 years since its start, and predicted it will take only a little more than 4 years to produce second 5,000,000.

More distributor conventions for introduction of new lines, in addition to those reported last week (Vol. 11:22): Emerson, June 28-30 at Hotel Plaza, N. Y.; Sylvania, July 28-30 at undisclosed site in Chicago; Olympic Radio, June 19 at Congress Hotel, Chicago; Westinghouse, June 7 in San Francisco, June 10 in St. Louis, June 15 in Chicago, June 17 in Atlanta, June 22 in Columbus, O., June 24 at Metuchen, N. J. factory.

NARDA to sponsor one-week course on business fundamentals for its members at American U, Washington, Aug. 14-20. Fee of \$125, covering tuition & room, should be sent to NARDA pres. Harry B. Price Jr., 133 W. Charlotte St., Norfolk; it's limited to first 50 registrants.

Raytheon cut prices by \$10 on 20 TV models in current line, as part of summer promotion. Line now starts at \$130 for 17-in. ebony metal table model.

Trade Personals: James D. McLean promoted to v.p. in charge of coordinating activities of Philco govt. & industrial div.; Marshall A. Williams named gen. sales mgr., succeeded as Los Angeles mgr. by Dixie B. McKey, ex-RCA microwave sales mgr. . . . Andrew H. Bergeson, consulting engineer in Stromberg-Carlson's Washington office since retirement last year as Navy captain, elected engineering v.p. . . . John Gilberte, Admiral v.p., govt. labs div., installed this week as pres., Washington chapter, Armed Forces Communications & Electronics Assn., succeeding attorney Frank W. Wozencraft . . . Robert M. Marberry promoted to Spartan sales director, replacing Donald F. Miersch, resigned; Melvin L. Myers boosted to gen. sales mgr. under Marberry . . . Rodney D. Chipp, engineering director of DuMont Network, gets same title for DuMont Labs manufacturing divs., serving as liaison between all engineering depts. & research labs . . . Albert J. Harcher, ex-mgr. of CBS-Hytron's Newburyport, Mass. plant, named mgr. of its Lowell, Mass. plant, replacing Rudolph Sachs . . . Edgar G. Dunn promoted to mgr. of Sylvania's new data processing center in Camillus, N. Y., due to be in operation by early 1956 . . . Ralph E. Foster, ex-director of industrial relations, Radio Condenser Co., named asst. mgr. of its Hoopeston, Ill. plant . . . Michael J. Ranalli, ex-DuMont, joins Westinghouse TV-radio div. in special sales capacity under his former chief, new gen. sales mgr. Dan D. Halpin . . . Frank Van Gilder, ex-Weathers Industries, Barrington, N. J., named asst. sales mgr., International Resistance Co. merchandise div. . . . M. S. Kliendinst, ex-RCA, named marketing director, Farnsworth Electronics . . . John V. Deacon promoted to adv. & sales promotion director, Westinghouse International . . . J. H. Ohlrich named Sylvania district sales mgr. for Texas & Oklahoma . . . Richard S. Testut, ex-TV-radio v.p. of Muzak Corp., serving recently as Philadelphia branch mgr. of management consultants Booz, Allen & Hamilton, named v.p.-gen. mgr. of Servel's new home appliance sales div. . . . Richard Kleine named TV sales mgr., Baker Mfg. Co., Evansville, Wis. (towers), succeeding A. M. Repsumer, now factory sales mgr. . . . Irving Townsend promoted to exec. asst. to Goddard Lieberson, Columbia Records exec. v.p.; Gilbert McKean, ex-director of Columbia Transcription Service, named Columbia Records director of consumer relations . . . A. J. W. Novak, gen. sales mgr. of Clevite Corp.'s Brush Electronics, elected v.p. of Technical Instrument Co., Houston (oscillographs), a Brush div.

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DISTRIBUTOR NOTES: Philco & RCA complete exchange of distributors in New Orleans, with Philco's appointment this week of Television & Appliance Distributors Inc. (John C. Marden, pres.), ex-RCA outlet; RCA 2 weeks ago appointed Philco distributor Walther Bros. . . . DuMont appoints Igoe Bros., 579 Scotland Rd., E. Orange, N. J., replacing own N. J. factory branch, with TV dept. headed by Irving Sarlin, pres. of N. J. branch; company now has factory branches only in N. Y. & Miami . . . DuMont appoints Kelvinator div. of American Motors, Bendix Radio's Los Angeles outlet, replacing Stewart & Stevens Inc. . . . Bendix Radio appoints Huron Electric Supply Co., Buffalo . . . F. B. Connelly Co., Portland, Ore. (Sylvania) appoints Clay Hixon gen. mgr. . . . GE Supply Co., Pittsburgh, appoints Calvin D. Smith, ex-Chicago, as mgr. of consumer goods, succeeding W. P. Shreve, who retains duties as mgr. of supplies & apparatus . . . Meyers-Taube Co. Fargo, N. D. (Crosley-Bendix) extends territory to cover Billings, Mont.

Abner G. Budelman, spare parts sales mgr. of DuMont mobile communications dept. since 1951 and with Link Radio 1935-51, died May 30 at Mountainside Hospital, Montclair, N. J.

Kaye-Halbert, which filed petition under Bankruptcy Act last July (Vol. 10:32), proposes to offer 162,414 shares of its \$1 par common stock at par and use proceeds to settle outstanding claims. According to plan approved by stockholders and creditors, 8000 shares would be offered to creditors in cancellation of \$8000 of debts, remainder to be sold direct to public. Purchasers would be granted rights to buy 121,810 additional shares at \$1 each within year at rate of 3 shares for each 4 initially purchased. Offering circular says \$437,736 in general unsecured claims will be discharged in full by payment of one-tenth that amount. The \$181,338 balance of amount payable in cash would be paid in instalments over 2-year period. Kaye-Halbert had net loss of \$618,011 on \$2,215,855 sales in year ended Sept. 30, 1954, and loss of \$10,348 on \$577,296 sales in 5 months ended Feb. 28, 1955.

TV set sales by Canadian factories in first 4 months totaled 197,183, production 262,900, reports Canadian RTMA. This compares with 137,267 & 152,256 in same 1954 period. Projected production estimate for May-July period is 116,507 more sets. April sales totaled 30,721 at average price of \$304, production 46,982. Inventory at end of April was 113,601 compared to 97,340 at start of month. Montreal led in April sales with 5303; Toronto, 4915; British Columbia, 3419; other Ontario, 2940; Nova Scotia, 2693; Manitoba, 2317; Ottawa & eastern Ontario, 1839; Alberta, 1820; New Brunswick & Prince Edward Island, 1246; Hamilton-Niagara, 1210; Quebec City, 1203; Windsor, 929; Saskatchewan, 654; other Quebec, 185; Newfoundland, 48.

Closer affinities within RETMA of TV-radio & military electronics manufacturers would result from reorganization proposals which seem to have excellent chance of approval by RETMA board during annual convention June 14-16 at Chicago's Palmer House. Proposals call for creation of military products div.; abolition of separate electronics industry & TV-radio industry committees and return of their functions to single board; reallocation of directors among 5 divs. to provide "better balance" between TV-radio & military interests.

Another 1954 remuneration report: Standard Coil Products Co. proxy statement for June 14 annual meeting reveals pres. Glen E. Swanson drew \$113,609, owns 292,660 shares (19.91%) of outstanding 1,470,000 shares of common stock; James O. Burke, exec. v.p., \$81,624 (211,910 shares or 14.42%); Arthur Richenthal, secy., \$55,684 (1875); Victor E. Carbonara, director & pres. of Kollman Instrument Corp., \$52,590 (no shares).

RCA introduces line of 5 pre-assembled high-fidelity phonographs & radio-phono combinations ranging from table model at \$130 to twin console at \$1600, with first transistor circuits in higher-priced phonos; Robert A. Seidel, exec. v.p. for consumer products, predicts sales of high-fidelity phonographs, tape recorders & components will total \$300-\$400,000,000 this year, up 20% from 1954.

Fada Radio, in Chapter XI schedules filed this week in N. Y. Federal Court, lists assets of \$2,962,567, liabilities of \$2,445,486; among largest creditors are RCA, \$28,153 & Sylvania, \$23,666.

Motorola will consolidate all its 4-building Quincy, Ill. manufacturing in new 185,000-sq. ft. plant due to be completed there in early 1956.

Upcoming network color schedules: NBC-TV—June 6, *Home*, 11:04-11:14, 11:21-11:27 & 11:31-11:44 a.m.; June 7, President Eisenhower commencement address at West Point, 10-10:30 a.m.; June 8, *Home* segments, 11:02-11:04 & 11:50-11:57 a.m. CBS-TV—June 9, *Shower of Stars*, with Edgar Bergen & Charlie McCarthy, Betty Grable, Harry James, Ethel Merman, 8:30-9:30 p.m.

Electronics Reports: Increasing importance of electronics in military procurement is reflected in Defense Dept.'s new list of 100 largest prime contractors from July 1, 1953 to Dec. 31, 1954, which includes 23 companies in large-scale production of electronics equipment.

New 18-month post-Korea list shows sharp realignment of procurement policies, as compared with last previous list, which covered entire Korean war period (July 1950-July 1953). With only 5 exceptions, electronics companies have advanced their ranking—are higher-up on new list than on old one. Post-Korean list also shows effects of curtailment of procurement and cancellation of contracts since cease-fire. Cutbacks resulted in elimination of 45 companies from "top 100" category, including General Motors, which has been No. 1 on all previous lists.

These electronics companies have dropped from the "top 100" list since Korean truce: Westinghouse, 14th largest contractor of Korea war period, had cancellations which exceeded new awards by \$255,900,000 during July 1953-Dec. 1954 period; Collins Radio (41st on Korea war period list) had post-Korea contracts totaling \$9,400,000, not enough to place it in top 100; Remington Rand (formerly 63rd), totaling \$6,000,000 post-Korea; Stewart-Warner (formerly 88th), \$600,000. These figures are net values of prime contracts after cancellations; most companies have substantial subcontracts in addition.

Importance of aircraft-guided missile program is indicated by fact that 9 of the top 10 companies on new list are airframe makers, who make widescale use of electronics companies for subcontracts; No. 10 is Hughes Tool Co., parent of electronics-manufacturing Hughes Aircraft. United Aircraft, with \$1,061,400,000 in prime contracts, is No. 1 on list. General Dynamics (Convair, Electronic Boat), which recently made deal to acquire Stromberg-Carlson (Vol. 11:18) is No. 6 with \$597,000,000.

Many electronic items, of course, are made by the big "non-electronic" companies on the list, and much electronics procurement is represented by big aircraft companies with gigantic electronic subcontracting programs. Many companies identified with electronics also make non-electronic items for the military.

Here's how electronics and related firms stacked up in the top 100 for post-Korea period July 1953-Dec. 1954. Table below shows their position, on latest list, dollar volume of their prime contracts during that period, their percentage of total military contracts for the period, and, for comparison, their ranking during the Korean war period July 1950-July 1953:

Company (Including Subsidiaries)	Ranking (Post- Korea)	Prime Contracts (Post- Korea)	Share of Total	Ranking (Korea Period)
Hughes Tool Co.....	10	\$313,300,000	1.9%	25
AT&T	12	263,500,000	1.6	13
Bendix Aviation Corp.....	13	214,700,000	1.3	17
General Electric	14	213,300,000	1.3	3
Sperry Corp.	17	165,200,000	1.0	18
IT&T	23	95,600,000	0.6	33
IBM	24	94,200,000	0.6	44
RCA	26	75,800,000	0.5	22
Avco Mfg. Corp.....	29	66,600,000	0.4	29
Philco	30	65,500,000	0.4	40
Raytheon	37	50,700,000	0.3	42
Thompson Products	41	42,800,000	0.3	—
Sylvania	47	35,800,000	0.2	74
Reeves-Ely Labs.	52	32,500,000	0.2	—
Hazeltine Corp.	55	31,500,000	0.2	69
Motorola	57	30,400,000	0.2	91
General Precision Equip.....	62	27,600,000	0.2	—
Bill Jack Scientific Instr.....	69	24,100,000	0.1	—
Gilfillan Bros.	74	22,200,000	0.1	84
Elgin National Watch	75	22,000,000	0.1	—
American Bosch Arma	88	16,900,000	0.1	66
Belock Instrument Corp.....	95	15,300,000	0.1	—
Admiral Corp.	98	14,700,000	0.1	83

Automation: Study titled *Production Control Through Electronic Data Processing: A Case Study*, prepared for non-technical management personnel, now available as Report PB-111580 from Office of Technical Services, Dept. of Commerce, Washington (\$1.50).

Statistics and predictions about transistors, as gathered by *Wall Street Journal* for survey covered in lead story May 24: Manufacturers—about 18. Production—4,000,000 during 1948-54 development period; 2,250,000 in 1955 at \$6,000,000; more transistors than vacuum tubes by early 1960's. Price—RCA's average about \$2.50, compared with \$13.40-\$23 in May 1953; average manufacturers price probably in \$2.50-\$4 range, compared with 50-75¢ for tubes; more big price reductions seen this year, with GE predicting \$1-\$1.50 by 1957, same price as tubes or less by 1960-63. Development expenses—at least \$100,000,000 so far, most manufacturers now hoping to begin getting some of that development & research money back in transistor sales; Raytheon says its transistor operation is now in the black. Biggest use today: hearing aids.

High-frequency transistors suitable for TV, radar and shortwave radio have been developed in GE Research Lab, v.p.-research director Dr. C. G. Suits revealed at May 27 dedication of new GE Stanford Microwave Laboratory, Palo Alto, Cal. He said new "meltback" process which improves control of impurities in germanium or silicon crystals makes possible high-frequency transistors with current amplification of from several hundred to over 1000. Meltback principle was developed by GE scientist Dr. Robert N. Hall, who also developed GE's "rate-growing" process for making junction transistors.

Transistorized gadgets demonstrated by Motorola v.p. Daniel E. Noble to dramatize potentialities of semi-conductors in address to Assn. of American Railroads in San Francisco: "Radio pocket clock," containing 6-transistor receiver circuit tuned to Naval Observatory, giving correct time every hour; "electronic golf ball," equipped with built-in miniature transmitter and batteries, which transmits signal strong enough to be picked up by portable radio receiver carried in pocket and used as direction finder to locate lost ball.

Electronic self-sufficiency: Nearly 90% of last year's Canadian Govt. orders for electronics & communications equipment were placed with Canadian firms, as opposed to about 75% in previous years, Deputy Defense Production Minister D. A. Golden told Canadian RTMA annual meeting June 2 at Niagara Falls.

Magnavox reports \$5,900,000 in new contracts by its industrial & defense div., backlog for radio compasses, airborne receivers, other electronic items totaling \$22,500,000.

Another electronic acquisition: Hall-Scott Motors Co., Berkeley, Cal., announced in ad in June 2 *Wall Street Journal* its purchase of Bardwell & McAlister, military electronics engineering & research firm.

"An accurate clock on the brain of man" is how Dr. Norbert Wiener, MIT mathematics professor, describes electronic computer for analyzing brain waves which he's currently testing.

Photo-transistors are replacing photocells atop 8400 street lamps in Manhattan and Bronx. They automatically switch lamps on & off.

Elsin Electronics Corp., Brooklyn (Edgar Scillitoe, pres.), maker of automatic direction finders, electronically-controlled garage doors, automatic typesetting machine and other devices, recently marketed 140,000 shares of common at \$2 per share through Standard Investing Corp. & Baruch Brothers & Co., N. Y. These are in addition to 251,569 shares presently outstanding and 50,000 reserved for issuance of warrants. Firm's total assets are stated in prospectus as \$199,393, current liabilities \$77,636. For year ended July 31, 1954 its sales totaled \$403,476 and loss was \$19,808 vs. sales of \$455,734 and profit of \$40,175 in preceding year. For 5 months ended Dec. 31, sales were \$65,855, profit \$2055.

AIR FORCE POLICY towards electronics industry's place in weapon-system procurement (Vol. 11:7, 17, 21), as enunciated in June 1 address to Washington chapter of Armed Forces Communications & Electronics Assn. by Brig. Gen. T. P. Gerrity, materiel headquarters director of procurement & production:

"There has been much concern voiced since our announcement of the weapon-system concept that such a policy will allow the weapon-system contractor to establish control over the development and procurement of equipment, thus providing himself with the opportunity to get into this business. It is not the intent of our weapon-system concept to engender such actions; in fact, the Air Force does not encourage or condone entry into development and production of parts or sub-systems by other than the established industry which normally provides such equipment."

Govt. wants to make widest use of electronics industry in subcontract function, he said, in order to: (1) take advantage of industry's know-how and special skills; (2) promote healthy industry, ready to meet any emergency; (3) foster competition, making available best quality items at lowest cost.

He said Air Force is taking these measures to back up this policy: (1) Prime contractors will be required to establish their own small business program to insure maximum subcontracting to smaller firms. (2) Weapons system contracts specifically preclude any increase in "normal manufacturing function" of prime contractor. (3) To maintain "broad mobilization base," prime contractors are encouraged to subcontract as much as possible, with Air Force approving price differential, in extreme cases, to maintain widest possible base. (4) Govt. has developed "standards program," which discourages use of specialized components, encourages maximum standardization on already available items.

Gen. Gerrity warned electronics manufacturers that Air Force procurement will continue to be well below capacity of industry. "You may expect to live in a very competitive environment," he said. "The Air Force as a customer will take full advantage of this competitive environment to obtain top quality products at the lowest prices. The contractors who cannot meet these conditions will have tough sledding."

Walter W. Slocum, pres. of W. W. Slocum & Co. industrial engineers, named asst. to pres. Thomas Roy Jones of Daystrom Inc., Elizabeth, N. J., succeeding Robert Erickson who becomes pres. of Daystrom subsidiary Heath Co., Benton Harbor, Mich.

T. I. Phillips, ex-Westinghouse v.p. in charge of manufacturing, and v.p. J. M. Thompson elected to board of Canadian Westinghouse, whose pres.-chairman is now H. H. Rogge, who succeeded H. A. Cooch, retired.

George E. Probst, ex-director of U of Chicago Round Table radio program, succeeds Adm. Harold G. Bowen, USN Ret., as exec. director of Thomas Alva Edison Foundation Inc., 8 W. 40th St., N. Y.

Dr. E. R. Piore, recently chief scientist and deputy chief of Office of Naval Research, joins Avco as v.p. & chairman of committee on advanced scientific research.

Dr. James W. Ballard, ex-chief of U. S. Bureau of Mines X-ray & spectroscopic lab., named asst. director of research, Electronics Corp. of America, Cambridge, Mass.

Raytheon elects Robert Cutler, pres. of Old Colony Trust Co., Boston, recently special asst. to President Eisenhower, as a director.

International Resistance Co. interim report for 15 weeks to April 17 shows total income of \$4,199,989 vs. \$3,609,387 for comparable 1954 period; net profit \$199,457 (\$.148) vs. \$69,378 (5¢). Figures do not include Hycor companies acquired in March whose sales exceeded \$800,000 in last fiscal year. Shares outstanding increased from 1,331,163 to 1,342,598 because Hycor was partially paid for with IRC stock.

Cornell-Dubilier earned \$1,036,649 (\$1.96 a share) on sales of \$19,026,350 in 6 months ended March 31, compared to \$847,953 (\$1.59) on \$21,564,445 in corresponding period of preceding fiscal year. Pres. Octave Blake attributed higher earnings to increased efficiency & improved production methods, lower volume to competitive conditions.

Walt Disney Productions earned \$430,048 (66¢ per share) on gross income of \$9,876,175 in 6 months ended April 2, compared to \$283,662 (43¢) on \$4,331,827 in corresponding period of preceding fiscal year. Pres. Roy O. Disney commented that TV had proved powerful factor in exploitation & marketing of company's motion pictures.

Daystrom Inc., which recently merged with Weston, has arranged for \$7,000,000 long-term loan from Chase Manhattan, Fidelity Union Trust Co. and National Newark & Essex Banking Co., Newark.

GE maintains pace: Sales for first 4 months of 1955, reports pres. Ralph J. Cordiner, indicate 1955 volume equalling record \$3,100,000,000 of 1953.

Skiatron Electronics & Television Corp. admitted to trading in American Stock Exchange June 1; opening sale was 500 shares at 8. It closed June 3 at 7¼.

Expansion: Textron American Inc.'s electronics subsidiary, Dalmo Victor Co., to build \$1,200,000 plant at Belmont, Cal., slated for completion in summer 1956.

Dividends: Admiral Corp., 25¢ payable June 30 to stockholders of record June 15; Hoffman Electronics, 25¢ June 30 to holders June 15; Canadian Westinghouse, 50¢ July 4 to holders June 15; Decca Records, 17½¢ June 30 to holders June 16; WJR The Goodwill Station, 10¢ June 20 to holders June 10.

Color, satellites and microwaves: Agenda of TV-radio committee of AIEE meeting at New Ocean House, Swampscott, Mass. June 27-July 1, as reported by chairman Joseph B. Epperson, Scripps-Howard chief engineer: Color—networking, by John Thorpe, AT&T; film, by E. M. Gore, RCA, and R. E. Putnam, GE; projection receiver, by W. F. Bailey, R. P. Burr & R. J. Keogh, Hazeltine. Satellites—uhf booster, by Jesse Epstein, Wendell O. Morrison & O. M. Woodward Jr., RCA Labs; low-powered uhf, by John B. Grund, Sylvania. Microwaves—by R. G. McLaughlin, Raytheon.

First station to use RCA's new "color-effects" equipment (Vol. 11:21) was NBC's WNBK, Cleveland, which colorcast ID with new gear May 22 preceding color spectacular. As demonstrated at NARTB convention, results were quite effective, producing 12 two-color combinations by push-button control. RCA engineers stressed that equipment is part of that needed when stations eventually go to regular color originations—thus requiring no extra expenditures. It includes colorplexer, color-bar generator, color frequency standard and burst flag generator.

Raytheon introduced its 11-kw ERP 6000-mc microwave equipment, successor to 1-kw series, at NARTB convention, noting that it handles both color and monochrome. Also shown was new 13,000-mc microwave, plus newly offered studio color monitor. Conversion to color of old Raytheon microwave gear, of which some 100 units are in use, will be undertaken by company at less than cost—\$350 plus transportation.

Network TV-Radio Billings

April 1955 and January-April 1955

(For March report see *Television Digest*, Vol. 11:19)

NETWORK TV billings slipped slightly in April, all networks showing small declines from March but all save DuMont well ahead of April 1954, according to Publishers Information Bureau report. For first 4 months of year, network TV runs \$132,018,673 vs. \$99,555,185 for same 1954 period. Network radio in April also fell from March total and continues to run far behind April 1954; for Jan.-April period, 1955 total is \$42,153,922 vs. \$51,652,729 in same 1954 period. The PIB figures:

NETWORK TELEVISION

	April 1955	April 1954	Jan.-April 1955	Jan.-April 1954
CBS	\$15,463,359	\$10,921,640	\$62,026,122	\$42,980,081
NBC	13,266,053	10,802,535	52,960,482	41,269,310
ABC	3,527,558	2,554,484	14,619,874	10,478,129
DuMont	462,335	1,068,374	2,412,195	4,827,665
Total	\$32,719,305	\$25,347,033	\$132,018,673	\$99,555,185

NETWORK RADIO

CBS	\$ 3,837,124	\$ 5,044,943	\$16,363,119	\$20,416,980
NBC	2,624,671	2,962,839	10,906,981	13,170,839
ABC*	2,096,355	2,367,636	9,417,160	10,457,574
MBS	1,357,157	1,891,998	5,466,662	7,607,336
Total	\$ 9,915,307	\$12,267,416	\$42,153,922	\$51,652,729

NETWORK TELEVISION—January-April 1955

	ABC	CBS	DuMont	NBC	Total
Jan.	\$ 3,718,195	\$15,831,141	\$ 723,960	\$13,172,695	\$ 33,445,991
Feb.	3,567,696	14,694,726	597,275	12,419,641	31,279,338
Mar.	3,806,425	16,036,896	628,625	14,102,093	34,574,039†
Apr.	3,527,558	15,463,359	462,335	13,266,053	32,719,305
Tot.	\$14,619,874	\$62,026,122	\$2,412,195	\$52,960,482	\$132,018,673

NETWORK RADIO—January-April 1955

	ABC	CBS	MBS	NBC	Total
Jan.	\$2,487,140	\$ 4,181,787	\$1,372,532	\$ 2,744,204	\$10,785,663
Feb.	2,387,900	3,950,767	1,291,938	2,584,620	10,215,225
Mar.	2,445,765	4,393,441†	1,445,035	2,953,486	11,237,727†
Apr.	2,096,355	3,837,124	1,357,157	2,624,671	9,915,307
Tot.	\$9,417,160	\$16,363,119	\$5,466,662	\$10,906,981	\$42,153,922

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

† Revised as of June 2, 1955.

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

Kingsley Murphy family will pay \$380,000 to exercise option for 40% of Cowles' upcoming KRNT-TV, Des Moines (Ch. 8), due on air June 20, according to terms for setting up new KRNT-TV Co., which got FCC approval this week. Murphy family is to pay \$80,000 for stock, plus assumption of \$300,000 note for station construction, while Kingsley Murphy Jr. & attorney Benito Gaguine are to be named v.p.'s, each getting \$500 a month. Murphy family is also selling radio KSO (5-kw, 1460 kc, ABC) & KSO-FM for \$125,000 to Lyman S. Ayers group, operators of WXLW, Indianapolis, Ind.

Richmond's pre-freeze WTVR (Ch. 6) became ABC & CBS outlet June 1 when affiliation with NBC ended—and owner Wilbur Havens took page ads in local newspapers to tell public that in 1954, at NBC compensation of \$166.36 per hour, WTVR lost \$118.16 on every hour of NBC commercial programs it carried. Network has stated it has had trouble clearing time on Havens' stations, hence terminated contract in favor of new affiliation with Tom Tinsley's upcoming WXEX-TV (Ch. 8), due on air next month.

NARTB 1956 convention site will be Chicago's Conrad Hilton Hotel, April 15-19. It has taken option on same hotel for 1957.

CONSENSUS ON REPEATS of hit live programs (Vol. 11:17-21), among top network and agency executives, seems to point clearly in favor of more of them—if carefully selected. This week, we have comments from 2 more highly-placed people—CBS-TV pres. Jack Van Volkenburg and veteran TV producer Worthington (Tony) Miner. Here's Van Volkenburg's view:

"I agree with you that with many of the really outstanding dramatic shows, repeat performances where possible should be scheduled. There is no money to be saved, of course. However, that should not be a factor. Occasionally, we would run into a situation where we would only be able to purchase one-time broadcast rights. However, this would be the occasional situation rather than regular.

"I think you will see in our schedule this coming season an occasional live repeat of an outstanding dramatic performance."

Miner analyzes idea this way: "A sponsor quite naturally hesitates to pick up the total expense of a new production for a repeat that may capture a considerably reduced audience. Despite this hesitancy, hour-long dramatic shows have been repeated considerably more often than people seem to realize—and from the earliest days . . . The question appears to be more a matter of determining how frequently and how soon a show should be repeated, rather than whether a show should be repeated at all.

"Personally, I am in favor of repeats. I believe that a fine show is a genuine asset to a series, and can be repeated again and again, provided the time intervals between the first showing and the repeat are adequately separated. The immediate repeat of a show like 'Patterns' is a unique example, and in no way affects a general policy. It would seem to me that the producer of each series should determine his own policy extending over a number of years. In this way, and without loss of audience, the really fine productions on TV could become a heritage of the industry as a whole."

Meanwhile, Nielsen reports "Patterns" repeat reached 8,755,000 homes vs. 8,725,000 for first showing. And Kraft, which sponsored the re-run, is so interested in technique that it will do similar job on "Hard to Get," starring Gizele MacKenzie. It was carried first May 12, will be repeated June 9. A spokesman for Young & Rubicam, Kraft's agency, gave as reason: "There was a lot of reaction to the play and its rating was quite good."

Two uhf applications were filed this week with FCC: For Roanoke, Ind., Ch. 21 (allocated to Huntington), Sarkes Tarzian Inc., electronics manufacturer and operator of Bloomington's WTTV & WTTS; for Orlando, Fla., Ch. 18, by WABR, Winter Park. Applications now on file total 152 (17 uhf). [For details, see *TV Addenda 20-U* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

First rates for off-air microwave service were filed with FCC this week by AT&T. It proposes to charge \$4640 monthly for bringing signals of WDAY-TV, Fargo, N. D. to KFYZ-TV, Bismarck over 180-mi. route. In addition, it will charge \$81,865 to be paid off in 3 years. In rule-making pending before Commission, telecasters are arguing that they can supply such service themselves more cheaply than AT&T can.

Senate has restored the \$8,000,000 sliced by House off USIA's proposed \$88,350,000 budget, which includes not only Voice of America but plans for expanded TV operations (Vol. 11:10)—and prospects for full go-ahead for Theo. Streibert's organization look good.

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Television Digest

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SUMMARY-INDEX OF THE WEEK'S NEWS—June 11, 1955

SUBSCRIPTION TV COMMENTS contain brilliant analyses, and put focus on Congress, "tests", demand for oral hearing, danger to free TV (p. 1 & Special Digest).

SENATE INVESTIGATORS' top-priority projects: excise tax relief and engineering study of allocation plan. Uhf group asks freeze, selective deintermixture (p. 3).

COMMUNITY ANTENNA operators' convention encouraged by Comr. Doerfer; business good but satellites, boosters & low-power stations cause concern (p. 5).

ELECTRONICAM CLICKS, says DuMont, pointing to 50% cost reduction in film production & naming Caddigan mgr. of marketing setup for new filming system (p. 7).

TINKERTOY TV SET due from Emerson early next year; CBS-Columbia & Capehart also work on modular designs; RCA, Zenith show lines (p. 10).

APPLIANCE TRANS-SHIPING is sanctioned by Justice Dept. anti-trust chief, though trade generally regards it as competitive evil (p. 13).

DIVERSIFICATION again featured in decisions, Wichita TV getting final award of Ch. 3, Mid-West TV favored by examiner for Indianapolis' Ch. 13 (p. 4).

COURT SLAPS FCC in old Clarksburg case; Flint's WJRT delayed again; CBS abandons plan to buy Steubenville outlet (p. 4). Notes on upcoming stations (p. 9).

With This Issue: Summaries of Comments on Subscription TV Filed This Week With the FCC (4-p. "Special Digest")

'THE TOLLVISION WAR'—AT DEADLINE: Verbal warfare over subscription TV entered an important phase this week as major and minor combatants filed formal comments with FCC -- but it's by no means the final or most important phase. Chances are future battles will make this week's legalistic give-&-take look like a mere skirmish.

All the 30-odd filings, some extremely voluminous, some revealing penetrating research effort, are digested in a Special Supplement herewith. We've studied them all, to the extent that time permitted, and the conflict -- stripped of all hokum and publicity motives -- appears to resolve itself into several major issues:

- (1) Should Congress, not FCC, make the decision?
- (2) Should "tests" be authorized?
- (3) Should a hearing -- full, oral evidentiary -- be conducted?

These questions are in addition, of course, to the overriding question: "Will subscription TV add to or subtract from today's free system?"

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Proponents and opponents are lined up officially now, and they're a motley group -- "biggs" and "littles" on both sides, motives obvious. If Congress grabs the ball from FCC's hands, or gets it on a forward pass from FCC, it means long delays and probably the ultimate rejection of subscription TV.

For with all the buildup and fanfare, any Congressional candidate worth his political salt can get a lot of campaign mileage out of vowing to the public that he will keep TV free. There are very few votes in any promise to charge the public for its TV programs -- and the simple fact is that there isn't the popular clamor for "reform" of TV that arose during the early days of commercial radio.

The idea of a commercial "test" could prove to be the most crucial issue of all -- and opponents devoted some of their most strenuous arguments to point out the "fallacies" and "dangers" of any such experiments.

Demand by the opponents for an oral hearing is bound to precipitate a nasty fight, for the proponents know full well how that sort of thing can drag into years -- having fresh in mind the protracted allocation and color hearings.

We've appended street addresses of principals and counsel to the digests of their comments in the Special Supplement herewith, and we urge you to ask them for

copies which most of them told us they're prepared to supply -- for we've never before seen such truly brilliant analyses of what TV is under a free system and what it might be under fee TV. In the scant 10 years of TV's life, no one has ever devoted such skill & knowledge to evaluation of its economic, artistic & social aspects.

A study of the comments shows that much of the argument to date had been superficial indeed -- proponents promising pie-in-the-sky, opponents relying on flat assertion that toll TV will kill free TV.

The care and intensity manifested in the briefs make certain that FCC consideration of the issue can scarcely be less exhaustive -- reemphasizing our repeated predictions that final disposition is a very long way off. Moreover, the extensive attention to legal aspects points plainly to ultimate court appeals by whoever loses.

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The anti-fee forces have been striking telling blows, it's apparent, in their cry that the prime result of fee TV would be to make the public pay for what it now gets free -- for Zenith's comments ask Commission to prohibit networks from charging for programs now paid for by advertisers and to prohibit stations from carrying fee TV programs more than 15% of the time.

Concept of a "free enterprise" experiment, on the other hand, has opponents issuing dire warnings that a test dare not be tried while at the same time urging that other tryout techniques are available which won't jeopardize free TV. Wired system is most frequently suggested as the proper arena for tests. Opponents like NARTB, CBS and theatre-sparked Joint Committee on Toll TV say they have no objections to subscription TV via cable.

Accepting this premise, the largest manufacturer of wired systems for community antenna services, Jerrold, told Commission it's ready, willing and able to supply already-operating systems with "home hookups" for the tests.

Jerrold also stated, however, that the whole foundation of subscription TV -- the scrambling and unscrambling technique -- is fallacious because any broadcast code can readily be broken and the shows "bootlegged", whereas a wired system is secure. Jerrold's claim is that major cities can be wired up for same cost that decoders can be installed for a broadcast system; its pres. Milton Shapp challenged Zenith to supply him with 2 decoders and he would break any scrambled telecast Zenith devises.

The wire-system appeared to appeal even to one of pay-TV's proponents, Paramount Pictures' International Telemeter, whose pres. Barney Balaban and v.p. Paul Raibourn told us they've been urged to try the cable by several interested groups and will do so if satisfied that the economics are right.

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Movie tycoon Balaban tangled with RCA-NBC Chairman Sarnoff this week, blasting latter's assertions that pay-TV would turn TV into a Hollywood "cash box" (Vol. 11:23). Insisting toll TV is "inevitable", Balaban said:

"One gets a little weary of these pious declarations about the motion picture companies in their relation to TV. No one has a patent on how to make motion pictures. Anyone can make a motion picture who has the talent and money to do so. There is nothing to prevent NBC, or any of the other networks, from investing in quality production motion pictures as we do in our business."

Telemeter came up with novel idea of multiplexing what it calls "marquee" -- technique of displaying to viewers a description of what they're missing at same time scrambled picture is being telecast, all on one channel. At first blush, it was thought Telemeter had devised multiplexing system which could be used to present subscription TV as a true supplement to the existing free system. However, Telemeter engineers stated that multiplexed picture would be "degraded", though it was thought that 2 acceptable pictures might some day be transmitted on the same channel. Raibourn, himself an engineer, suggested this might take 5 years to achieve.

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Zenith pres. E.F. McDonald also took crack at Sarnoff this week, alleging RCA had sought to buy Phonevision patents 3 times in recent years. Gen. Sarnoff termed charge "utterly false", whereupon McDonald offered to testify about it "under oath".

"The battle of press releases" having gone to higher levels, the chips down, it can be expected that the TV medium will itself be used more freely henceforth to argue the fee-TV subject -- that is, if popular interest doesn't flag.

Another TV debate on the subject is scheduled by CBS-TV -- on Ed Murrow's "See It Now" Tue., June 14, 10:30-11 p.m. EDT. Participants pro will be Skiatron counsel James M. Landis, Brooklyn Dodgers pres. Walter O'Malley, playwright Robert Sherwood. Arguing anti will be CBS pres. Frank Stanton, theatre committee co-chairman Alfred Starr, station mgr. P.A. Sugg, WKY-TV, Oklahoma City.

If the previous TV debates are criterion, public's reaction to pay TV will be generally adverse -- evidenced by fact that tide of letters to FCC turned from pro to con immediately after one such recent debate on NBC-TV. Antagonists were Zenith's H.C. Bonfig (now with CBS) with Cornelia Otis Skinner and Mr. Starr with actress Faye Emerson.

Heavy numerical lead of pro-fee TV letters in FCC files, initiated by Zenith publicity campaign, has probably been overcome by now (Vol. 11:23). Total is now somewhere around 20,000 letters, including results of poll conducted by Newsday, Long Island daily, which reported 5036 anti-pay-as-you-see, only 192 pro.

Next official deadline is July 11, when parties are to reply to one another's comments as filed this week. It's certain some participants will ask for extension because of the great volume of material for study -- and, it being summertime, the chances of extension are considered strong.

SOUND & FURY ON THE ALLOCATION FRONT: The first anniversary of the Potter hearings on uhf finds the air full of "proposals", "plans" and talk of "investigations" aimed at helping uhf in one way or another -- and they all have a familiar ring. Potter subcommittee never made a final report, and none of the "strong measures" suggested have been adopted. One year and millions of words later, outlook is the same.

The continuing TV investigation by Sen. Magnuson's Commerce Committee, under the guidance of chief counsel Sidney Davis, has assigned top priority to 2 projects, both outgrowths of measures once proposed by Potter subcommittee:

(1) All-out drive to eliminate price differential on all-channel sets by exempting them from 10% Federal excise tax. Magnuson already has written letter to economy-minded Chairman Byrd (D-Va.) of Finance Committee, and there's talk of joint meeting of Commerce & Finance committees to discuss plan. Davis feels the measure still has "fighting chance" -- despite Administration's opposition to all tax bills this session. In the House, Ikard tax-exemption bill (HR-4070) is stalled, but proponents will make effort in next 2 weeks to get Ways & Means Committee commitment.

(2) Ad hoc committee of leading engineers, to take another look at allocation plan (Vol. 11:23). RETMA, NARTB, FCC, UHF Industry Coordinating Committee, networks have been asked to suggest members. They're due to be announced in about 2 weeks. Reports that committee's principal function will be to squeeze in as many more vhf channels as possible were strongly denied this week by Davis. He said the committee will be told to approach entire question with open mind.

Davis believes in go-slow policy, and says he won't be pushed into "premature hearings." Best guess still is that the all-encompassing TV hearings won't begin until next fall at earliest, perhaps even next winter.

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Another ad hoc committee -- plus a freeze and selective deintermixture -- was proposed to FCC this week by group of uhf telecasters. UHF Industry Coordinating Committee, headed by Harold Thoms and Fred Weber, forwarded to the FCC the proposal adopted by representatives of some 45 stations 2 weeks ago (Vol. 11:22). Group has an appointment June 21 to discuss plan with FCC. The 3-part proposal:

(1) Freeze for at least 90 days all TV authorizations and modifications "which will result in aggravation of intermixture of uhf & vhf stations." (2) Establish an ad hoc committee, which will act during freeze to set up new standards "for determining objectionable interference," to serve as basis for new rules permitting drop-ins of new vhf assignments, on case-to-case basis, presumably through use of direc-

tional antennas, low power, etc. (3) Commission would resolve all pending proposals for area deintermixture during same freeze.

FCC's "test cases" on selective deintermixture (Vol. 11:14) have been slated for hearing June 27-28. They involve substitution of uhf for single commercial vhf channels in Peoria, Ill.; Madison, Wis.; Evansville, Ind.; Hartford, Conn.

FCC this week served notice it will discontinue its policy of extending CPs of uhf grantees on purely economic grounds. It gave 12 uhf CP-holders until Jan 16 to get started, and announced that no CPs would be extended beyond that date unless grantees give evidence of definite plans for actual construction and operation.

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Senate this week passed FCC budget appropriation, which includes \$80,000 for study of networks (Vol. 11:22-23). Already approved by House, measure now goes to conference committee to iron out minor differences between Senate & House versions.

Sen. Magnuson explained the study in response to question in Senate by Sen. Langer (R-N.D.) of Judiciary Committee: "The [\$80,000] is for the purpose of permitting the FCC to make a factual study and investigation of the networks and their contractual relations with their affiliates...A year will be required to obtain the factual data. The Commission does not intend to duplicate any work which the [Senate Commerce Committee] inquiry may have done, or to overlap the inquiry as to monopolies which the Committee on the Judiciary is making."

Nobody expects strong medicine to come out of FCC's investigation. As Chairman McConnaughey put it, in recent address to CBS-TV affiliate conference: "I think that the Commission should know more about the networks from the standpoint of what makes them tick. I think that possibly the networks would welcome such a study. But to me, there is a vast difference between making a study and coming out and starting to criticize everything... A study, yes; an intelligent appraisal, yes; but to come out and make wild suggestions and wild accusations [is] a very dangerous thing when you are dealing with possibly the most sensitive industry in the American economy."

FINAL DECISION in old Wichita Ch. 3 case—which started Oct. 20, 1952—gives CP to non-radio Wichita TV Corp. (George M. Brown, pres.). Satellite CP for Ch. 4 in Roseburg, Ore. (to owners of KVAL-TV, Eugene) was only other grant issued by FCC in week that also produced initial decision proposing Ch. 13 grant in Indianapolis to Mid-West TV Corp.

Wichita case was close—a 3-2 decision, with Comrs. Lee & McConnaughey dissenting, Hyde & Doerfer not participating. Commission picked Wichita TV for its program proposals, plans of owners to participate in operations, local residence and diversification. It owns no communications media, whereas competitor KFH is part owned by *Wichita Eagle* and KANS principal O. L. Taylor also controls KRGV-TV & KRGV, Weslaco, Tex. Lee wrote dissent, in which McConnaughey concurred, stating he'd pick KFH because of its long and satisfactory radio record and because he felt newspaper ownership should give station a plus rather than a minus.

Examiner Basil P. Cooper chose Mid-West in Indianapolis (banker George Sadlier, pres.)—over WIBC, WIRE & Crosley—because of local ownership, program proposals and fact it owns no TV-radio stations, newspapers or theatres. Cooper was unimpressed with programming record of WIBC, WIRE & Crosley and was particularly critical of fact that WIRE was interlocked with *Indianapolis Star* and *News* (E. F. Pulliam), saying city needs another "voice."

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Commission got spanked by Court of Appeals this week, in the Clarksburg, W. Va. protest case. FCC had granted Ch. 12 CP for WBLK-TV to Stubblefield publish-

ing family, whereupon *Clarksburg Exponent & Telegram* protested (Vol. 10:13). Commission gave protestant oral argument, but court's Judges Edgerton, Bazelon & Bastian unanimously ruled this week that full hearing should have been granted instead, sent case back.

Meanwhile, Commission granted protests against establishment of WJRT, Flint (Ch. 12) at site near Saginaw, thus further holding up construction of station. Full hearing will begin June 27 on protests of WKNX-TV, Saginaw (Ch. 57), WTOM-TV, Lansing (Ch. 54) & WWTW, Cadillac (Ch. 13).

Sale of WSTV-TV, Steubenville, O. (Ch. 9), to CBS was called off this week—principals recognizing they had little chance of getting FCC to approve move of station to Pittsburgh. It remains CBS-TV affiliate.

Another uhf seeking vhf channel was WKLO-TV, Louisville (Ch. 21), which asked that Ch. 7, 9 & 13 be added to Louisville, taking them from Bowling Green, Ky., Evansville & Hatfield, Ind. Station asked that it be shifted to Ch. 7, WQXL-TV to Ch. 13, leaving Ch. 9 for educators.

Commission finalized addition of Ch. 16 to Pittsburgh, Cal., substitution of Ch. 15 for Ch. 16 in Red Bluff, Cal., Ch. 56 for Ch. 16 in Santa Cruz, Cal.

Chairman McConnaughey, planning to leave for Europe July 22, and with Commission scheduling no action on major matters during Aug., is pressuring staff and colleagues to get out as much work as possible now—particularly on such issues as deintermixture (see p. 3). Evacuation of key govt. officials in civil defense test June 13 may put crimp in Commission output next week.



Richard A. Mack's nomination to FCC to succeed Comr. Hennock June 30 (Vol. 11:19,22) is scheduled for hearing by Senate Commerce Committee June 16 at 10 a.m.; quick approval is expected.

COMMUNITY SYSTEMS—PROSPECTS & PROBLEMS: A professional atmosphere pervaded this week's convention of National Community TV Assn. in New York's Park Sheraton -- in marked contrast with previous meetings of the not-much-publicized community antenna operators. For in last few years these enterprisers, usually small and local, have burgeoned from a group with no true industry spirit or national awareness into a cohesive and self-assured organization comparable with old-line trade associations.

Some 450 attended convention and 18 exhibitors displayed equipment. Beset with uncertainties, but flourishing nonetheless, operators were pleased with address by FCC Comr. John C. Doerfer, who congratulated them on their enterprise, expressed optimism for the future, and showed strong aversion to applying the iron hand of Federal regulation to the conduct of their business.

During 1948-1952 TV freeze, shadow of prospective new stations hung over the operators, but worries were unjustified. Now, it's boosters, satellites and low-powered stations that pose the threat.

Some of the "gold rush" aspects of the business have disappeared, and sudden discoveries of backyard bonanzas are now quite rare. Rather, well-informed capital is roaming the country, beefing up old systems, exploring markets previously thought to be too well served with free signals to be profitable, and investing in expensive microwaves in order to penetrate previously inaccessible communities.

(For details of convention activities, see below.)

COMMUNITY ANTENNA operators' greatest concern is over prospects of competition from satellites, boosters and low-power stations of all kinds (Vol. 11:23). These provided subject for liveliest session of NCTA convention in New York this week.

With FCC certain to authorize them in one form or another and with manufacturers prepared to deliver telecasting equipment at lower and lower costs, the concern appears justified. Furthermore, Sen. Magnuson (D-Wash.), whose state is loaded with illegal boosters which have given community operators serious competition, is putting tremendous pressure on FCC to legalize the boosters—fast. On June 3, he wrote FCC Chairman McConnaughey telling him to get going, offering to sponsor new laws if necessary.

Participating in panel discussion on low-power TV stations at convention were NCTA pres. Martin F. Malarkey, NCTA exec. secy. E. Stratford Smith, Entron pres. H. M. Diambra, Jerrold pres. Milton J. Shapp, Spencer-Kennedy pres. Fitzroy Kennedy.

Theme of discussion: Low-power TV outlets in most small towns probably aren't economically feasible, but if they are, they still won't kill off community operators who can add more and more choices of signals—3, 5, 7 or even more—to retain customers.

They weren't so concerned with "normal" satellites as they were with those proposing to transmit several signals simultaneously—as outlined by applicant for experimental station in Clarkston, Wash., planning to retransmit 3 Spokane signals on 3 uhf channels (Vol. 11:23). Said Shapp: "We must take issue forcibly with this type. It's a change from the traditional FCC pattern." Smith noted that FCC has strict rules against permitting one station to occupy more than one channel in a town, and he recommended FCC be asked to make policy clear and stable so that system operators could plan accordingly. He suggested that rule-making should be undertaken by Commission before any such grants are made.

Panelists thought low-power operations could scarcely be profitable in towns up to 25,000 or so but might go over in larger cities. Malarkey, who hails from Pottsville, Pa., said that metropolitan station operators told him they

couldn't envision profitable satellite operation because they could scarcely increase rates for the relatively small increase in circulation. It was noted, however, that if one big-city station seeks satellite, his competitors are forced to do likewise—even though economics may not be favorable—as happened in Walla Walla, Wash.

Leon Papernow, once part owner of KFSD-TV, San Diego, told group that they should be checking sentiment of small-town AM operators to determine low-power station possibilities, and he pointed out that manufacturers at recent NARTB convention would even lease complete equipment for some \$50 a day (Vol. 11:22). He warned that potential among small AM operators might be very great, as indicated by Sylvania surveys (Vol. 11:22).

Certain to be watched closely as possible clue to small-town TV economics is novel "Commprovision" system (Vol. 11:8) which started May 27 in Douglas, Ariz. Town is too far from stations to get signals for community system, so group known as Trans-Community TV Network, 141 El Camino Dr., Beverly Hills, Cal. (Jerome L. Doff, pres.), is feeding kines & films to wired system, interspersing local live, film & slide commercials.

Organization advertises it's operating 3-10 p.m. daily, offering *You Bet Your Life, Hit Parade, Comedy Hour; Kraft Theatre, Robert Montgomery Presents, Mr. Peepers, Tennessee Ernie*, etc. Most programs are NBC, but other networks' shows are also said to be on tap. Company has invested heavily in RCA equipment, including mobile unit for live man-on-the-street pickups, etc. It's claimed that merchants are clamoring to place spots and that operators expect to achieve profit when only 1000 homes are wired.

Entrepreneurs haven't yet fixed cost to subscriber, but it's expected to be somewhere in range now charged by regular community operators—\$125-\$150 for initial connection, \$3-\$7 monthly fee.

If Trans-Community does prove profitable, it will undoubtedly invite competition from low-power station offering free signals, once low-power rules are adopted—because vhf channels are plentiful in area, Ch. 3 already allocated but unapplied-for in Douglas, and station probably could be built and operated for no more than a wired system.

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Interest in microwaves to serve community systems was intense. FCC common carrier expert Arthur Gladstone outlined Commission policy: qualified groups can

obtain permission to operate microwaves for systems but can't own the systems they serve. Two such microwaves have been granted—one to serve Poplar Bluff, Mo. area (but never built), other to serve systems in Richland and Kennewick-Pasco, Wash. (granted May 25). Like hinterland TV station operators, owners of systems feel that AT&T service is unnecessarily costly.

Another industry problem is "property rights," i.e., systems' right to relay signals of stations. Most stations are delighted with added circulation produced by systems, but a few have sought to keep their signals off systems. Wm. Grove's KFBC-TV, Cheyenne, Wyo. has ordered operator in Laramie not to carry its signal, but Laramie operator continues to carry it, asserting that his system, in principle, is merely an extension of customers' antennas. Ed Craney's KXLTV, Butte, Mont. has given similar orders to operator in Bozeman—and conflict is likely to wind up in court. It was Craney who took famed ASCAP case to U. S. Supreme Court.

Subscription TV is another intriguing subject—for community operators feel they have natural setup for first-run movies, etc., and Jerrold's Shapp asserts that systems can take whole hot potato out of FCC's hands (see p. 1).

State utility regulation isn't quite the bugaboo it used to be. Though operators find little need for such regulation, one operator put it this way: "You don't see the phone or electric companies going broke, do you?" Wyoming is only state actually regulating, though a few others are considering assuming control.

Illustrative of operators' esprit de corps, membership voted unanimously to triple budget to \$50,000 for next year, with dues to be 2½¢ per subscriber per month—some members' dues being increased 9-fold. They reorganized to set up 8 regions, with director for each. Malarkey was reelected pres., this to be his last term; Wm. Daniels, Casper, Wyo., v.p.; Joseph Saricks, Bradford, Pa., secy.; Wm. Calsam, Oneonta, N. Y., treas.

Operators were heartened by speech of FCC Comr. Doerfer, who said: "Community TV today is a \$20,000,000 industry. Approximately 400 companies are bringing a TV service to more than 300,000 subscribers or roughly 1,000,000 viewers. But for your enterprising spirit most of these people would today be without such service. This fact alone is a splendid tribute to your ingenuity and in particular to your initiative. You are to be congratulated."

Outlining legal uncertainties of regulation—lack of final court determination whether systems are broadcasting or common carrier, or whether they come under Federal or state jurisdiction—Doerfer said he preferred states assume regulation, if any governmental entity should. He also said he couldn't see that Govt. should protect broadcasters from systems or vice versa.

As for low-power stations, he stated: "Consideration of the relative cost of construction and operation, number and variety of available programs, fidelity of broadcast signals, their limitation because of encroaching interference and a host of unknown factors inherent in the new proposals to permit so-called boosters, satellites and low-power stations, should give CATV operators some encouragement and comfort . . . Your demonstrated powers of resilience without any governmental help or aid should give your prophets of doom cause for thought."

Sets-in-use totaled 35,809,000 as of May 1, according to NBC research & planning director Hugh M. Beville Jr., up 305,000 from April 1. U. S. Census Bureau this week revealed its June population survey is asking number of homes having TVs, and how many; sampling of about 25,000 families in 230 areas will permit national estimate to be released in Sept. or Oct. Advertising Research Foundation requested survey and is paying for it.

Personal Notes: Harry C. Milholland, DuMont mgr. of technical operations, promoted to director of all engineering activities for broadcast div., succeeding Rodney D. Chipp, now engineering director of DuMont Labs' manufacturing divs.; Eric Herud promoted to asst. mgr. . . . John W. Patt, pres. of WJR, Detroit & upcoming WJRT, Flint, who was stricken with heart attack during NARTB convention (Vol. 11:23) is improving at Georgetown Hospital, Washington, but not yet seeing visitors . . . Bernard J. Prockter, who recently sold out his Prockter TV Enterprises (*Big Story, Treasury Men in Action, Man Behind the Badge*), has joined CBS-TV as a producer; he started out in radio with CBS in 1929, quit in 1941 to join Biow, started own packaging business in 1944 . . . David G. Taft, exec. v.p. of WKRC-TV, Cincinnati, adds title of gen. mgr., taking on duties of U. A. Latham, retired . . . Raymond F. Guy, NBC director of radio frequency engineering and 1950 IRE pres., elected pres. of Radio Pioneers Club . . . W. Robert Rich resigns as program director of WPIX, N. Y., to become gen. sales mgr. of Associated Artists Productions' TV div. . . . Frank G. King, ex-KABC-TV & KTTV, Los Angeles, named gen. sales mgr., KOVR-TV, Stockton, headquartering in San Francisco . . . Joseph E. Lake, ex-WDAF-TV, Kansas City, named commercial mgr. of WFMY-TV, Greensboro, N. C., succeeding Wm. S. Baskerville . . . Edward J. Roth Jr., ex-NBC-TV, named program director of Notre Dame U's upcoming commercial WNDU-TV, Notre Dame-South Bend (Ch. 46), due in July . . . Ray Wilson, KFMB-TV, San Diego, elected chairman of California AP Radio Assn. . . . Chester E. Hagan, asst. mgr. of NBC central news desk, N. Y., shifted to mgr. of news & special events, Chicago; Rex Goad, Washington news editor, to N. Y. as night news room supervisor . . . J. Davis Danforth, BBDO, named TV-radio administration chairman, American Assn. of Adv. Agencies operations committee . . . Willson M. Tuttle, ex-Ruthrauff & Ryan v.p., to Fuller & Smith & Ross, N. Y., in TV management capacity . . . Halsey V. Barrett, ex-DuMont, recently in film syndication, joins TV Bureau of Advertising . . . James F. Brown resigns as national sales mgr., KBTW, Denver . . . Ridley Bell, asst. gen. mgr., promoted to gen. mgr. of WRBL-TV, Columbus, Ga., as Walter Graham is made mgr. of radio WRBL . . . George L. Griesbauer, ex-Raymer, recently sales mgr. of WTTG, Washington, named mgr. of Weed Atlanta office.

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Gordon Gray, chief owner of WSJS-TV & WSJS, Winston-Salem, publisher of both dailies there and currently pres. of U of No. Carolina, was nominated by President Eisenhower June 10 to be Asst. Defense Secretary, succeeding H. Struve Hensel, resigned. He's 46, a Democrat, Yale law graduate, served as Army Secretary under President Truman, was on 3-man board that heard J. Robert Oppenheimer security case.

More honorary degrees: To Dr. Allen B. DuMont, from Fairleigh Dickenson College. To Edward R. Murrow, from Holyoke College. To Gardner Cowles, publisher of *Look* and part owner of TV stations in Des Moines, Minneapolis & Sioux City, from Long Island U. To Mrs. Gardner (Fleur) Cowles, from Elmira College. To James E. Smith, pres. of National Radio Institute, Washington, from George Washington U.

Dr. Allen B. DuMont and family will be "visited" in their Cedar Grove, N. J. mountaintop home by Ed Murrow on his CBS-TV *Person to Person* show Fri., June 17, 10:30-11 p.m.

H. K. Carpenter, 61, broadcasting pioneer, who retired last summer as v.p. of *Cleveland Plain Dealer's* WHK, died suddenly June 2 in Cleveland. Surviving are his widow and 3 daughters.

Telecasting Notes: NBC pres. Pat Weaver, who is generally given the accolade as TV-radio's Great Innovator (*Today, Home, Tonight, spectaculars, Monitor, Wide Wide World*), doesn't do so badly before the camera himself—first evidenced by his easy manner and ready responses on Ted Granik's *Youth Wants to Know* show June 4. The kids ask tough ones, and many a statesman often flounders on that program, but Weaver was always at ease, his replies brief and to the point; he wasn't at all prolix or involved, despite his reputation for memos requiring concentrated re-reading to be understood . . . Weaver likes personal appearances, apparently, for he has agreed to narrate American Petroleum Institute show titled "1976," Sun. Oct. 9, 4:30-5:30 p.m., it being a glimpse into life in this country 21 years hence. He promises it won't be "space ship stuff"; it's his own idea, based on book he has been writing titled *Tomorrow* . . . First-run of new *Horatio Hornblower* feature film with Michael Redgrave may also be carried on NBC next fall as one-shot spectacular, in addition to Korda's *The Constant Husband* (Vol. 11:23), says *Billboard*; it would be sort of pilot for new half-hour TV film series with same title, and NBC rental deal would graduate downward depending on subsequent box-office . . . Another color spectacular in works is an original musical titled "The King & Mrs. Candle," by Sumner Locke Elliott, slated for NBC-TV's *Producers' Showcase* Aug. 20; Mark Charlap, who wrote music for *Peter Pan*, is doing it for the TV play, with *Hit Parade's* Toni Charmoli as choreographer . . . Those 2 Bing Crosby spectaculars announced by CBS (Vol. 9:21) will be on film, each 90 min. and resembling regular movie musicals. Crosby is curtailing his theatrical film activity to one-a-year, will concentrate on the 2 CBS features, first to be based on Rip Van Winkle story, going before cameras in July and telecast in Oct. They'll be produced & directed by Ralph Levy, budgeted at \$175,000 each . . . "Preview" format adopted by NBC's *Lux Video Theatre* for summer series;

live hour series will dramatize 12 stories made available by major movie producers before they're filmed for theatre . . . Apropos growing interdependence of TV and movies, Screen Directors Guild, Hollywood, reports 65% of members working in TV regularly or occasionally . . . Universal-International is getting into TV act, too—operating with NBC in putting on *Allen in Movieland* as summer extravaganza Sat. July 2, 9-10:30 p.m., providing such stars as Jeff Chandler, Piper Laurie, Tony Curtis, Audie Murphy; Steve Allen will be in Hollywood to star in U-I's film *The Benny Goodman Story* . . . Top movie directors Wm. Wyler, Wm. Wellman, Frank Borzage, John Farrow to direct one film each for next season's *Screen Directors Playhouse* on NBC-TV; Screen Directors Guild's benevolent work will be beneficiary . . . Screen Gems of Canada Ltd., 102 Peter St., Toronto, has been formed to handle properties of Screen Gems along with those of Telepix Movies Ltd., with latter's Joseph Dunkelmann & Lloyd Burns in charge . . . Olympus Film Productions Inc., subsidiary of WLW Promotions Inc., sold June 3 to James B. Hill, its gen. mgr. . . Station Film Library Inc., recently established by Harry Trenner, has been purchased by General Teleradio.

General Teleradio's Tom O'Neil reportedly is bidding on RKO holdings of Howard Hughes, which would give him big backlog of feature films now in vaults as well as control of RKO studio on Gower St., Hollywood, and Pathe lot in Burbank. Offers by O'Neil (of General Tire family) and others are understood to be in hands of Irving Trust Co. General Teleradio operates 5 TV stations and as many AMs, as well as Mutual Broadcasting System, Don Lee Network, Yankee Network. Presumably, though it's verifying nothing, it wants the RKO pictures to continue its successful "Million Dollar Movie" syndication and would enter the TV film production field in a big way if it gets the studio facilities.

DuMONT'S ELECTRONICAM live-film production method (Vol. 11:6, 8, 13, 16, 19) is in business now, and the company is proceeding on 2 fronts—marketing & film production—to capitalize on an anticipated industry acceptance of the system.

DuMont this week appointed "the father of Electronicam"—James L. Caddigan, ex-network programming & production mgr.—to new post of director of Electronicam marketing, with headquarters at Clifton, N. J. Said DuMont v.p.-gen. mgr. Wm. H. Kelley:

"The [new] marketing organization for Electronicam will undertake the establishment of this new system as standard equipment for the production of every type of motion picture—theatrical, business, educational, TV, commercials, govt." Marketing, he said, will be "international in scope."

Meanwhile, 2 Electronicam film production units have been busy at DuMont's New York Tele-Center, according to network director Ted Bergmann, who says 90% of those using the new facility aren't DuMont network advertisers. First Electronicam-produced commercial—1-min. Ronson shaver spot, thru Wm. Weintraub agency—was seen by New York viewers this week on WCBS-TV's *Early Show*. Biggest project to date was scheduled this week—pilot film in new 90-min. drama series for unnamed principal.

Among users and experimenters with new system at the Tele-Center are other networks, independent producers, agencies, sponsors. Commercials have been made for at least 4 agencies, pilot films for 2 producers, and an educational TV film series is now shooting.

Bergmann estimates that system cuts filming costs in half, compared to conventional methods, for complete film series and other big orders. Here are cost estimates, based on month's Electronicam experience, as compared with conventional filming: Five 15-min. soap opera episodes (total 50 min.), all shot in one 10-hour day, \$6000-\$7500, compared to \$15,000-\$18,500 by conventional methods. For one-minute commercials, cost is about \$1200 each when 3 are made consecutively, \$700 each for 6 and \$400 each for 12. Conventional film commercial is said to cost \$3600 for one minute.

As for DuMont network shows, pilot Electronicam prints are now being made of all of them. DuMont is recommending to its clients that they drop the live shows, change over to film. One DuMont account, Serutan, reportedly is planning to switch to Electronicam method entirely as soon as it has built up backlog of film shows in its *Life Begins at 80* series.

DuMont now has two 16mm Electronicam units (3 cameras each) in operation at its N. Y. Tele-Center, will install 35mm system this summer. New director of photography for Electronicam is Douglas Downs, ex-*March of Time*.

NBC Spot Sales has revised its *Guide for Video and Audio Standards*, covering 10-sec. IDs, as result of optional method announced last Oct. whereby advertiser may use full screen for 7¼ sec. (Vol. 10:42); revised manual will be available in early July.

National advertising rose 11% in first 4 months of this year over year ago, reports *Printers' Ink*, with network TV up 34%, newspapers up 14%, network radio down 17%.

Network Accounts: Cigarette companies, whether despite or because of lung cancer publicity, are increasing network TV sponsorships, reversing earlier policy of cancelling or sharing top programs in wake of first cigarette sales declines. Six major manufacturers will sponsor 18 network shows this fall, latest being Camels' purchase of 30-min. *Phil Silvers Show* on CBS-TV (time undetermined) & Lucky Strikes' buy of Wed. 8:30-9 p.m. period on ABC-TV following *Disneyland* . . . CBS-TV is revamping *Morning Show* (Mon.-thru-Fri. 7-9 a.m.), which has had rough commercial going in competition with highly successful *Today* on NBC-TV; spokesman denied reports show was going off air, though m.c. Jack Paar will quit it to head *Jack Paar Show* on CBS-TV starting July 4, Mon.-thru-Fri. 1-1:30 p.m. . . . General Foods (Instant Sanka & Minute Rice) & Revlon to be alt. sponsors of *Johnny Carson Show* on CBS-TV starting June 30, Thu. 10-10:30 p.m., thru Young & Rubicam & Wm. H. Weintraub & Co. . . . General Foods to sponsor *Commando Cody* on NBC-TV starting July 9, Sat. 11-1:30 a.m., thru Benton & Bowles . . . Sunbeam Corp. (appliances) buys 14 partic. on NBC-TV's *Tonight* (Mon.-thru-Fri. 11:30 p.m.-1 a.m.), 3 partic. on *Home* (Mon.-thru-Fri. 11 a.m.-noon) starting in fall, thru Perrin-Paus Co., Chicago . . . Western Union to switch *Down You Go*, an ex-DuMont show, to ABC-TV this fall, Fri. 10-10:30 p.m., thru Albert Frank-Guenther Law; Procter & Gamble and Whitehall Pharmacal Co. will sponsor it this summer on CBS-TV Sat. 9:30-10 p.m. . . . Pall Mall & Simoniz Wax to sponsor *The Best in Mystery* as summer replacement for *Big Story* on NBC-TV starting July 15, Fri. 9-9:30 p.m., thru Sullivan Stauffer, Colwell & Bayles . . . NBC-TV extends Steve Allen's *Tonight* (Mon.-thru-Fri. 11:30-1 a.m.) to Los Angeles & San Diego starting June 27 . . . Raleigh cigarettes & Procter & Gamble to be alt. sponsors of *Undercurrent* on CBS-TV starting July 1, Fri. 10-10:30 p.m., thru Ted Bates & Young & Rubicam.

Rate increases: WBKB, Chicago, has added Class AA hour (6:30-10 p.m. daily) at \$2200, min. (6:30-10:30 p.m. daily) at \$400, Class A hour going from \$1650 to \$2000; WRC-TV, Washington, raises base hour from \$1000 to \$1250, 20 sec. from \$275 to \$350; KOMO-TV, Seattle, July 1 adds Class AA hour (7:30-10:30 p.m. daily) at \$950, min. at \$190, Class A hour remaining \$800; KMTV, Omaha, has added Class AA hour (7-9 p.m. daily) at \$800, min. at \$200; WDSM-TV, Duluth, has raised base hour from \$250 to \$325, min. \$50 to \$65; KLTV, Tyler-Longview, Tex., hour from \$200 to \$250, min. \$40 to \$50; CKCO-TV, Kitchener, Ont., hour from 300 to \$350, min. \$60 to \$70; CFRN-TV, Edmonton, Alta., \$200 to \$260 & \$40 to \$50.

Three new sponsors have signed for partic. on *Monitor*, NBC Radio's weekend round-the-clock service which was to debut with simulcast Sun. June 12, 4-5 p.m. Latest sponsors (giving *Monitor* total of \$1,400,000 gross billings to date) are Chesebrough, thru McCann-Erickson; Morton Salt, thru Needham, Louis & Brorby; B. F. Goodrich, thru BBDO.

First regular daily program in color will be *Howdy Doody* on NBC-TV starting in fall, Mon.-thru-Fri. 5:30-6 p.m., when it faces competition from Disney's new *Mickey Mouse Club* on ABC-TV Mon.-thru-Fri. 5-6 p.m. NBC will retain *Pinky Lee Show* 5-5:30 p.m., ending speculation that it would be combined with *Howdy Doody* in a single hour show.

New reps: KAKE-TV, Wichita, to Katz (from Hollingbery); WITV, Ft. Lauderdale-Miami, to H-R Television (from Bolling); WIRK-TV, West Palm Beach, to Donald Cooke (from Weed); KRDO-TV, Colorado Springs, to Avery-Knodel (from McGillvra); KSAN-TV, San Francisco, to Stars National (from McGillvra).

Associated Broadcasting Co., the Norman Collins company which will program Independent TV Authority's commercial station in London weekends and in Birmingham weekdays (Vol. 11:12) has published London base rates at £1000 (\$2800) per min., £700 (\$1960) per 30 sec., £450 (\$1260) for 15 sec., 8-9:30 p.m. Sat. & Sun. From 2-6 p.m., charges will be £600 (\$1600) per min. on Sun., £350 (\$980) Sat. All other evening time will be £600 per min. Birmingham rates will run about half. Postmaster-General, who runs stations of both BBC & ITA, has entered agreement with them whereby they won't start before 9 a.m. (2 p.m. Sun.) or run after 11 p.m., with 6-7 p.m. daily kept dark in accordance with BBC tradition (6-7:25 p.m.) which is done, as an official put it, "so that the mothers may prepare dinner and put the children to bed without any distraction from TV" (Vol. 10:45). Associated-Rediffusion, contractor for weekdays on London stations, announces it has already sold £1,000,000 worth of time (\$2,800,000) and gen. mgr. Capt. T. N. Brownrigg emphasized that "no advertiser or agent will have any say whatsoever in the programs we transmit or in the choice of program with which his commercial will be associated, although we will attempt to place his advertisement alongside a suitable program." ITA has announced Sept. 22 as definite starting date for London commercial programs.

Canadian Broadcasting Corp. gross revenues for fiscal year ended March 31 were \$34,707,000, expenditures \$29,106,000, with TV income accounting for \$21,273,000 of revenues and \$15,876,000 of expenses, reports chairman A. Davidson Dunton. Despite 1954-55 surplus of \$4,256,000 after depreciation, it's expected 1955-56 will see \$10,805,000 operating deficit, he stated—\$8,690,000 on TV, \$2,115,000 on radio. Revenues derive partly from 15% Federal tax on receivers, which was \$16,960,000 last fiscal year and which Dunton estimated would go down about \$1,500,000 this year due to lower TV set prices. Remainder of revenues come from sponsorships. Net, the CBC's TV & radio services cost the Canadian taxpayers about \$23,464,000 last year, will go up to about \$36,605,000 this year, according to the Dunton report.

Sheraton Closed-Circuit Television Inc. is new wholly owned Sheraton Hotels subsidiary, which will produce and arrange closed-circuit meetings, events and demonstrations. Hollywood producer Walter Wanger is pres., Wm. P. Rosensohn exec. v.p., Robert Rosencrans v.p. Rosensohn and Rosencrans formerly headed up Box Office TV Inc., and Wanger recently was named to BOTV board. BOTV, whose financial backers included Sid Caesar and Max Liebman, is being reorganized. Rosensohn said Sheraton invested \$200,000 in closed-circuit equipment, will soon be able to supply hookup of 100 Sheraton and other hotels for special events.

TV Guide is meeting local competition of TV & Radio Magazine Section of *N. Y. Herald Tribune*, which bowed May 15 as 88-p. digest-size program and fan magazine given away with Sun. newspaper, by adding 16 pages to N. Y. edition as of June 11, making total of 104 pages. The weekly N. Y. sales of *TV Guide* in May were 890,000. Format of newspaper's magazine is similar to *TV Guide*—slick-paper color wrap-around containing news and features of national interest while program insert lists upcoming week's offerings on N. Y. area stations along with local ads and items.

Life Magazine raises ad rates about 7% next Jan. 16, guaranteeing 5,600,000 circulation; cost of black-&-white page goes to \$21,775, of 4-color page to \$32,740.

Sterling Drug will have 110 commercials shot in England this summer by TV Commercials Ltd. for use on both American and British TV.

OUR CONTINUING SURVEY of upcoming new stations reveals no new starters this week—but several are imminent and these are latest reports received from principals:

WXEX-TV, Petersburg, Va. (Ch. 8), which succeeds pre-freeze WTVR (Ch. 6) as NBC outlet for the Richmond-Petersburg area (Vol. 11:23), is pushing construction to meet Aug. 1 interconnection date, reports pres. Thomas G. Tinsley Jr., who also owns radio WLEE, Richmond, and WITH, Baltimore. WLEE gen. mgr. Irving G. Abeloff has been transferred to TV as gen. mgr.; George Oliviere, ex-WTAR-TV, Norfolk, sales mgr.; Charles E. Seward, ex-WBTV, Charlotte, operations mgr.; James L. Dodd Jr., ex-WLWA, Atlanta, program director; John Costello, ex-DuMont, NBC & WPIX, chief engineer. Equipment is 50-kw RCA transmitter, with 978-ft. Ideco tower and RCA antenna. Base rate will be \$750, rep Forjoe. Headquarters office is 124 W. Tabb St., Petersburg, with branch at 6200 Broad St., Richmond.

KTRE-TV, Lufkin, Tex. (Ch. 9), has changed target from July 1 to Aug. 31, reports v.p.-gen. mgr. Richman Lewin. Planned as satellite of KPRC-TV, Houston, it was held up until it got microwave permit from FCC last week. It will use 5-kw GE transmitter, 500-ft. Andrews tower, scheduled to go up July 4 weekend. Base hour will be \$150. Reps will be Venard, Rintoul & McConnell and Clyde Melville Co. (Southwest).

KFJZ-TV, Fort Worth (Ch. 11) expects to meet Aug. 1 test pattern target, but has changed programming start to Sept. 4, reports v.p. Charles B. Jordan of Texas State Network, also operator of KFDA-TV, Amarillo and 4 Texas AMs. Its 12-bay GE antenna was installed June 3 on 1000-ft. Parkersburg tower, and transmitter house is to be ready July 15 for 50-kw GE installation. It hasn't signed with network yet, has set \$600 base hour. Rep will be H-R Television.

WTTW, Chicago (Ch. 11, educational) plans to start test patterns Sept. 1 and 4-10 p.m. programming late in fall, writes chief engineer D. M. Weise. It will ask for change of transmitter site to Field Bldg., has ordered GE transmitter, antenna & studio equipment. Lease has been signed for studios in Chicago Museum of Science & Industry by Chicago Educational TV Assn., which reportedly has raised \$850,000 in fund drives. It now plans drive for another \$365,000, estimated as station's operating cost for 1956.

WFLB-TV, Fayetteville, N. C. (Ch. 18), is installing 1-kw GPL transmitter, plans July test patterns, Aug. programming start with CBS & NBC, reports exec. v.p.-gen. mgr. L. W. Allen. It has 400-ft. Truscon tower ready for GE antenna, due in July. Nearest other outlet is WNAO-TV, Raleigh (Ch. 28), 53 mi. away. Base rate will be \$150. Rep will be Adam Young.

Fred Drewry will be resident mgr., Oscar Oren chief engineer. Rep will be Weed.

KOKE, El Paso, Tex. (Ch. 13), formerly KELP-TV, plans Sept. 15 test patterns, Nov. 1 programming, featuring Latin-American films & kines as well as English-language shows, reports gen. mgr. Joe Roddy. On hand is former transmitter of WBNS-TV, Columbus, O. (Ch. 10), and 324-ft. Aerial tower with 6-bay GE antenna is reported ready. Owners are Barton & Gordon McLendon, who also hold CP for KLIF-TV, Dallas (Ch. 29), operate radios KLIF, Dallas & KERP, El Paso, and have interest in radio WRIT, Milwaukee. Base rate not set. Rep will be H-R Television.

KBMB, Bismarck, N. D. (Ch. 12), using some programs of Valley City's KXJB-TV, expects to be on air Dec. 1, writes owner John Boler, also operator of KCJB-TV & KCJB, Minot, and KSJB, Jamestown, N. D. With antenna on State Capitol Bldg., KBMB will be city's 2nd outlet, KFYR-TV (Ch. 5) having begun in Dec. 1953. Equipment hasn't been ordered or construction begun.

WOBS-TV, Jacksonville, Fla. (Ch. 30), has completed building construction, with 443-ft. Aerial tower ready, reports gen. mgr. Jim Macri. Station now has fall target, but delivery time hasn't been set for RCA antenna or GPL transmitter. Georgia's ex-Gov. E. D. Rivers is pres. & 60% owner. Recently Rivers got FCC permission to sell CP for WCTV, Thomasville, Ga. (Ch. 6), to John H. Phipps (Vol. 11:5, 20); last year he sold CP for WMIE-TV, Miami (Ch. 27), to Storer, now being operated on Ch. 23 as WGBS-TV (Vol. 10:51). WOBS-TV rep will be Stars National.

WTLE, Evanston, Ill. (Ch. 32), has GE transmitter on hand, but hasn't set target, reports pres. & 50% owner Angus D. Pfaff, also owner of Evanston radio WEMP. RCA antenna will be used on 250-ft. tower. Base rate not set. Rep not chosen.

WCBC-TV, Anderson, Ind. (Ch. 61), is now without target, while owners study other similar markets, reports TV director Fred M. Mullen. Grantee is Great Commission Schools Inc. (Church of God denomination) operates local school system & Anderson College & Theological Seminary. On hand are RCA 1-kw transmitter, studio equipment & antenna purchased from John L. Booth's defunct WBKZ-TV, Battle Creek (Ch. 64). It's going to trade Ch. 64 antenna for used Ch. 61, will be ready to air test patterns the day antenna is installed, says Mullen. Last week it began conversion of campus auditorium for TV studios. Base hour rate may be \$150. Rep not chosen.

CHLT-TV, Sherbrooke, Que. (Ch. 7), hasn't completed arrangements to lease site in Mont-Orford Provincial Park, so may not get on air until "beginning of 1956," writes mgr. A. Gauthier. It's about 60 mi. NE of Newport, Vt. Base rate and rep not reported.

FCC's power to overrule examiners was bolstered this week by U. S. Supreme Court decision knocking out last year's appeals court ruling which would have increased authority of examiners (Vol. 10:34-35). Ruling was in AM case—equally applicable to TV—in which appeals court upheld examiner's initial decision and took FCC to task for reversing it. Supreme Court said this week that appeals court erred in its reasons for overruling FCC grant to Easton Publishing Co. (WEEX) for 1230 kc in Easton, Pa. over Allentown Bestg. Co. (WHOL) for same frequency in Allentown. In another precedent-setting aspect of case, Supreme Court said in effect that where same frequency is sought in 2 different communities, Commission may choose between the 2 communities on basis of need for the channel before comparing qualifications of competing applicants for the frequency. Appeals

court, in overruling FCC, had stated that community's need for the channel could be considered only where applicants' qualifications were approximately equal. Easton-Allentown dispute, raging for nearly a decade, has been see-saw battle: Allentown won original hearing, put WHOL on air. Easton Publishing Co. appealed, and court sent case back to FCC which reversed itself and gave grant to Easton, now holding CP for 1230 kc. Allentown Bestg. then appealed, got favorable ruling from appeals court. Supreme Court's 7-1 ruling this week found "errors of law" in appeals court ruling, ordered court to reconsider case.

First TV in Israel will be 2-way closed-circuit educational system presented to Israel Institute of Technology, Haifa, by pres. Milton J. Shapp of Jerrold Electronics, Philadelphia.

EMERSON GOES TINKERTOY; MORE NEW LINES: That radical change in TV set construction methods we discussed last week (Vol. 11:23) -- modular design of components together with printed wiring -- has been adopted by Emerson for expected marketing early next year. Several others, notably CBS-Columbia and Capehart-Farnsworth, are experimenting with it and looking to early adoption.

RCA confirmed trend toward automatic production, meanwhile, announcing that its redesigned line -- shown this week to field reps & distributors -- makes "more extensive use of printed circuits than anyone else in the TV industry." Admiral last week showed sets in which 80-90% of wiring was printed, most components inserted automatically (Vol. 11:23). Exception to rule was Zenith, whose new models shown this week have no printed circuits. After experimentation, company ruled out printed wiring for present as providing no cost saving. (For details of new lines, p. 13).

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Emerson's modular design system is based on govt.-developed "Tinkertoy" principle, now being exploited commercially by ACF Electronics, Aerovox, Sanders Associates (Nashua, N.H.) and others. Tinkertoy process (Vol. 11:12) uses "printed" components on tiny ceramic wafers which are stacked and mounted on a printed circuit board. Other printed circuit techniques now in wide use employ conventional parts, sometimes mounted and assembled on printed wiring boards by automatic means.

ACF Electronics, Alexandria, Va., subsidiary of ACF Industries (ex-American Car & Foundry Co.), is supplying the component modules (trade-named "Compacs", for component packages) for Emerson's new-type sets. Emerson pres. Benjamin Abrams confirmed that his company will make one chassis using Tinkertoy method, spotting it in various models throughout next year's line.

"We're in the process of developing it now," he told us. "While we're not making any modular sets at this time, we're pushing it along." He said the consumer will benefit principally by the ease of servicing such sets -- serviceman merely replaces module in which trouble has been located. Mr. Abrams said there won't be any price cuts "immediately" on sets using modular design. It is known, however, that many producers are looking to automatic production and easier-installed parts as a way to eventually make low-end models profitable.

Virtually every other manufacturer is studying the possibilities of modular and other types of non-conventional components. Said a CBS-Columbia spokesman:

"Yes, we're playing with Tinkertoy, but frankly we don't know where it will lead and we feel we must spend some time evaluating it -- with pilot runs and field tests. As you may have heard, printed wiring alone is facing serious trouble; it hasn't been easy to break in. This new system is not only printed wiring but true printed circuitry. Remember that resistors, capacitors and other components have been developed to a high state of efficiency and we have a lot of know-how in their use. Now we're asked to translate them into modules, and anyone who dives into this sort of thing in a hurry is running the risk of a lot of trouble. Yet we could be very lucky with it, too."

Capehart is experimenting with modular sets, too, said v.p.-gen. sales mgr. E.W. Gaughan, but only "in the preliminary stage." It's too early to determine when it will reach the market, he said, adding: "It's not a Tinkertoy set, but rather our own type of module development, although we're working with ACF and others." He said modular sets will probably be in same price range as conventional type, that Capehart won't sacrifice quality for sake of automatic production or new design.

Motorola exec. v.p. Robert W. Galvin said: "We're looking into modular construction, of course, but we're not using it in our upcoming line. It's simply one phase of study in our mechanization program." Among others reportedly considering

modular approach is one big private label manufacturer, who may make modular radio sets before using principle on TV.

RCA's new line utilizes 5 printed circuit boards in horizontal and vertical chassis, according to Robert A. Seidel, exec. v.p. for consumer products. "Tests, both in the field and in our laboratories, have conclusively proven the advantages of printed circuits for greater reliability and thus better service and performance for viewers," he said. Line is completely restyled, has no controls visible in the front of sets, has new chassis in each model.

Color was completely overshadowed at RCA gathering. And next week, when it shows its 2 new color sets, console at \$795 and console at \$895, to N.Y. dealers there are no color programs scheduled on the networks.

Zenith's line, priced from \$150 for 17-in. table model to \$1400 for combination, includes a novel remote-control unit known as "Flash-Matic", which incorporates 4 separate photo-electric cells mounted at corners of the set. Special flashlight, which comes with set, turns set on and off, controls volume & tuning. It's feature on 4 sets, cheapest being \$400. One of Zenith's selling points is that it permits viewer to turn off commercial by remote control.

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Other brief highlights of major trade developments this week:

LABOR: IUE announced it would seek guaranteed annual wage from GE, Sylvania & Westinghouse in contract negotiations this summer, following Ford's approval of modified guaranteed wage with sister UAW. Union also disclosed that International Resistance Co. has become first parts manufacturer to agree to form of guaranteed wage, is now contributing 9¢ per hour for each of its 900 employes into a fund to provide year-round compensation. Company and union have joint committee currently ironing out details, according to David Lasser, IUE research director.

ECONOMIC OUTLOOK: Several more indices of nation's economic prosperity were made public. Census Bureau reported total of 62,703,000 employed in May, highest ever for that month, up 1,018,000 from April and 1,584,000 over May 1954. It also reported unemployment declined 473,000 to total of 2,489,000 -- a greater decrease than usual for spring. Commerce Secy. Weeks told news conference current prosperity has no parallel in nation's history, said Gross National Product in second quarter would exceed record annual rate of \$370 billion in first quarter. Herman Steinkraus, pres. of Bridgeport Brass Co. & ex-pres. of U.S. Chamber of Commerce, told the 20th annual convention of International Distribution Congress that he foresaw "increasing evidence of at least 4 to 5 years of excellent business ahead, based on a great wave of increased spending based on increased income and savings."

GOOD PROFIT YEAR: It may or may not apply to most TV-radio-electronics firms but Standard & Poor's report this week states aggregate profits of U.S. industrial corporations will run 15-20% better this year than last, making for most prosperous year on record. S&P analysis shows aggregate net income of 675 industrials for the first quarter of 1955 was 28.3% above like 1954 period.

'NECKTIE ECONOMY': Motorola v.p. Edw. R. Taylor prognosticates, in course of panel at Advertising Federation of America convention, that task ahead is to "create what I call a 'necktie economy', in which the consumer can always use another one of just about everything -- another car, bathtub, TV set, fur coat or vacation." He said nation is entering era of technological advancement in which advertising and marketing men will be expected to move "undreamed of mountains of merchandise" to the consumer. "Advertising's problem," he said, "is to sustain that frame of mind in which the consumer is more or less discontent all the time with yesterday's goods and services, and eager all the time to possess the newest things."

DEPT. STORES: Annual survey by National Retail Dry Goods Assn. Controllers' Congress bears out declining trend of TV sales in dept. stores. It shows that in 1954, TV sales were off 4% from 1953, which was 8% below 1952. Average price of TV set sold in dept. store was \$138.34, down from \$178.46 in 1953. Average price of set sold in all retail outlets last year was about \$200. TV-radio-records depts. accounted for average 1.5% of total store volume in 1954, about same as in 1953.

PRODUCTION: TV output declined to 91,648 week ended June 3, lowest for year,

from 110,944 preceding week and 120,144 week ended May 20. It was year's 22nd week and brought production for year to date to 3,260,000 vs. about 2,610,000 same 1954 period. Radio production totaled 206,428 (96,030 auto) week ended June 3, also low for year, compared to 266,946 preceding week and 280,445 week before. It brought 22-week production to 6,100,000 vs. 4,340,000 in corresponding 1954 period.

RETAIL SALES: Some 2,355,740 TVs were sold at retail in first 4 months of 1954, compared to 2,145,147 in corresponding 1954 period, reports RETMA. Sales in April were 411,748, compared to 669,794 in 5-week March and 371,720 in April 1954. Radio sales in first 4 months, excluding auto sets, totaled 1,609,182, compared to 1,487,247 in first 4 months of 1954. April sales were 367,841 vs. 448,488 in March and 427,911 in April 1954.

Trade Personals: Henry C. Bonfig, ex-Zenith sales v.p., newly named pres. of CBS-Columbia and this week elected v.p. and a director of CBS Inc. (Vol. 11:21), reported for duty at Long Island City plant June 9 . . . George Y. Wheeler, RCA Washington v.p., received law degree from George Washington U this week . . . Commodore A. J. Spriggs, USN Ret., ex-director of electronics, Office of Chief of Naval Operations, who joined Packard-Bell in 1950 as mgr. of technical products div., elected a Packard-Bell v.p., headquartering in Washington in liaison duties with govt. . . . John F. McAllister Jr., mgr. of product planning, GE TV-radio dept., promoted to mgr. of engineering, responsible for design & development of all TV-radio receivers and reporting to dept. gen. mgr. Herbert Riegelman . . . J. L. Albers promoted to Capehart-Farnsworth merchandise mgr.; Donald F. Miersch, ex-Sparton gen. sales mgr., named marketing mgr.; Mark E. Davis promoted to sales finance mgr. . . . Robert I. Gaines promoted to asst. director of DuMont international div. . . . Colby H. Knapp appointed asst. sales mgr., Stromberg-Carlson telephone div. . . . John L. Esterhai promoted to Philco asst. secy., Isaac Naeye to asst. treas. . . . Herbert A. Gumz resigns as pres. of Crescent Industries (phonographs) to become staff asst. to R. E. Brooker, v.p. in charge of Sears Roebuck manufacturing subsidiaries; he's succeeded by John S. Holmes, pres. of Warwick Mfg. Corp., Chicago, which now owns Crescent and which itself is partly owned by Sears; Gordon G. Brittan, Warwick v.p., gets same title at Crescent . . . George G. Barker promoted to technical editor, Raytheon public relations dept. . . . Stephen E. McCallum, editor of *GE Ham News*, named editor in charge of new electronic tube news bureau, Schenectady . . . Ray Marchbanks appointed Hallicrafters southeastern district mgr., Atlanta; Dwight F. Clepton named central Fla. mgr., Orlando.

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RETMA of Canada, which followed example of RETMA of U. S. and has been renamed to embrace "electronics," elects these officers at last week's convention: pres.-chairman, Carl A. Pollock, Dominion Electrohome (re-elected); v.p.'s—J. D. Campbell, Canadian Westinghouse, receivers; Lloyd Harris, T. H. Farley Ltd., Hamilton, parts & accessories; J. C. R. Purnard, Northern Electric Co. Ltd., Belleville, electronics; engineering director, Ralph A. Hackbusch, Hackbusch Electronics Ltd., Toronto (re-elected); gen. mgr., Stuart D. Brownlee.

"Air Force Weapon System Concept and Its Effect on the Electronics Industry" is topic of main address June 15 by Lt. Gen. C. S. Irvine, deputy chief of staff, materiel, headquarters, Air Force, at RETMA convention in Chicago. Also featured at June 14-16 convention will be reports to parts div. members by atomic test committee chairman Ray H. Williamson on recent Nevada tests and entertainment receiver panel chairman D. W. Pugsley on component requirements for color sets.

Maurice J. Hayes, 53, Magnavox director of purchases, died of heart ailment June 5 in Ft. Wayne.

Topics & Trends of TV Trade: Trans-shipping of TV-radio-appliances, generally regarded in trade as a competitive evil which has fostered spread of discount houses, is a proper trade practice in eyes of Justice Dept. Judge Stanley N. Barnes, head of Justice anti-trust div., this week told Senate Judiciary subcommittee that trans-shipping "may represent a healthy form of price competition." His testimony supported policy first expressed in anti-trust suit against Philco last Dec., in which Justice charged that Philco's franchise agreements penalizing distributors for trans-shipping merchandise outside their territories were illegal (Vol. 10:51), a charge Philco subsequently denied (Vol. 11:10).

Barnes' testimony acknowledged that while some trade associations might not like trans-shipping, and that it might penalize some dealers, he "could not see how it would harm the consumer." He contended that any practice which helped reduce the price of product to consumer would receive Justice's sanction, as long as it does not violate any law.

NARDA managing director A. W. Bernsohn, commenting on Barnes' testimony, said: "Trans-shipping results in some distributors being overstocked, others short of merchandise. In turn, the soundness of retail operations is injured." Arthur W. Hooper, exec. director of National Assn. of Electrical Distributors, commented that trans-shipping "destroys channels that are designed to move the most goods to the most people at the least cost." RETMA declined comment.

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DISTRIBUTOR NOTES: Motorola appoints Electronic Sales Co. Inc., 540 Main St., Ansonia, Conn. (Al Pincus, pres.) covering New Haven, Middlesex & Fairfield counties . . . DuMont appoints E. E. Pritchett & Co., Salt Lake City, replacing Smith-Morley Corp. . . . RCA Victor Distributing Corp. of So. Calif., Los Angeles, appoints Richard H. Tresselle TV-radio field sales mgr., succeeding Russell P. Larsen, now mgr. of Youngstown Kitchen div. . . . Zerega Distributing Co., Seattle (Motorola) appoints Charles W. Schuchart Jr. as sales mgr. . . . Simon Distributing Co., Washington (Zenith) names E. Blake Cardwell TV-radio mgr.; Sues, Young & Brown, Los Angeles (Zenith) promotes John C. Houseman to field sales mgr. . . . Emerson Radio of Pennsylvania, Philadelphia, appoints Sam Raker field sales mgr., reporting to sales v.p. Samuel Jacobs . . . Dallman Co., San Francisco (Philco) appoints Robert J. Parr adv. & sales promotion mgr. . . . Admiral Washington branch names Robert P. Newlyn adv. & sales program mgr. . . . Hallicrafters appoints Edelmuth & Co., 1192 E. 40th St., Cleveland (David L. Edelmuth, pres.).

RETMA office moves: Statistical dept. (Wm. F. E. Long, mgr.) to Sheraton Bldg., 711 14th St. NW, Washington (phone National 8-3902); west coast office (Joseph J. Peterson, mgr.) to Hollywood Professional Bldg., 7046 Hollywood Blvd., Hollywood 29, Cal. (Hollywood 2-1228).

RCA's new line, introduced this week to field reps & distributors at Barbizon Plaza Hotel, N. Y. (see p. 10), consists of 23 basic black-&-white models and 2 color receivers. Monochrome line is divided into 3 series: Special, comprising 17, 21 & 24-in. tables, 21 & 24-in. consolettes & 21-in. console, with prices ranging from \$150 to \$260; Super, comprising 21 & 24-in. tables & 21-in. console, priced from \$200 to \$300; Deluxe, 21 & 24-in. consoles, from \$300 to \$500. Vertical chassis is incorporated in all Special sets and in some of Super & Deluxe groups. Special series has dials on top of set hidden under trap door. Deluxe sets have illuminated window with magnified channel numbers. Other features are improved anti-noise circuit, increased voltage & improved automatic gain control.

Admiral's new 14-model line, introduced last week at distributors' convention in Chicago (Vol. 11:23), is priced in general range of old line—starting with 17-in. ebony metal table model at \$130 and going up to 27-in. open-face blonde console at \$425. The 21-in. table series starts at \$180 for metal cabinet, consoles at \$230 for open-face walnut. Only 24-in. sets are mahogany tables at \$290, "laydown" mahogany console at \$400, blonde \$420. A 21-in. combination is priced at \$400 in mahogany, \$420 in blonde. Optional uhf tuners are \$25 extra.

Zenith's new line, introduced this week to distributors at Chicago's Conrad Hilton Hotel, had virtually no change in prices from old line. The 17-in. table models start at \$150, 21-in. table at \$170, 21-in. consoles at \$250, 24-in. tables at \$290, 24-in. consoles at \$380. At top of line is 27-in. 3-way combination with "Flash-Matic" remote control feature (see p. 10), priced at \$1400.

New Westinghouse line, unpriced yet and currently being shown distributors at regional meetings, won't be made public until July 24—but gen. sales mgr. Dan D. Halpin says it contains fewer models and will offer better discounts to dealers. First quarter TV sales, he said, were "substantially ahead" of same 1954 period, radio sales up 17%.

Picture tube sales in first 4 months totaled 3,427,805, valued at \$67,076,542, compared to 2,690,519 worth \$56,989,867 in first 4 months of 1954, reports RETMA. April sales were 788,317 worth \$14,620,075, compared to 772,257 at \$17,246,843 in 5-week March and 727,655 at \$14,994,779 in April 1954. Receiving tube sales in first 4 months were 152,762,273, valued at \$111,506,758, compared to 106,026,920 worth \$78,560,440 in first 4 months of 1954. April sales were 35,426,153 at \$26,779,586 vs. 41,080,881 at \$29,922,192 in March and 29,640,942 at \$21,697,489 in April 1954.

What's the cost of operating a TV set? There's no official data on subject, but anti-subscription TV group known as Joint Committee on Toll TV (see p. 1) comes up with estimate of \$87.01 as average annual cost. It breaks it down thus: receiver depreciation, \$48, assuming average \$240 set totally depreciates in 5 years; service calls, \$20, based on Nov. 1954 *Videotown* survey and other industry sources; power consumption, \$13.01, based on data from U of Illinois electrical engineering dept.; installation, antennas & miscellaneous equipment, \$6.

Proposed big appliance consolidation involving RCA, Sears, Whirlpool, Seeger Refrigerating Co. and perhaps others (Vol. 11:22) still awaits opinion from Justice Dept. on its legality. Elisha Gray II, pres. of Whirlpool, denied reports his company's merger with Seeger is imminent, as first step in multi-faceted consolidation. He said he still stands on his earlier statement to us that he would not "bet a nickel" on the outcome of any "exploratory talks" his company has been conducting with several firms.

Stromberg-Carlson offering 21-in. color set at \$895, first deliveries due late this month.

Financial & Trade Notes: General Instrument Corp. sales for fiscal year ended Feb. 28, 1955 were \$22,795,029 vs. record \$32,502,305 in preceding year, drop being attributed to reduced civilian and defense volume and lower prices due to intensified competition. Net loss for year after Federal tax credits was \$412,220 vs. net profit of \$926,903 (\$1.13 per share) in preceding year. Consolidated balance sheet shows cash almost equalling total liabilities after prepayment of \$1,250,000 in long-term obligations; total current assets of \$6,410,931, total current liabilities \$1,781,969, net working capital \$4,628,962. New plants are now operating in Waterloo, Ont. and Statesboro, Ga., and on May 17 company entered agreement to acquire Automatic Mfg. Co., Newark.

Stockholders have been asked to approve, at June 27 annual meeting, proposed acquisition of Automatic, whose shielded I.F. transformer is sold under K-Tran trademark, in exchange for 555,000 shares of authorized but unissued General Instrument stock, to be added to the 818,273 now outstanding. It's proposed to add to General Instrument board Martin H. Benedek, Automatic pres.; Moses Shapiro, Automatic exec. v.p.; and Alexander P. & Henry Hirsch, Automatic directors, who are also chairman & pres., respectively, of Welbilt Corp., N. Y., manufacturer of ranges and air-conditioning equipment.

Proxy report shows Automatic's 5-year average annual sales (1950-54) were \$8,661,697, average net profit after taxes \$462,008 (83¢ per share); that General Instrument's average annual net sales for virtually same period were \$26,016,613, profit \$381,396 (47¢); that GI chairman Abraham Blumenkrantz, holder of 12,000 shares, drew remuneration of \$54,000 last year while pres. Monte Cohen (3718 shares) drew \$55,000; that Automatic pres. Martin Benedek's remuneration last year was \$58,096 and exec. v.p. Moses Shapiro's \$45,192. Automatic's plants in Newark and Beckley, W. Va. employ about 1150.

* * * *

Emerson Radio net earnings were \$1,111,981 (57¢ a share) for first 6 months ended April 30, first half of fiscal year, vs. \$947,515 (49¢) in like 1954 period. Before-tax profit was \$2,197,709 vs. \$1,648,034. Revenue figures were unannounced. Pres. Benjamin Abrams attributed profit increase to "wide acceptance of the new transistor pocket radio [and] improved business in air conditioners." New small radios are being made at rate of 1100 daily, he said.

IT&T, with no breakdowns for Capehart-Farnsworth or Farnsworth Electronics Co. divs., reports consolidated net income of \$5,253,846 (73¢ a share) on sales of \$94,545,153 in first quarter vs. \$4,855,103 (68¢) on \$78,705,955 in first 1954 quarter. Quarterly report includes accounts of German subsidiaries for first time since 1939.

Dividends: Collins Radio "A" & "B" (new), 35¢ payable July 29 to stockholders of record July 15; American Broadcasting-Paramount Theatres, 25¢ July 20 to holders June 24; IT&T, 30¢ July 15 to holders June 17; Aircraft Radio, 20¢ Aug. 12 to holders July 22.

Muter Co. sales in first 4 months of 1955 were \$4,236,000 vs. \$4,288,000 same 1954 period; profit was \$114,780 vs. \$134,728. Dividend was omitted by board at this week's meeting, last having been 15¢ in Dec.

More trade predictions: RETMA chairman Max Balcom, in panel at RETMA of Canada convention, forecast retail sales of 6,700,000 monochrome TVs this year at factory value of \$900,000,000 vs. 7,300,000 at factory value of \$1.06 billion last year; in 1959, he foresees retail sales of 6,900,000 at factory value of \$1.2 billion, color accounting for about 1/3. By 1965, retail sales should run 7,400,000 sets annually, he figured, with factory billings \$1.5 billion. He said under 35,000 color sets would be made this year.

PEERING INTO FUTURE of TV and other media, U of Illinois' Prof. Dallas W. Smythe, who heads its Institute of Communications Research and once was an FCC official, agrees with our predictions for 1965—about 1000 TV stations, serving 58,000,000 homes, with more than 90% saturation (Vol. 11:21). Some of his other predictions in June 6 address to Advertising Federation of America at Chicago:

Programming: All in color, from 3 live networks and tape transcriptions. "The programs of 1965 may bear only a distant resemblance to the programs of today. Long before 1965, Hollywood will have been integrated into the making of TV programs, as well as continuing to supply theatrical exhibitors."

Newspapers: Probably relatively unchanged 10 or even 20 years from now—based on the assumption "that none of the major companies in the electronic media undertakes a massive invasion of the newspaper field through aggressive promotion of broadcast facsimile. Were they to push facsimile receivers as they did TV receivers, the market for broadcast newspapers could be created within a relatively few years." Facsimile newspaper transmitting stations could be set up for as little as \$50,000, compared to the multi-million dollar investment required for a big-city newspaper.

Tomorrow's media users: Based on census forecasts, in the next 10 years there will be substantially more consumers among 5-14 age group, retired people and 15-20 group, in that order—with advertisers paying much more attention to needs of children. With coming of automatic factories, "tomorrow's media should look forward to serving the needs and interests of a larger population for more hours per week than they now serve a smaller population."

Among Dr. Smythe's more intriguing technical predictions: Within next 10 years, the TV telephone, probably in color (now being developed by AT&T). "If man-made satellites are feasible for military purposes, why should we not look forward to the possibility of getting complete coverage of the globe through TV transmitters installed on such satellites?"

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NARTB code review board starts 13-week campaign to "tell every American family of their role in the TV code," mailing promotion kit to its 263 subscribers. It contains a slightly revised Seal of Good Practice, slides, sound film, brochure, etc. In accompanying letter, pres. Harold Fellows said: "Through our own medium . . . I am hopeful that we will convince viewers that they themselves determine the nature of TV programming."

Society of Television Lighting Directors is newly chartered group formed to "exchange ideas, discuss new equipment and set up standards." Members are 82 network lighting directors from east and west coast. Salvatore Bonsignore is chairman; Leland Watson, secy; Syd Samuels, treas. Mailing address is 119 Puritan Ave., Forest Hills, N. Y.

Upcoming Senate hearing: Communications subcommittee under Sen. Pastore (D-R. I.) June 21-22, on 2 bills requested by FCC—S-1549, to permit Commission to levy small fines, and S-1456, to modify "protest" procedure.

Boomerang: Sir Robert A. Watson-Watt, British inventor of radar who now is chairman & pres. of Logistics Research Inc., Redondo Beach, Cal., recently paid \$12.50 speeding ticket in Canada. He was trapped by police radar.

Barnard College, collaborating with NBC, is conducting 5th annual Summer Institute of Radio & Television June 27-Aug. 5 in NBC's N. Y. studios.

Sample color sets using Lawrence 1-gun tube were demonstrated to Paramount Pictures pres. Barney Balaban this week, and he said he was "delighted" with results, convinced they can be mass-produced to sell for less than \$500—perhaps as little as \$400. He said they produced excellent color when compared simultaneously with receivers using 3-gun tubes. Before long, he said, set will be demonstrated to industry and full details will be disclosed. Paramount has no plans to make tubes or sets, he stated, "unless we have to." Set uses vertical chassis, has 26 tubes including 21-in. rectangular glass kine, 2 rectifiers. Balaban said tube complement can be reduced to 19 or 21. "It's a black-&-white set with color added," he declared, "rather than a color set with black-&-white added—which is what the other sets are."

James C. Petrillo's AFM, once the bete noir of the broadcasting industry, had none other than RCA-NBC chairman David Sarnoff as its main convention speaker in Cleveland this week—first representative of business management ever to address it. Said Sarnoff: "Together, we have made America a nation of music lovers," noting that more people attend classical concerts in a year (35,000,000) than baseball games (15,000,000) and that the music boxoffice is \$50,000,000 vs. baseball's \$40,000,000. As for labor-management relations, Gen. Sarnoff said the day of "warrior leaders" is past. This is an age for "economic statesmanship," he said — for understanding and adjustment required by great technological development and rapid change. Note: TV-radio are still biggest income source for AFM members, convention was told; radio networks & stations accounted for \$16,887,000, TV for \$7,721,000 last year. This doesn't include sums spent for musicians on TV films, while record making accounted for another \$3,651,000, transcription companies for \$1,330,000.

Bill implementing CBS pres. Frank Stanton's request for amendment of Communications Act, to permit series of electronic "Lincoln-Douglas" debates by Presidential candidates of 2 major parties on TV in 1956 (Vol. 11:22), will be offered by Rep. Harris (D-Ark.), who heads House communications subcommittee which may hold hearings on subject this summer. Dr. Stanton's amendment, which has been forwarded to Senate & House Commerce Committees, would remove necessity of granting equal time to candidates of all minority parties.

TV applications on file with FCC now total 147, including 16 for uhf. Only one filed this week was for Ch. 11, Caguas, P.R., by owners of New Orleans' uhf WJMR-TV. Same group this week dropped application for Ch. 3 in Mayaguez, is negotiating to buy 30% of Mayaguez CP-holder WORA-TV (Ch. 5). [For details, see *TV Addenda 20-V* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

WEHT, Henderson, Ky. (Ch. 50) has applied for permission to buy H. M. Bitner's WEOA (250-watts, 1400 kc, CBS) in neighboring Evansville, Ind., for \$116,000. WEOA, one of 3 Evansville competitors for Ch. 7, lost initial decision (Vol. 10:41) and Bitner now plans to drop TV application. March 31 WEHT balance sheet lists \$234,535 total assets, \$294,121 liabilities, with \$100,000 capital stock.

Report on new AT&T charges for off-air pickup last week (Vol. 11:23) was erroneous in one respect. The charge of \$81,865 is reduced by 1/36th for each month of use. Hence, customer who uses service for 3 years pays none of it, pays only monthly \$4640 charge.

Television Bureau of Advertising reports 143 members as of June 1, with addition of 6 stations & reps Harrington, Righter & Parsons.

Gist of the Arguments

Subscription TV: Summaries of Comments Filed with FCC

(Docket No. 11279)

Industry Responses as Requested in FCC Public Notice 55-165 of Feb. 11, 1955 Submitted up to June 9, 1955
Notice of Proposed Rule-Making Published in Full Text by *Television Digest* as Special Report, Feb. 12, 1955

AMERICAN BROADCASTING CO.—Not only does FCC lack authority to authorize subscription TV, argues 32-p. printed document, but, if authorized, “pay TV would destroy free TV.” The network “sees no reason, in view of the tremendous strides made by free TV in a few short years, of conferring on private persons the right to exact a toll on what the public sees over frequencies which the public itself owns.” Problem of obtaining time clearances is already “the major obstacle to the expansion of free TV.” With existing stations free to “transmit garbled programs,” clearance problem for sponsored programs would be aggravated.

Loss of outstanding free-TV programs to toll TV would be reflected in poorer free programs, and advertisers would gravitate to subscription TV—which “would not long forego the opportunity to tap a fertile source for additional revenue.” If fee TV were successful, it would demand more and more time, leaving less and less for free TV, with Commission helpless to stem the tide.

Specific arguments of subscription proponents are answered thus: (1) Pay TV won't result in “additional” programs or “supplementary” fare—“the public will merely be required to pay for what they now see free.” (2) Cultural programs won't be presented until “pay TV has most of the broadcast day and existing facilities to itself.” Only shows which bring in the maximum amount of money will be offered. (3) Argument that fee TV will encourage new station construction and help uhf is “sucker bait.” Subscription TV will naturally gravitate to stations with biggest audience and may “sound the death knell” of uhf. (4) “There is no concept in our theory of free enterprise which bestows a ‘right to try’ any and all schemes for the exploitation of public property.”

Address: 7 W. 66th St., N. Y. Counsel: McKenna & Wilkinson, 1735 DeSales St. NW, Washington, and Geraldine Zorbaugh, ABC gen. counsel.

AMERICANS FOR DEMOCRATIC ACTION (ADA)—Favors pay TV if there is assurance that it will not interfere with free programs, will provide new and additional programs, will produce “no evils of monopolistic control.” It states: “With proper governmental safeguards, subscription TV does offer promise of halting the present monopolistic trend in commercial broadcasting under which 2 networks and a limited number of large-market vhf outlets control and profit from the most lucrative programming.” It sees “nothing inconsistent with the American system of broadcasting” provided toll TV offers additional programs from additional stations “such as uhf commercial stations and educational stations which could not otherwise exist.” It recommends that pay TV be limited temporarily to uhf stations, on a trial basis.

Address: 1341 Connecticut Ave. NW, Washington (Edward D. Hollander, national director).

WALTER BARNEY—Claims to have an “improved card-actuated decoding system for use in conjunction with a

‘scrambled’ picture,” employing magnetic characteristics. Estimates subscriber's unit will cost \$25; station equipment, \$5000; auditing system for 200,000 cards, \$25,000. Short brief does not identify principal.

Counsel: Elliott & Pastoriza, 225 Santa Monica Blvd., Santa Monica, Cal.

JOSEPH BRENNER (Attorney)—Proposes in 7-p. brief: (1) Subscription TV be permanently limited to uhf stations. (2) FCC require all decoder devices to include uhf tuners. (3) No particular decoding method or device should be specified. (4) Commission require all stations to meet obligations to public on free basis, using fee TV only as additional service. (5) No restriction be placed on advertising on pay TV. (6) Multiplexed sound be authorized for subscription transmissions, permitting non-paying viewers to hear music or other aural programming, or promotional material about the pay program, at the same time subscription program is being carried. Eventually, subscription TV might use both channels to provide binaural sound. Ex-FCC attorney Brenner also filed 3-p. petition on behalf of CP-holder KBAY-TV, San Francisco (Ch. 20) urging fee TV as method of supporting small uhf stations specializing in matters of interest to local communities.

Address: 321 S. Beverly Dr., Beverly Hills, Cal.

CENTRAL BROADCASTING CO. (WEAU-TV, Eau Claire, Wis.)—Small-market stations, which have been unable to participate substantially in expenditures of network and national spot advertisers, will benefit especially from subscription TV, says 12-p. brief signed by pres. Walter C. Bridges. FCC can safeguard free TV by proscribing pay TV during certain time segments. Pointing to plight of uhf stations, brief says “it is apparent that there is insufficient economic support from advertising for the kind of national TV service envisioned by the Commission” in allocating over 2000 channel assignments to TV, taken up thus far by only 415 commercial and 13 educational stations. Subscription TV offers “reasonable source” of adequate economic support for a truly national TV system. “There is nothing legally improper or ‘un-American’ about a system requiring the entertainment consumer to pay . . .”

Counsel: Scharfeld, Jones & Baron, National Press Bldg., Washington.

COLUMBIA BROADCASTING SYSTEM—Though CBS asserts “we believe that there is real likelihood that pay TV would not succeed at all,” 69-p. printed brief states that if pay-as-you-see TV should succeed, such “success would be disastrous to the public interest.” Arguments are devoted to: “blackout” of channels now “dedicated to the use of the entire public,” “siphoning” of free audience so that “pay TV would be able to bid away from free broadcasting any attraction that it wanted” and a “divisiveness” which would make family pocketbook determine extent of viewing and listening, destroying “the broad democratic basis of present-day TV.” Among arguments:

While public has invested \$13½ billion in sets and servicing, it pays less than 1¢ per program per home. Attacking Zenith's claim that public ultimately pays for sponsored TV, CBS says: "It is a truism that the public bears the cost of the entire national economy, and, in this sense, it pays for admission to our national parks, for walking on paved streets and for going to museums." Stating that economics would drive pay TV to seek the most popular free programs, CBS says it's inevitable that blackout of even a few markets to advertisers will start cycle of destruction of networks and favorite programs as well as little that it doesn't now receive—simultaneously charging public for fare it now enjoys.

Brief analyzes in detail the "bait" offered by proponents: first-run movies, Broadway plays, sports, cultural and educational programs, more stations, elimination of advertising. Conclusion is that pay-TV would offer public very little that it doesn't now receive—simultaneously depriving it of much of what it now enjoys.

It's suggested that FCC is obligated to authorize pay-TV on wired systems first. An "experiment" on stations, CBS says, would cause "incalculable" damage from which it would take years to recover. FCC's authority to grant commercial pay-TV operation is questioned and it's urged that express Congressional approval be sought.

Address: 485 Madison Ave., N. Y. Counsel: Rosenman, Goldmark, Colin & Kaye, 575 Madison Ave., N. Y. (Sydney M. Kaye, Ambrose Doskow); CBS (Julius F. Brauner, Thomas K. Fisher, Leon R. Brooks).

CONNECTICUT RADIO FOUNDATION (uhf grantee WELI-TV, New Haven, Conn.)—Readopts position taken in pleading filed Aug. 7, 1953, favoring authorization of pay TV on uhf.

Counsel: Dow, Lohnes & Albertson, Munsey Bldg., Washington (Thomas J. Dougherty).

GULF TELEVISION CO. (KGUL-TV, Galveston, Tex.)—"Proposal is so revolutionary and so important to the American people that the entire matter of policy should be referred to Congress," states 13-p. brief signed by Paul E. Taft, pres. Public bought its TVs in reliance on free broadcasting, and pay-TV is "such a departure from past and present practices as to raise the question of whether the Federal Govt. is keeping faith with the people." If adopted, govt. regulation will be necessary to protect public from "rate-gouging." Subscription TV "means a metamorphosis of TV broadcasting from a competitive industry to a governmentally-controlled industry."

Counsel: Scharfeld, Jones & Baron, National Press Bldg., Washington.

HICKORY HILL BROADCASTING CO. (radio WTWA, Thomson, Ga.)—Owner Edgar Kobak, onetime Mutual pres. and NBC v.p., urges: (1) Toll radio be considered. (2) Hearings covered by TV-radio. (3) Investigation into how charges would be made and who would be paid. (4) Study of whether Govt. should charge for licenses. (5) A look into the rights of set owners who now pay "very large sums annually" for maintenance, electricity, etc. (6) Consideration of pay-TV effect on a national emergency—whether it would "handcuff the greatest means of mass communications."

HOUSTON POST CO. (KPRC-TV)—U. S. telecasters in last 7 years have built up, with advertising support, "the greatest system of TV anywhere in the world," states v.p.-gen. mgr. Jack Harris in 3-p. brief which objects to "such a contracting and delimiting factor as pay-as-you-see TV." Under toll system proposed, "the more successful the plan, the larger portion of time will be blacked out on the sets of those who do not subscribe . . . millions of people have spent several hundred dollars each for TV sets [and] bought these sets under the supposition that the programs would be free. These people might feel short-changed if they had now to start paying for their home

entertainment, or find that their sets were of use only part of the time unless they paid additional fees."

Counsel: Miller & Schroeder, National Press Bldg., Washington.

INTERMOUNTAIN BROADCASTING & TV CORP. (KTVT & radio KDYL, Salt Lake City)—Submitted one-paragraph statement disagreeing with NARTB's position on pay TV, saying it "wishes to make clear that the views expressed [by NARTB] are not the views of this station." Stations are 80% owned by Time Inc., 20% by G. Bennett Larson, pres., who signed statement.

INTERNATIONAL TELEMETER CORP.—Owned 80% by Paramount Pictures Corp., operator of KTLA, Los Angeles, company's 82-p. printed brief gives views of sole movie producer among those offering comments. Basic thesis is that "the tremendous cost of motion picture production completely precludes the possibility that any new or current motion pictures could ever be presented on so-called 'free TV'" and that "many millions of TV viewers throughout the country would be completely satisfied to pay a small amount to see these new or current motion pictures in the comfort of their own homes." It's stated that toll TV would stimulate theatre movie exhibition and improve TV advertising techniques—making for a "competitive co-existence in which the public would be the beneficiary"—and that broadened economic base "will rescue for the public the many entertainment events now lost or soon to be lost to sponsored TV."

Prosperity of theatre boxoffice will continue, it's said, because only theatres can provide latest technical advantages while TV standards are "frozen". Brief says pay-as-you-see TV will make more stations economically feasible and aid uhf. As for legality of toll TV, document states that advertiser-supported TV-radio was result of "natural development of the industry rather than the product of Congressional or regulatory measures" and that pay-see would not be a common carrier.

Half of brief is devoted to diagrams and tables covering economics of sponsorships and technical description of system—including first description of "marquee" technique, which provides 2 pictures on same channel by a sort of picture multiplexing arrangement. Using this plan, viewers who haven't paid for the subscription program would see a "marquee" or billboard, advertising the subscription attraction. When coin is inserted, "marquee" would be replaced by the pay-TV program. Telemeter says this 2-picture, 2-sound channel system can be put on single 6-mc channel by principle of "frequency interleaving."

Addresses: International Telemeter Corp., 2000 Stoner Ave., W. Los Angeles, Cal.; Paramount Pictures Corp., 1501 Broadway, N. Y. Counsel: Arnold, Fortas & Porter, 1229 Nineteenth St. NW, Washington (Paul A. Porter, Harry M. Plotkin).

JERROLD ELECTRONICS CORP.—Manufacturer of community antenna equipment and operator of community systems, in 22-p. statement, alleges: "(1) The scrambled broadcast technique is technically and economically unsound. In addition, it represents a most serious threat to basic concepts of American radio and TV broadcasting. (2) The only practical way to bring subscription TV programming to the American public is by means of wire, utilizing technical facilities similar to those now widely used by cable community TV systems. Without disturbing any established principles of broadcasting, tests to determine public acceptance of subscription TV can be launched immediately in areas already wired. Widespread extension of the service can thus be made rapidly and economically, if public demand so indicates."

Company claims that any scrambling system can be "broken with ridiculous ease," inviting "bootlegging" of pay-TV programs, but that wired system would preserve security of pay system. Says metropolitan areas can be wired at average cost of \$45-\$75 per home, that Jerrold is

prepared to cooperate in tests immediately. Included is analysis of coding and decoding principles, by research v.p. Donald Kirk.

Address: 23rd & Chestnut Sts., Philadelphia (Milton J. Shapp, pres.). Counsel: Welch, Mott & Morgan, 710 Fourteenth St. NW, Washington (E. Stratford Smith).

JOINT COMMITTEE ON TOLL TV (also known as **Committee Against Pay-as-You-Sce TV**)—167-p. printed brief contends:

(1) FCC has no legal authority to approve subscription TV, but whether or not it does, it should first obtain approval of Congress because "the Communications Act was enacted and amended in the light of the existing pattern of an advertiser-supported broadcast industry, and it does not afford adequate basis for authorizing subscription TV."

(2) Pay-TV isn't in public interest, should be denied.

(3) Full evidentiary hearing should be held to obtain testimony under oath and subject to cross-examination.

(4) Some form of toll TV might be desirable: "For example, it is conceivable that a subscription TV proposal to use existing common carrier facilities, in a closed-circuit type of operation, would supplement rather than supplant existing TV service and might, therefore, reasonably be found to be in the public interest."

(5) There's no evidence subscription TV will work, but if it does it will destroy free TV by diverting from it program resources, talent, audiences and income.

(6) Pay TV is no "panacea for the ills of the industry," because it could not succeed if restricted to uhf and because, "with conversion problems of its own, it would be of no immediate aid to conversion-hungry uhf stations."

Brief includes analysis of annual cost to viewer of fee and free TV, breakdown of set ownership by income groups and occupations, analysis of consumer expenditures, growth of newspaper circulation and radio set sales, etc.

Address: 608 Fifth Ave., N. Y. Counsel: Cohn & Marks, Cafritz Bldg., Washington (Marcus Cohn).

NATIONAL ASSN. OF RADIO & TV BROADCASTERS (NARTB)—Calls establishment of fee-TV system in broadcast bands "breach of faith" with set owners and "completely repugnant to the historical concept of public ownership of the air waves" in 37-p. printed brief. Subscription TV would flatly contradict mandate of Communications Act and would in effect require viewer to have a "license" to use his set on certain channels—"private entertainment confined to a privileged few at the overall expense of the American public." Fee-TV could transform whole telecasting system into a "closed-circuit," since "an industry half free and half slave would either not long survive or would eventuate into a system where all broadcasts were directly chargeable to the consumer." Citing FCC's recent decision classifying FM simplex and multiplex systems as non-broadcast services, NARTB says that "if simplex is not broadcasting, then, by no stretch of the imagination can subscription TV be so construed."

Address: 1771 N St. NW, Washington. Staff & Counsel: Thad H. Brown Jr., V. T. Wasilewski & W. R. Powell Jr.

NATIONAL ASSN. FOR BETTER RADIO & TV—Urges "fair trial" for fee TV in 7-p. mimeographed comments, saying it would mean "the viewing audience at home will be the dictator of programming, not advertising agencies or networks anxious to please the sponsors." Of NAFBRAT board members, 26 favor trial, 3 oppose, 15 are undecided.

Address: NAFBRAT, 882 Victoria Ave., Los Angeles (Mrs. Clara S. Logan, pres.).

NATIONAL BROADCASTING CO.—Printed 28-p. brief, first to be released and detailed in Vol. 11:23, pp. 1 & 5, calls pay-TV "narrowcasting," argues that it "violates the American concept of freedom to listen and freedom to look." Institution of pay-TV would have these effects:

(1) Free TV program quality would suffer because diminished set circulation would make sponsorship less

attractive to advertiser. (2) Outstanding programs and stars would move from free to pay TV. (3) Sports events would disappear from free TV. (4) Public service programming would be curtailed or abandoned because they wouldn't be profitable on fee TV, and free broadcasters would no longer be able to afford them. (5) Movie industry may gain control of TV programming "as an opportunity to collect billions." (6) Pay TV would black out free TV in millions of homes.

Submitted by: David Sarnoff, chairman, NBC, 30 Rockefeller Plaza, N. Y.

NATIONAL THEATRE ARTS COUNCIL—Representing legitimate stage interests, Council's short mimeographed statement urges adoption of subscription TV because "we feel that home subscription TV will add a new dimension to the entertainment scene which will double or triple production activity in both Hollywood and New York." It claims that pay TV "will give Broadway producers, for the first time, an opportunity to benefit from the mechanical syndication of their own creative efforts."

Address: 130 W. 56th St., N. Y. (Byron Bentley, pres.).

GEORGE W. OVERTON & LAURIN H. HEALY—The principals, attorney and public relations counsel, respectively, suggest that "permission be given to the holders of non-commercial licenses to introduce subscription TV," and that "the rules under which such permission be granted be such as will emphasize the use of the medium for education and group communication, in contrast to maximum audience programs in which they would be competing with commercial networks." Principals state they represent only themselves.

Address: 134 S. LaSalle St., Chicago. Counsel: Taylor, Miller, Busch & Magner, same address.

ROBERT ROBINS—Filing as an individual, Robins says he has "copyright claim of originality and novelty covering the plan of TV transmission of TV programs where the recipients thereof pay for same and which are free from advertisers' sponsorship." Notes that he participated in FCC's TV proceedings in 1936.

Addresses: 8969 Sunset Blvd., Los Angeles, and 982 National Press Bldg., Washington.

SKIATRON—With photos & diagrams, 81-p. printed brief stresses superiority of its decoder or unscrambler, which it proposes to sell outright to set owners at \$40 to \$50 (\$25 if mass produced); claims it's simple, easy to attach to existing set, includes uhf converter. It employs card developed with IBM, on which are listed programs for month; card has printed circuits on one side, is slipped into slot to operate set for particular program. Viewer would forward card monthly to local Skiatron franchise holder with check to cover total costs of programs selected (at 25¢ to \$2 per show).

Brief asserts subscription TV is not a common carrier, says FCC has authority to permit it, proposes to limit it to uhf for first 3 years "with minor exceptions" because most uhf stations are presently profitless or losing money. System "adds programs", it's claimed, and should not affect commercially sponsored network shows, will not itself carry commercials, offers what public wants but it not now getting because "inherent in sponsored TV is the fact that quality is basically subsidiary to mass appeal."

It's alleged there's "wide public resentment against the quality of commercials now being employed" and Edward T. Bernays surveys are cited to show that "this resentment stems not only from the so-called intellectuals but extends to every type of society and every age group."

Addresses: Skiatron Electric & Television Corp., 30 E. 10th St., N. Y. (Arthur Levey, pres.), owner of patents. Skiatron TV Inc., 665 Madison Ave., N. Y. (Matty Fox, pres.), holder of rights to exploit patents. Counsel: James M. Landis, 230 Park Ave., N. Y.; Lyon, Wilner & Bergson, Wyatt Bldg., Washington, D. C.

STEINMAN STATIONS (WGAL-TV, Lancaster, Pa. & WLEV-TV, Bethlehem, Pa.)—Short brief (4 p.) “views with alarm the adoption of a system which, if successful, will inevitably lead to the substantial reduction if not destruction of ‘free’ TV.” First-run movies would merely be “opening wedge” in forcing ever-increasing number of free programs to become unavailable and today’s “almost inexhaustible source of [TV] program material . . . will easily be moved into the category of unavailable TV material by the simple process of commercial bidding.” As for legality: “It is our firm conviction that the imposition of a rule which results in depriving a viewer of his present unhampered right to receive a signal . . . unless he has entered into a private contractual relationship with a third party, is unlawful and entirely inconsistent with the statute of the mandate which gave birth to the ‘free’ system of TV in this country.”

Address: WGAL Inc., 21 S. Queen St., Lancaster, Pa. (Clair R. McCollough, pres.). Counsel: George O. Sutton, National Press Bldg., Washington; Duke M. Patrick, Colorado Bldg., Washington.

STORER BROADCASTING CO.—Nation’s largest multiple-station owner, Storer submitted brief mimeographed comments against subscription TV, alleging that: (1) FCC “would be over-extending the authority delegated to it by Congress” if it approved pay-TV. (2) Toll TV would “limit the ability of TV broadcasters to serve the public,” and destroy “the greatest attribute of free broadcasting—its universality, its ability to reach everybody everywhere, bringing them free entertainment, culture, news, editorial comment, and exchange of ideas.” (3) Pay-TV “will add nothing to present programming except a bill” and “may be expected to foster monopoly.”

Address: 1177 Kane Concourse, Miami Beach, Fla. Counsel: Dow, Lohnes & Albertson, Munsey Bldg., Washington (Thomas A. Wall); Abiah A. Church, of Storer.

LARRY WOLTERS—TV-radio editor of *Chicago Tribune*, speaking for himself, favors adoption of toll TV, stating that it offers an “attractive and most worthwhile” supplemental service; that it’s no threat to free TV; that it’s not un-American. Citing early Zenith test in Chicago, he says public is willing to pay for movies on TV; major boxing events would return to TV; pay TV would “save” baseball for TV. He doubts whether public would pay for Broadway plays or opera.

WACH-TV, Newport News, Va.—Reiterates support of Skiatron petition filed Sept. 13, 1954 asking FCC to amend rules to permit stations to broadcast subscription TV; it would be great help to uhf as well as small-market vhf stations, said original document.

Counsel: Eugene L. Burke & Doris R. Williamson, 821 Fifteenth St. NW, Washington.

KBST-TV, Big Spring, Tex.—Same as WACH-TV, Newport News, Va.; same counsel.

WDSU-TV, New Orleans—Boxoffice TV would be “a highly specialized service directed not to the general public but rather to a relatively limited list of subscribers who choose to pay for that service [and] should accordingly be assigned to frequencies not presently allocated to the free system of TV,” states 7-p. legal brief signed by exec. v.p. Robert D. Swezey. “There is an element of custodianship in the present free system which the American people will be most reluctant to supplant or weaken in favor of a cash-&-carry substitute.” Fear is expressed that free system will be so weakened as to public service obligations—such as handling of news and controversial subjects, which fee-TV doesn’t propose to assume—and that it would have deleterious effect on advertiser-sponsored broadcasting and tend “to siphon off the cream of the programming into the pay-&-see system, leaving to free TV . . . only the routine, drab and pedestrian fare considered unworthy of acquisi-

tion by subscription TV.” In New Orleans, 52.2% of population in 1950 had annual income less than \$2500, and could not be expected to pay for TV shows.

Counsel: Miller & Schroeder, National Press Bldg., Washington.

WSAZ INC. (WSAZ-TV, Huntington, W. Va.)—Short mimeographed comment terms pay-TV proposals “a calculated attempt to supplant the existing nationwide free TV service with a Pay-as-You-See substitute to charge the public for what it is now receiving free,” by diverting talent and audiences from free TV. It charges that toll TV won’t bring new educational programs nor will it foster construction of new stations, noting that “patent holders” aren’t offering to build stations in small markets. Claims pay system will obsolete all sets.

Counsel: Cohn & Marks, Cafritz Bldg., Washington (Leonard H. Marks).

ZENITH RADIO CORP.—72-p. brief, plus engineering supplement, recommends no commercials on subscription programs, ban on charging public for programs now paid for by advertisers, limit of 15% of station broadcast time to subscription shows. Stressed is supplementary nature of subscription system, brief stating “it is utterly naive to assume that subscription TV could obtain public acceptance if it attempted to charge the public for programs now regularly available on a sponsored or sustaining basis.”

Included is detailed technical description of Phonevision system and analysis of programs to be sought for subscription shows. Zenith would limit Phonevision operations to “several” markets, to be selected by FCC, for about 18 months following authorization. TV owners would rent decoders for nominal monthly charge, would pay only for shows they watch. Stations could buy or rent subscription programs from national or local organizations. Independent local companies would be licensed to operate Phonevision in various communities.

It’s suggested that FCC prohibit purchase of subscription programs from networks: “In this way, the Commission could create a truly competitive situation in which the networks would bend their efforts to producing the best possible advertising programs. At the same time, prohibition of advertising network participation in subscription service would tend to dilute the present 2-network monopoly over programs and revenue . . .”

Addition of subscription programs would enable hundreds of additional stations to operate profitably, it’s contended, whereas $\frac{2}{3}$ of post-freeze stations now on air are losing money, and only 417 commercial stations (out of 1875 authorized allocations) and only 13 educational (out of 242 allocations) are now on air. Finally, brief says Communications Act contains specific direction that FCC encourage new uses of TV & radio, therefore FCC has “statutory obligation” to approve fee TV.

Addresses: Zenith Radio Corp., 6001 W. Dickens Ave., Chicago (E. F. McDonald Jr., pres.). Teco Inc., 231 S. LaSalle St., Chicago (S. I. Marks, pres.), promoter of Phonevision equipment, granting of franchises, distribution of programs. Counsel: Pierson, Ball & Dowd, Ring Bldg., Washington (for Zenith); Loucks, Zias, Young & Jansky, 1317 F St. NW, Washington (for Teco); Joseph S. Wright, Zenith gen. counsel.

APPEARANCES—Submitting no statements but filing notices of appearance were following: WGAR, Cleveland; WRFD, Worthington, O.; WTOH-TV, Toledo; WBID-TV, Detroit; WKOW-TV, Madison; WCCO-TV, Minneapolis; WSJS-TV, Winston-Salem; WABT, Birmingham; WJIM-TV, Lansing; WMTW, Poland Spring, Me.; WDSM-TV, Superior. (All foregoing filed by counsel Fly, Shuebruk, Blume & Gaguine, 30 Rockefeller Plaza, N. Y. and 1001 Connecticut Ave. NW, Washington.) Appearance also filed by TV Consumers Inc., 519 Main St., E. Orange, N. J. (Walter C. Routson, pres.).

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS—June 18, 1955

TV-RADIO SERVICING currently \$1.5 billion-a-year industry, equalling or exceeding annual retail dollar value of receivers themselves for first time (p. 1).

ZENITH PRESTIGE HURT in industry & Govt., dealers & distributors disturbed by excessive attack on RCA chairman David Sarnoff (pp. 2 & 5).

AD HOC ALLOCATION committee, meeting next week, gets puzzling assignment from Sen. Magnuson: "Increase utilization of uhf" by adding more vhf channels (p. 2).

COMMISSION HIT by 2 Appeals Court decisions which attack its methods and criteria for determining applicants' qualifications (pp. 3 & 5).

COLOR HIBERNATING for summer, with 2 programs scheduled by NBC, none by CBS—as manufacturers show little inclination to push color set sales now (p. 3).

TELECASTING REVENUES hit \$593,000,000 in 1954, up 37%; income before taxes mounts to \$90,300,000, up 33%; networks are heaviest gainers (p. 4).

RETMA CONVENTION accents electronics expansion, optimism on TV-radio sales—7-7,300,000 TVs seen this year. Labor seeks guaranteed annual wage (p. 9).

QUESTIONABLE ADVERTISING practices replace servicing as chief complaint of TV-radio consumers, annual report of Better Business Bureaus reveals (p. 11).

BUSINESS FAILURES among TV-radio-electronics manufacturers declined to 26 in year ended April 30; industry spurious radiation control plan imminent (p. 11).

SENATE CONFIRMS MACK appointment to FCC. KONO gets examiner's nod for San Antonio; allocations petitions filed, involving deintermixture & satellites (p. 6).

NEW STATURE attained by TV editors & columnists, with TV now regarded as "darling of the dailies"; Crosby's blacklisting expose exemplifies new maturity (p. 8).

PITTSBURGH MERGER of WWSW and WJAS apparently paves way for early Ch. 11 grant to new combine, assured of CBS affiliation, as city's 2nd vhf (p. 8).

TV-RADIO SERVICING—\$1.5 BILLION INDUSTRY: The dazzling rise of servicing business as natural concomitant of high level of set penetration among nation's 48,000,000 families (75% for TV, nearly 100% for radio) has now reached the point where its annual gross dollar volume equals or exceeds retail sales value of new receivers themselves. That astonishing comparison was contained in annual report of RETMA service chairman H.J. Schulman to organization's 31st annual convention this week in Chicago's Palmer House. (For other news of RETMA convention, see pp. 9-11 & 13.)

Service director & asst. to CBS-Columbia pres. H.C. Bonfig, Schulman later told us he expects servicing volume to exceed \$2 billion by 1957. His report to the convention stated that in 12 months ending June 30, annual cost of servicing to set owners was over \$1.5 billion, dominantly TV. He said this equalled or exceeded the retail dollar value of the 7,900,000 TVs and 12,500,000 radios sold in that period.

Contributing to over-\$1.5 billion service bill were antennas, parts, installation (\$800,000,000) & labor (\$770,000,000), Schulman told us. Against that total, here's how trade statisticians break down TV-radio set cost in July 1-June 30 period:

Retail TV volume -- \$1.277 billion, derived from sale of 7,900,000 sets, at average factory price of \$130, plus markup of 25% from factory-to-dealer; retail radio volume -- \$300,000,000, from sale of 12,500,000 sets, at average factory price of \$20, also marked up 25%. Total TV-radio volume is thus about \$1.577 billion.

Schulman's estimate jibes with figures of Charles M. Odorizzi, RCA corporate exec. v.p., who placed 1953 TV-radio servicing bill at \$1.4 billion in speech last Dec., in which he predicted that an annual servicing gross of \$2.7 billion would be attained by 1957 (Vol. 10:48).

Quality of servicing is evidently improving, along with expansion of dollar volume. Kenneth B. Willson, pres. of National Better Business Bureaus, told his organization's convention in Minneapolis that in survey of 78 member bureaus, 46 reported decreases in consumer complaints about servicing, 20 reported number of complaints same, 6 increased over 1954. (Other BBB convention news on p. 11.)

IT'S AN OLD RUSSIAN CUSTOM': Main unofficial conversation piece at RETMA convention in Chicago this week -- as well as at other levels of industry and at FCC -- was exchange of bitter statements between Zenith pres. Comdr. E.F. McDonald and RCA chairman Gen. David Sarnoff, over subscription TV. Here's the consensus of comment, as we gleaned it:

McDonald went too far. He injured his personal prestige, hurt his company's position with thousands of dealers and its own distributors, certainly did his cause of subscription TV no good -- with his press statement denouncing Sarnoff and literally dragging in this remark: "It's an old Russian custom to claim credit for the work of others and to deny that anyone else can produce a worthwhile discovery." He was replying to the Sarnoff attack on toll TV and denial that RCA had ever offered to buy Zenith phonevision patents (Vol. 11:24).

Feud between these two masters of the publicity arts is a matter of long standing in the courts, in the marketplace and in print. But the implication in McDonald's allusion to "Russian custom" was just a bit too raw for even some of Zenith's strongest partisans.

Gen. Sarnoff didn't lash back again, but his spokesmen say he takes great pride in his rise from humble origins as an immigrant boy from Russia; they also observe that it was RCA's Russian-born Vladimir Zworykin whose inventions did much to make modern TV possible.

Zenith's publicity over controversies has in the past sold a lot of its top-grade products -- TVs, radios, hearing aids -- but there are many who feel that McDonald has overreached himself this time. Evaluating Zenith's publicity campaigns, one intense competitor says: "My advertising budget runs 4 or 5 times that of Gene McDonald's -- but I can't get the publicity he does, especially in the Chicago newspapers and on the press association wires. He seems to be able to turn it on or off at will. I wish you would tell me how to do it, too." Then he added, somewhat ruefully: "But I guess I'm just not built to stir up controversies."

(For summary of the Sarnoff-McDonald exchange, see p. 5.)

SENATE BEGINS ITS ALLOCATION STUDY: Ad hoc committee of industry engineers, formed under aegis of Sen. Magnuson's Commerce Committee (Vol. 11:23-24), meets next Tue. June 21 to organize what is billed as a "reappraisal of the FCC allocations."

Engineering committee has a puzzling assignment. In statement announcing the formation of the group, Sen. Magnuson said the allocation study would be carried out with "an eye toward bringing about increased utilization of the uhf band."

Then Magnuson listed these "aims" for the study: (1) Determine whether 3 more vhf channels can be carved out of FM band. (2) Study whether allocation plan can be rejiggered so that unused vhf assignments can be moved to areas where there's demand for them. (3) Check into advisability of drop-ins of more vhf channels, using directionals, etc. (4) "The possibilities involved in selective deintermixture."

Industry people were dubious about how the committee could increase "utilization of the uhf band" by adding more vhf channels. And nobody we contacted seemed satisfied with composition of group. Those organizations not asked to name representatives charged discrimination; others said committee was "loaded" in one direction or another. At first meeting, Magnuson's chief TV investigating counsel, Sidney Davis, will urge members to act in interest of public, regardless of own connections.

Committee will probably have 10 or 11 members. Possible candidate for chairman is Haraden Pratt, former top IT&T official, 1951-53 telecommunications adviser to President Truman and regarded as an elder statesman of communications industry.

Eight companies and organizations have been asked to loan top engineering talent to the study. Though Senate Committee hasn't announced individual names yet, these engineers are expected to attend first meeting: ABC engineering v.p. Frank Marx, CBS engineering v.p. Wm. B. Lodge, Dr. Allen B. DuMont (who probably will pick another DuMont engineer for subsequent meetings), NBC allocations expert Wm. Duttera, Philco radio-appliance research director Don Fink (selected by RETMA), NARTB engineering dept. mgr. A. Prose Walker, a member designated by UHF Industry Coordinating Committee and a representative of FCC (probably chief engineer Edward Allen).

APPEALS COURT DECISIONS ROCK COMMISSION: FCC was still recovering this week from 2 decisions by Court of Appeals. In Clarksburg, W.Va. protest case, court told Commission it's neglecting the public interest, in almost those words -- in matters of protests, overlap, multiple ownership, diversification, newspaper ownership, quick grants, community antennas, etc. In Ft. Wayne case, without even looking into merits of appeal, it ordered Commission to reopen hearing to determine what effect recent death of Anthony Wayne principal Paul V. McNutt would have. Observers generally considered court's decision most unusual.

Essence of court's decision in Clarksburg case was that FCC cavalierly tossed aside allegations made by Exponent & Telegram against grant of WBLK-TV (Ch. 12); that Commission's desire to expand TV service after long freeze was no excuse for hasty action; that FCC has duty to explore far more deeply into every application -- regardless whether any competing party calls Commission's attention to possible shortcomings of the applicant.

Court went so far in its dictum that it virtually told Commission it should have denied WBLK-TV for simple reason that its owners have too many newspaper and broadcast interests in the area -- regardless of anything else.

* * * *

As a practical matter, FCC did expand TV rapidly after the freeze by giving protests brief treatment and by "next-day" grants after dropouts and mergers. Most of resultant grantees are on air -- and their signals won't be removed. However, pending applicants with a diversification or overlap problem are given plenty to think about. Most interesting will be court's forthcoming decision on McClatchy case -- wherein appellant charges that FCC is being too strict on the newspaper-diversification issue, instead of too lenient.

Court of Appeals obviously feels the Commission is getting lax, simply isn't regulating to extent law demands. On other hand, U.S. Supreme Court has power to tell appeals court that it's going too far the other way -- as it did last week in Allentown radio case (Vol. 11:24). In meantime, too, FCC is laboring mightily to persuade Congress to take burden of protest rule off its back, and it looks as if it has strong chance of success (see p. 14).

Tide of govt. checks-&-balances thus flows back and forth -- with just plain luck frequently determining whether a broadcaster is at right place at right time. (For details of the 2 decisions, see p. 5.)

COLOR TV DORMANT FOR THE SUMMER: There'll be virtually no color TV programming on the networks this summer, and no attempt to push color sets. If individual color-equipped stations want to promote color, they'll go it alone for several months.

Both CBS & NBC have announced big plans for star-studded special programs next season, together with perhaps a few regular shows in color. But for this summer, here's the whole schedule: NBC -- 2 spectaculars in the "Producers' Showcase" series, July 25 & Aug. 2, and perhaps an occasional color segment in Today and Home shows. CBS -- nothing till September. ABC continues its monochrome-only policy.

With the nation's 20,000 color sets lying fallow this summer, manufacturers obviously have no serious intention of trying to sell more. Color talk was almost totally absent at this week's RETMA convention (see p. 9) -- except for this almost-passing reference in annual report of outgoing pres. Glen McDaniel:

"Color TV has failed to reach the conservative forecast of set production and sales, although a number of manufacturers believe the fall will see a definite forward movement. Everyone agrees that color TV will bring another industry boom that will overshadow the early days of black-&-white, but there are a variety of opinions as to the timetable and conditions of this boom."

Even RCA was uncharacteristically modest last week when it displayed 2 color sets in its new line with no hoopla at all (Vol. 11:23). DuMont came out this week with a color set incorporating RCA-type tube, listing at \$945, but Dr. DuMont said production would be confined to "just a few samples" as an "interim proposition" for the fall market, in case there is any demand.

FCC CONFIRMS TV REVENUE-PROFIT ESTIMATE: We hit it virtually on the nose a year ago, when we predicted network-&-station TV revenues would reach \$600,000,000 for 1954 (Vol. 10:23). FCC's final figure for 1954, released this week, was a whopping 37% increase over 1953's -- \$593,000,000 vs. \$432,700,000. Profits swelled with equal impressiveness, rising to \$90,300,000, up 33% from 1953's \$68,000,000.

With every index pointing to increase of 30% or so this year, it looks as if network-&-station revenues for 1955 should hit \$775,000,000 or better. And, since total TV advertising bill ran \$809,100,000 in 1954 (including payments for talent, ad agency commissions, production of commercials, etc.), it appears that \$1 billion total predicted for this year is a safe bet (Vol. 11:15).

Biggest increase in revenues and profits before taxes was among networks and the 16 stations they own -- accounting for 52% of industry's total revenues, 40% of its profits. Their revenues went from \$231,700,000 in 1953 to \$306,700,000 in 1954, profits from \$18,000,000 to \$36,500,000.

Revenues of the other 92 pre-freeze stations rose 15%, from \$174,500,000 to \$200,900,000, while their profits rose 12%, from \$60,500,000 to \$67,600,000.

Though many post-freeze stations are doing handsomely, both vhf and uhf stations lost money -- as a group. The 177 post-freeze vhfs took in \$60,000,000, lost \$3,800,000; the 125 uhfs' revenues were \$25,400,000, losses \$10,000,000.

Losses of the vhfs, as a group, may be attributed to several factors -- the newness of many, incidence of small-market stations, inability to obtain major network affiliations; one-third are less than a year old. Same factors apply to uhf -- plus problems of set conversion -- though "small-marketitis" is actually more prevalent among vhf stations than among uhf.

FCC's report was a summary; its customary detailed tables -- breaking down figures by markets, etc. -- will be issued in month or 2. Its AM figures are due last part of year. It's dubious whether radio revenues will exceed the \$475,300,000 of 1953; same goes for the \$55,000,000 income before taxes of 1953.

Personal Notes: Ralph W. Hardy, for last 6 years NARTB executive, most recently as govt. relations v.p., originally hailing from KSL-TV & KSL, Salt Lake City, becomes CBS Washington v.p. in Sept., succeeding Earl H. Gammons, who retires but will continue handling some work for CBS . . . Wm. Fay becomes pres., Robert C. Tait chairman of Stromberg-Carlson Bestg. Co. (WHAM-TV & WHAM, Rochester), reorganized to become subsidiary of General Dynamics Corp. when it merges present parent company (Vol. 11:18); changed corporate setup is required because Dynamics has several Canadians on its board . . . Harry Trenner, who sold his Station Film Library Inc. to General Teleradio, named GT v.p. and sales v.p. of its Mutual Network . . . John W. Patt, pres. of WJR, Detroit and upcoming WJRT, Flint, who suffered heart attack while at NARTB convention, may be sufficiently recovered by week of June 20, say his doctors, for release from Georgetown Hospital, Washington, and return to Cleveland home . . . John A. Schneider named CBS-TV Spot Sales eastern sales mgr., succeeded as midwestern sales mgr. by Tom W. Judge; Edward A. Larkin named mgr. of Los Angeles office, succeeding Richard Loughrin, who joins N. Y. office; Richard R. Loftus named Detroit mgr., succeeding Tony Moe, also transferred to N. Y. . . . Lee B. Wailes, Storer exec. v.p., departs June 18 for month in Europe . . . Tom Chauncey, 20% stockholder, now managing director & gen. mgr. of KOOL-TV, Phoenix, having succeeded Charles H. Garland, who suffered stroke recently . . . Ernest Felix, ex-treas. & gen. mgr. of ABC western div., now management consultant, named exec. adviser for Taft stations WKRC-TV & WKRC, Cincinnati & WTVN-TV & WTVN, Columbus . . . I. E. (Chick) Showerman, gen. mgr. of Hearst Corp.'s WISN-TV and radio WISN, Milwaukee, has been elected Hearst Corp. resident v.p. . . . Don Moore promoted to mgr. of CBS-TV story &

script dept., succeeding Edgar Peterson, now producer of network's *Climax* series . . . Gene Ragle, ex-KPTV, Portland, Ore., named operations director, KBET-TV, Sacramento . . . Elliott Rothchild named regional sales mgr. of WHUM-TV, Reading, Pa., succeeding Ed Walpert, resigned to join Arndt, Preston, Chapin, Lamb & Keen Adv., Philadelphia . . . Alex McKee named acting national exec. secy. of AFTRA, temporarily succeeding late George Heller . . . J. Elroy McCaw, owner of KTVW, Tacoma, and half owner of KONA, Honolulu, leaves June 18 on quick flying trip to Ethiopia to look over gold mining concession of Goldfields Consolidated, of which he is a director . . . John E. Mosman, ex-Maxon Inc., named TV-radio mgr., Marc Statler film production mgr., Biow-Beirn-Toigo, N. Y.; Arthur Napoleon appointed TV-radio mgr., Hollywood--all reporting to TV-radio v.p. Roy Winsor . . . Wm. J. Lyons, ex-BBDO, named asst. to Philip Rouda, v.p. in charge of TV-radio, Bozell & Jacobs . . . Sylvan Taplinger, ex-Hirshon-Garfield, named TV-radio director, Peck Adv.

More honorary degrees: George C. McConnaughey, FCC chairman, and Scripps-Howard Radio v.p. James C. Hanrahan, from Western Reserve U; Walter Ransom Gail Baker, GE v.p. & gen. mgr. of its electronics div., from Brooklyn Polytechnic Institute; Allen Balcom DuMont, from New York U (also from Fairleigh-Dickson College last week); Clair R. McCollough, from Franklin & Marshall College; Keith McHugh, pres., N. Y. Telephone Co., from Manhattan College.

George Cherry, 55, FCC docket clerk known to many in industry who use Commission reference room, died of heart attack June 11.

Sentencing of Mrs. Marie Natvig, turnabout witness convicted of perjury in Lamb case, is scheduled for June 20 in Washington Federal court.

IN CLARKSBURG PROTEST case (p. 3), Court of Appeals' basic ruling was that FCC erred in giving protestant mere oral argument instead of full evidentiary hearing, the court stating that FCC glossed over far too many important factors. What had Commission agog was extent to which court went in telling it just what it did wrong. Judges Edgerton, Bazelon and Bastian, in decision written by Judge Bazelon, stressed these points:

(1) "However unwittingly, the Commission seems to have assumed the defense of its grant, rather than the public interest, as its primary role in the proceedings."

(2) The "mechanical application of the Grade A-Grade B rule" in determining excessive overlap. Owners of WBLK-TV hold 34% of WTRF-TV, Wheeling. "Nothing in this record," court said, "tells us why the Commission decided that the instant Grade B overlap would not constitute 'serving substantially the same area' within the meaning of the rule."

(3) Commission's failure to determine role of Clarksburg community antenna system in overlap. "The Commission will presumably assert jurisdiction to regulate community antenna systems," court said, "if and when it concludes that such systems provide or are adjuncts of a broadcast service." Rest of decision gives FCC strong nudge to assume jurisdiction, may also imply that stations should seek to control use of their signals by community systems.

(4) Diversification. "Nothing in the present protest record dispels the impression that, on the concentration of control issue alone, the grant would not be in the public interest. There may, however, be matters not apparent to us which entered into the Commission's determination." In other words, court would have FCC deny application under such circumstances—large media holdings—even if applicant has no competitor for channel. This would revolutionize FCC policy.

Negotiations for sale of Denver's pioneer KFEL-TV (Ch. 2) are going on between owner Gene O'Fallon and J. Elroy McCaw, with price said to be around \$600,000. Station was offered several months ago at \$750,000. McCaw owns KTVW, Tacoma (Ch. 13), holds 25% of KONA, Honolulu (Ch. 11)—both of which he purchased as distress properties and both of which are now reputed profitable (see Vol. 9:26 & 10:28, 34, 38). McCaw is also owner or co-owner of radio WINS, N. Y. and 4 other radio stations.

Two TV-radio figures on White House staff shifted jobs this week. Fred Seaton, whose Seaton Publishing Co. holds CP for KTVR, Hastings, Neb. (Ch. 5), gives up duties as administrative asst. to President for congressional liaison, will handle liaison with Federal depts. & agencies. Howard Pyle, ex-Arizona governor who holds minority interest in KVAR, Phoenix (Ch. 12) & KTAR, becomes deputy asst. for intergovernmental relations, handling Federal-state relationships.

Gordon Gray, Winston-Salem publisher and broadcaster (WSJS-TV & WSJS) and ex-Army Secy., became an Asst. Defense Secy. June 17 when Senate confirmed his appointment (Vol. 11:24).

Frank W. Miller Jr., director of Headley-Reed TV, has purchased WHIM, Providence (1-kw-D on 1110 kc) for \$469,000 from group headed by Robt. T. Engles.

FCC is hiring more lawyers, will add some to Rules & Standards Div. to help in subscription TV proceedings, in addition to strengthening staff processing applications. Corps of examiners has been cut to 12, John B. Poindexter going to Office of Opinions & Review, Isadore A. Honig to Office of Gen. Counsel's Litigation Div.

(5) Dropout of competing applicant WPDx upon payment of \$14,000 for expenses, permitting grant of WBLK-TV next day. Court doubted FCC could complete "processing and review" and make grant properly so quickly.

For a windup, decision stated: "The Commission does not stand in the position of a 'traffic policeman with power to consider merely the financial and technical qualifications of the applicant.'" Full study must be made, it added, "even where an application is unopposed."

Beyond that, court said: "The Commission finds support for its action in its announced policy to accelerate the inauguration of TV service after the 'freeze' on new TV authorizations was lifted. Without minimizing the force of this objective, we think Congress did not intend that the Commission should abandon consideration of long range public interests in order to further short and, perhaps, doubtful ones."

Grasping decision immediately, WNHC-TV, New Haven and WATR-TV, Waterbury, asked FCC to give them full hearing on NBC's proposed purchase of WKNB-TV, New Britain (Ch. 30). And examiner James Cunningham, along with FCC itself, decided to reopen record in Spartanburg site-move case—involving protests against WSPA-TV modification of CP filed by WAIM-TV, Anderson and WGVL, Greenville, S. C.

In Ft. Wayne case, FCC had awarded Ch. 69 to Radio Ft. Wayne (WANE-TV) because its competitors' principals Paul V. McNutt and James R. Fleming held interests in *Journal-Gazette* and that newspaper had joint ad rates with *News Sentinel*. After losers appealed, McNutt died. FCC argued that court couldn't send case back to Commission until it considered appeal on its merits and unless it also reversed Commission. Court disagreed, sent case back for further hearing, stating: "The failure of this record to deal with Mr. McNutt's death may have [the effect of precluding a just decision], even if we assume, without deciding, that the record is adequate in all other respects."

The Sarnoff-McDonald exchange (p. 2): (1) Filing formal comments with FCC June 6, RCA-NBC chairman David Sarnoff urged denial of subscription TV, quoted numerous bearish statements about future of sponsored TV issued in past by Zenith pres. Comdr. E. F. McDonald. (2) McDonald responded by saying that: "On 3 separate occasions in recent years RCA has proposed that it buy rights to control our Phonevision development. On one occasion Sarnoff told me that if we sold RCA our patent rights, our path to establishment of subscription TV would be made much easier." (3) Sarnoff came back with charge that McDonald's report of an RCA offer to buy was "utterly false and untrue." He noted that Zenith attorney Thomas C. McConnell had been reprimanded by Rep. Emanuel Celler (D-N. Y.) for misleading statement to Judiciary subcommittee (Vol. 11:22), adding that "Mr. McDonald's irresponsible statement is so lacking in truth that he, like his lawyer, deserves severe criticism for his attempts to mislead the public, the industry, and the Govt." (4) McDonald countered with: "There is no more truth in that denial than in Mr. Sarnoff's recent loud claims that RCA invented magnetic tape video recording and atomic batteries—both of which were actually discovered by independents long before the RCA claims. It is an old Russian custom . . ."

Box Office Television Inc. (closed-circuit), now at 6 W. 57th St., N. Y., reorganized this week after several officials left to organize Sheraton Closed-Circuit Television Inc. (Vol. 11:24). Sid Caesar, now pres., has acquired controlling interest. Milton Mound continues as chairman, Wallace A. Ross & Edgar A. Rosenberg elevated to v.p. Arthur Knorr, exec. producer, Roxy Theatre, joins firm as v.p.

Telecasting Notes: 20th Century-Fox will release its backlog of feature films to TV—but doesn't believe the time is yet. So said pres. Spyros Skouras in answer to stockholder's question at recent meeting, partial transcript of which was released this week. He said company is now serving its best interests by selling its features only to theatres, but added: "When the 2-D system is completely eclipsed, and CinemaScope has replaced it, that will be a different situation. I am not of the opinion that because many films will be available that the price will be reduced. In the history of the amusement world, good merchandise is in great demand. As time progresses, the TV companies will need a better type of material than they get now" . . . "We are not concerned that we will lose the value of our backlog as time progresses," said Skouras. "I am not inclined to rush if somebody wants to buy, but to wait [because] the value increases as time progresses. Three years ago, I checked the market. I was offered a fourth of the price that I can get today for certain pictures from TV, and I think 2 years from now we will receive more. Also, the demands of TV are so great, they need so much material, that if we have good pictures we can sell them [when] we will get the maximum money" . . . Another "Peter Pan"? NBC has concluded negotiations for special color presentation of Thornton Wilder's *Skin of Our Teeth*, starring Mary Martin & Helen Hayes 7-9 p.m. Sept. 11, following same production's return from France, where it will be produced by American National Theatre & Academy in cooperation with State Dept. as part of special "salute to France" program . . . From current stage, members of cast of musical hits *Pajama Game* and *Damn Yankees* will be featured in as-yet-unwritten Oct. NBC spectacular starring Rosalind Russell and produced by her husband Frederick Brisson and Harold S. Prince, producers of the 2 musicals . . . Arthur Godfrey, he of the many dismissals and headlines, lost his 4th and last writer (Andrew Rooney) this week in amicable parting, says he's going "ad lib" henceforth; his other 3 script men, who were paid up to \$35,000 a year each, are now working for Garry Moore . . . Top foreign-language station WATV, Newark adds *Ukrainian Melody Hour* as Sat. 10-10:30 p.m. feature . . . Denver's KLZ-TV using 35mm film-trailer spots on local theatres to plug its shows and personalities.

Don't look for conclusive findings on projected sets-in-use progress report to be submitted to NARTB board's semi-annual meeting June 23-25 at Hot Springs, Va. County-by-county or market-by-market census of TV homes acceptable to all segments of industry remains one of real needs—but progress report to be submitted on results of Politz pre-testing (Vol. 11:21) isn't likely to give much hope to those who felt the census might get under way this year. It's expected to be another laborious report on methodology, will probably set no target date for start of census. TV board, meeting June 23, will discuss subscription TV and will get report from new code review board chairman G. Richard Shafto, WIS-TV, Columbia, S. C. Joint meeting with radio board final day will get report from membership committee chairman Richard M. Brown, KPOJ, Portland, Ore.

The screen "borrows" some more: MGM acquires screen rights to Paddy Chayevsky's latest *Philco Playhouse* hit "The Catered Affair"; 4 Hollywood majors bidding for screen rights to *Medic*; Wm. Altman, associate producer of *Studio One*, engaged to write screen play for Bob Hope's next Paramount feature, *King of Hearts* (Altman's TV play, "Operation Home," is being produced by MGM under title *Old Army Game*); Richard Carlson will produce, direct and star in movie version of his TV film series *I Led 3 Lives*; Warner Bros. plans to make feature of Eve Arden's *Our Miss Brooks*.

RICHARD A. MACK was confirmed by Senate June 17 to succeed Frieda B. Hennock on FCC July 1. Confirmation of the 46-year-old Florida Democrat came in record time—just one day after he appeared before Senate Interstate & Foreign Commerce Committee for good-natured routine half-hour hearing.

The personable, self-confident Mack obviously made good impression on Senators during hearing, was unanimously endorsed by the committee. Florida Sens. Smathers & Holland made brief statements in his behalf. In answer to short questioning, he indicated he's conservatively inclined, opposes "big Government." Chairman Magnuson (D-Wash.) urged him to try to whittle down Commission's processing backlog and minimize "delays." Mack replied that "regulatory lag" was always a problem and that he had fought it as a state utility commissioner. "I hope you'll become a good pike in a carp pond," said Magnuson.

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Commission made no decisions this week, being involved in civil defense test. Chief examiner James D. Cunningham issued an initial decision, however, recommending grant of Ch. 12 to KONO, San Antonio, denial of KMAC, on grounds that latter isn't financially qualified.

There were several allocations petitions, including one requesting deintermixture. WTVP, Decatur, Ill. (Ch. 17) asked that Ch. 2 be moved out of Springfield to some other area where it would create no intermixture problem. WGR-TV, Buffalo (Ch. 2), seeking satellites, proposed that Ch. 37 be added to Clymer, N. Y., Ch. 26 to Shinglehouse, Pa., substituting Ch. 62 for Ch. 37 in Meadville, Pa.—said it would apply for Clymer and Shinglehouse. Aaron B. Robinson, Jackson, Tenn., asked that Ch. 6 be assigned to Indianola, Miss., Ch. 44 to Clarksdale, Miss.; he plans to file for Indianola.

Private vs. AT&T microwaves: In comments filed this week, AT&T told FCC that stations' estimates of costs of building and operating their own off-air microwaves are unrealistic, ignoring many costs that phone company is required to include under FCC rules. Nevertheless, AT&T said, if stations want really cheap service, it will continue to seek methods of cutting costs. For example, station can cut AT&T charges by renting land, buildings and towers to AT&T—or by eliminating emergency power, etc. AT&T said that station figures ignore engineering surveys, legal expenses, engineering & installation costs, tower & equipment installation, test equipment & spares, access roads. WCSH-TV, Portland, Me. said it's satisfied with regular network service from AT&T but prefers to keep own private microwave for occasional pickups of Boston stations. KHOL-TV, Kearney, Neb., proposing to build satellite at Hayes Center, Neb., said that Raytheon would build it a 3-station system for \$37,056, whereas AT&T would charge \$2345 monthly plus \$37,680—latter figure to be reduced 1/36th monthly. KVEC-TV, San Luis Obispo, Cal. reported that it can build microwave to get Los Angeles signals for \$19,300 but that phone company would charge about \$30,000 yearly.

Unity Television Corp., one of largest distributors of feature film to TV, has been sold by Arche Mayers to group headed by Joseph Seidelman, former pres. of Universal-International, for more than \$5,000,000. Unity has some 650 features, 140 cartoons, 25 serials, 400 other shorts.

Quigg Newton Jr., Denver mayor who holds minority interest in KOA-TV, Denver, will become director of Ford Foundation's public affairs program Aug. 15, shortly after his second term as mayor expires.

Network Accounts: First NCAA football sponsors came into NBC-TV fold this week when General Cigar, thru Young & Rubicam, and Schick Inc., thru Kenyon & Eckhardt, each bought one-fourth sponsorship for 13-game schedule this fall . . . General Motors (Delco div.) to be alt. sponsor (with Lucky Strikes) of untitled post-Disneyland show on ABC-TV starting Sept. 14, Wed. 8:30-9 p.m., thru Campbell-Ewald . . . Borden Co. to sponsor *The People's Choice*, situation drama starring Jackie Coper, on NBC-TV starting in fall, Thu. 8:30-9 p.m., thru Young & Rubicam . . . Procter & Gamble buys *It Pays to Be Married* on NBC-TV starting July 4, Mon.-thru-Fri. 3:30-4 p.m. . . . Aleo (Crosley appliances) to be alt. sponsor (with Kleenex) of *Midwestern Hayride* on NBC-TV starting Aug. 19, Fri. 8-8:30 p.m., thru Earle Ludgin & Co. . . . Roto-Broil buys series of spots on NBC-TV's *Today, Home & Tonight*, under network's "summer incentive" discount plan . . . Maytag & Sheaffer Pen to sponsor re-runs of *That's My Boy*, which went off air Jan. 1, on CBS-TV starting July 12, Tue. 8-8:30 p.m., thru McCann-Erickson & Russel M. Seeds Co. . . . Amoco & Hamm Brewing Co. to sponsor *Windows* drama series as summer replacement for *Person to Person* on CBS-TV starting July 8, Fri. 10:30-11 p.m., thru Joseph Katz Co. & Campbell-Mithun . . . Lucky Strikes & Warner-Hudnut (Quick home permanents) to sponsor *Your Play Time* as summer replacement for *Your Hit Parade* on NBC-TV starting June 18, Sat. 10:30-11 p.m., thru BBDO & Kenyon & Eckhardt . . . Johnson's Wax & Pet Milk to sponsor *Spotlight Playhouse* as summer replacement for *New Red Skelton Show* on CBS-TV starting June 21, Tue. 9:30-10 p.m., thru Needham, Louis & Brorby and Gardner Adv. . . . General Foods (Maxwell House coffee & Swans Down cake mix) to sponsor one-shot *3 for Tonight* on CBS-TV June 22, Wed. 10-11 p.m., thru Benton & Bowles; stage version ends N. Y. run June 18, reopens at Greek Theatre in Hollywood shortly after telecast . . . Prudential Insurance Co. buys 7½ min. of Mon. 10:15-10:30 a.m. portions of *Garry Moore Show* on CBS-TV starting July 25, Mon.-thru-Thu. 10-10:30 a.m.,

Fri. 10-11:30 a.m., thru Calkins & Holden; S.O.S. Cleanser & Toni to be alt. sponsors of Fri. 10:30-10:45 a.m. portion starting July 15, thru McCann-Erickson & Leo Burnett Co. . . . Buick buys 7½-min. partic. on one-shot NBC-TV color "spectacular" Sun. Nov. 6, 7:30-9 p.m., thru Kudner . . . Philco buys one-shot variety show on ABC-TV from Miami Beach's Fontainebleau Hotel June 28, Tue. 8-9 p.m., during its big TV-radio-appliance distributors convention there, thru Hutchins Adv. . . . Gillette to sponsor All-Star baseball game for 6th straight year on NBC-TV July 12, Tue. 3:15 p.m., thru Maxon Inc.

Among advertisers currently reported using or preparing to use TV: Otto Bernz Co., Rochester, N. Y. (Bernz-O-Matic appliances), thru Charles Rumrill Adv., Rochester; Metal Foil Products Mfg. Co., Newark, N. J. (Broil-A-Foil broiler trays & foil specialties), thru Storm & Klein Adv., N. Y.; Spectro-Matic Associates, Rockford, Ill. (paint color tinting system), thru Cummings, Brand & McPherson, Rockford; Dubuque Packing Co., Dubuque, Ia. (canned & frozen foods), thru Perrin-Paus, N. Y.; Modern Faucet Mfg. Co., Los Angeles (spray dishwashing brush), thru Hal Stebbins, Los Angeles; E. F. Drew & Co., N. Y. (Trinut margarine), thru MacManus, John & Adams, N. Y.; Doughboy Wading Pools, Los Angeles, thru Kilian Adv., L. A.; Clerfast Corp., Providence, R. I. (CFS skin cream, soap & lotion), thru Bo Bernstein & Co., Providence; California Central Airlines, Burbank, Cal., thru Morton, Martin, Weaver & Assoc., San Diego; Texize Chemicals, Greenville, S. C. (Texize household cleaner), thru Henderson Adv. Agency, Greenville; Waterman-Waterbury Co., Minneapolis (heating equipment), thru Mitchell & Mitchell, Minneapolis; George A. Hormel & Co., Austin, Minn. (ham sticks), thru BBDO, Minneapolis; Colgate-Palmolive Co., Jersey City, N. J. (Kan Kil aerosol insecticide), thru Street & Finney, N. Y.; Bu-Tay Products Ltd., Los Angeles (Rain Drops water conditioner), thru Dan B. Miner Co., Los Angeles.

Rate increases: WNBQ, Chicago, has raised base hour from \$3300 to \$3700, 20 sec. \$600 to \$750; July 1, WFAA-TV, Dallas, raises base hour from \$900 to \$1000, min. \$180 to \$225; KWTW, Oklahoma City, raises base hour from \$700 to \$750, min. \$140 to \$150; KMJ-TV, Fresno, hour from \$450 to \$500, min. \$90 to \$100; WMTW, Poland Spring, Me., from \$300 to \$400, min. \$60 to \$80; WCAX-TV, Burlington, Vt. (formerly WMVT), from \$250 to \$300, min. \$50 to \$60; KLAS-TV, Las Vegas, from \$200 to \$250 & \$40 to \$50; CFPL-TV, London, Ont. from \$300 to \$370 & \$60 to \$85; CFQC-TV, Saskatoon, Sask., from \$160 to \$230 & \$32 to \$46. Rate cut: WICC-TV, Bridgeport, Conn., cuts base hour from \$200 to \$100, min. \$40 to \$20.

Valuable tool for market research: Social Security Administration's newly-issued *County Business Patterns*, county-by-county uniform tables of payrolls, number of employes in various business classifications, etc. Statistics for first-quarter 1953 are in 10-volume set (\$11.75, Govt. Printing Office, Washington). Among significant figures on U. S. as whole are these: Some 2349 TV-radio broadcasting firms employed 66,366 people in March 1953, with total taxable payroll of \$76,516,000 for Jan.-March (or average annual pay of \$4640 per employe). Communication equipment industry (including TV-radio) employed 541,000 (2103 companies).

Color facilities charges are feature of temporary rate card No. 9, effective June 15, released this week by NBC's WNBQ, Chicago. It provides for \$190 net color charge, minus commissions, for 20-sec. station break, and \$95, minus commissions, for 10-sec. ID.

Milwaukee's WTMJ-TV, one of few no-frequency-discount stations, has instituted new \$300 Class A rate for entire 30-sec. station break, retaining only 2 sec. for station identification. Idea is that one advertiser would prefer to buy the whole spot in lieu of sharing it with another (20-sec. at \$200, 10-sec. at \$80); latter system will be retained, however, until all Class A station breaks come under single-advertiser sponsorships. WTMJ-TV base hour rate is \$1150, network \$1500, and it has issued new schedule of 1-min. partic. in various programs at rates varying with type & time of program—up to \$200 per spot. Station mgr. Walter J. Damm says new service eliminates "double spotting" practice between programs.

New reps: KSBW-TV, Salinas-Monterey, to H-R Television (from Hollingbery); KRGV-TV, Weslaco, Tex. to John E. Pearson (from Raymer); KELO-TV, Sioux Falls, S. D. to H-R Television (from Raymer); WNOW-TV, York, Pa. to Robert S. Keller (from Forjoe).

New call letters: WCAX-TV, Burlington, Vt. (Ch. 3), formerly WMVT, following allocation of channel from Montpelier to Burlington; AM affiliate is WCAX. On July 1, WTVW, Milwaukee (Ch. 12), becomes WISN-TV; new owner Hearst Corp. owns radio WISN.

ABC-TV reports record gross time sales of \$58,500,000 signed in first 6 months for new & renewed business, embracing 49 sponsorships.

Ramon Vasconcelos is now Cuban Minister of Communications, having succeeded Recardo Eguilior; Jose Mario Baquero remains his director of radio.

EVEN THE NEWS WIRES picked up *Variety's* significant lead story of June 15 to the effect that the nation's daily papers have "gone TV-happy." TV-radio editor George Rosen notes that TV has suddenly become "the No. 1 circulation builder for America's newspapers, with the TV editor and the TV columnist enjoying a new-found distinction as a major asset on any daily or Sunday edition." On many metropolitan newspapers, he writes, TV editor has become more important than drama or film editor.

Obvious case in point is *New York Herald Tribune*, whose syndicated TV-radio columnist John Crosby is credited with elevating TV columns from gossip to mature and provocative journalism. *Herald Tribune* recently fortified its TV coverage by adding digest-size *TV & Radio Magazine* as Sunday supplement and hiring Marie Torre from *New York World-Telegram* to do 5-a-week TV-radio column as well as help edit the new Sunday magazine.

Power and stature of the printed word, as it affects the TV industry, was demonstrated few weeks ago when Crosby took a sharp whack at CBS for "mediocrity" in TV programming (Vol. 11:16), was promptly asked in by CBS topkicks for advice.

This week Crosby jumped into a field where few dare to tread, lashed out at blacklists and their power over agencies, sponsors and networks. He pinned his column on recent secret vote at AFTRA meeting which condemned AWARE Inc., so-called anti-communist group which has set itself up as clearing-house to keep tab on those in show business it considers "un-American." Pro-AWARE faction in AFTRA demanded and got mail referendum—now in progress—to reconsider the resolution.

"The blacklist racket," says Crosby, "still flourishes openly in TV." He notes that NBC is only network which hasn't "knuckled under." He singles out Kraft, Philco and Goodyear as sponsors courageous enough to resist blacklist, Borden as one which has "cravenly given in and hired only actors 'approved' by this little wolf-pack of vigilantes."

One of the few other recent exposes of TV blacklisting was series in *Sponsor Magazine* a few years ago on blacklisting. Following appearance of articles, the magazine suffered heavy reprisals in ad cancellations.

"Top 10" regularly scheduled shows of 1954-55 season, as compiled by American Research Bureau on basis of average ratings, indicate influence of spectaculars and other "opposition programming" in determining "popularity" of shows. No. 1 regular show for season was Groucho Marx' *You Bet Your Life*, though NBC's one-shot *Peter Pan* spectacular drew largest audience for any TV show in history (57,000,000 viewers, 60.1 rating). Perennial first-place winner *I Love Lucy* dropped to 4th, presumably because of opposition from NBC's *Medie* and spectaculars. For first time, no Godfrey show was on list, nor was any drama show represented—both phenomena due to strong opposition programming. The ARB 1954-55 big 10: (1) *You Bet Your Life* (NBC), 50.9; (2) *Jackie Gleason* (CBS), 50.4; (3) *Toast of the Town* (CBS), 49.3; (4) *I Love Lucy* (CBS), 49; (5) *Dragnet* (NBC), 43.6; (6) *Two for the Money* (CBS), 42.3; (7) *Jack Benny* (CBS), 42.1; (8) *Disneyland* (ABC), 41.1; (9) *George Gobel* (NBC), 41; (10) *This Is Your Life* (NBC), 39.8.

NBC Radio's omnipresent weekend service, *Monitor*, which made auspicious debut in simulcast June 12, has racked up gross time sales of \$1,600,000, latest sponsors being Miller Brewing Co. & Charles Antell Co. (Lanolin hair preparation).

PITTSBURGH'S second vhf apparently will be Ch. 11 merger effected by counsel Paul M. Segal, whereby ex-competitive applicants WWSW (*Post-Gazette*) and WJAS (H. K. Brennen) will become equal partners in \$1,000,000 new-station project (Vol. 11:23). They have signed CBS basic affiliation, network having dropped \$3,000,000 deal whereby it proposed to buy WSTV-TV Steubenville, O. and move it to Pittsburgh (Vol. 10:47, 52 & 11:23). Steubenville outlet will stay on CBS as basic supplementary.

Plan is to get going by early fall if possible. While WWSW Inc. will apply formally for channel, with WJAS to be sold and Mr. Brennen then acquiring 50% interest in new corporation, new call letters haven't yet been decided upon. New company's board will comprise 3 members chosen by Wm. Block, publisher of the newspaper (presumably including himself and his radio mgr. Pete Schloss), 3 by Brennen, one other mutually acceptable.

* * * *

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

WTHS-TV, Miami (Ch. 2, educational), now hopes to begin test patterns early in July when old WTVJ Ch. 4 transmitter is scheduled to be ready, reports Vernon Bronson, asst. director, Dept. of Radio & TV Education, Dade County Board of Public Instruction. Transmitter is in Everglades Hotel, with antenna on rooftop FM tower. Programming is due to start in Aug.

KSTF, Scottsbluff, Neb. (Ch. 10), now doesn't expect to begin until about July 1 as satellite of KFBC-TV, Cheyenne (Ch. 5), reports gen. mgr. Wm. C. Grove. It will have 2-kw RCA transmitter, 6-bay antenna at interim site on Abrupt Peak, 10 mi. north of Scottsbluff, some 79 mi. of southwest of Cheyenne. Time will be sold only in combination with KFBC-TV. Rep for both is Hollingbery.

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CJON-TV, St. John's Nfld. (Ch. 6), planning July 15 test patterns, has begun installation of 2-kw RCA transmitter at site 4 mi. from city, writes pres. Geoff Stirling. Work also has begun on foundations for 12-slot wavestack tower-antenna, due to arrive in late June. Commercial start won't be until Sept., plans call for non-commercial programming in Aug. for set promotion during "shake-down" period. Base hour for first 90 days will be \$160, goes automatically to \$200 thereafter. A. Harnett from radio CJON will be program director, Oscar Hierlihy chief engineer. Reps will be Weed and All-Canada Television.

Five-megawatt uhf: With FCC expected to issue proposed rule-making to raise maximum uhf power from 1 megawatt to 5 next week, first station proposing to seek maximum is WJMR-TV, New Orleans, which is due to shift from Ch. 61 to Ch. 20 July 1, going to 1 megawatt. It will serve as proving ground for GE development project to achieve ceiling power with four 30-kw klystrons for picture, 2 for sound (Vol. 11:22). Station now uses 2 GE helical antennas, will modify them for 5 megawatts. Exec. v.p. George Mayoral, ex-GE sales engineer, says he hopes to complete job within a year—though progress depends on GE development program. He and chief engineer Jack Petrik, also ex-GE, will supervise construction.

Equipment shipments: RCA shipped 50-kw transmitter June 7 to upcoming WXEX-TV, Petersburg-Richmond, Va. (Ch. 8), which has Aug. 1 programming target. Durham reports order for 50-kw amplifier from WTVD, Durham, N. C. (Ch. 11).

KSTP-TV, St. Paul has taken delivery of new 4-place Helioplane (cost: \$30,000, speed: 158 mph) which is being used for news coverage and business trips. Pres. Stanley Hubbard, who was World War I flier and a pioneer commercial transport pilot, flies the ship occasionally.

TOTING UP TRADE LEDGER; LABOR RESTIVE: Continued strong accent on military and industrial electronics, high optimism on TV-radio sales prospects for rest of year, almost total absence of color enthusiasm (or even interest) -- those were the distinguishing, dominant moods of RETMA's 31st annual convention this week at Chicago's Palmer House. Though official agenda was given over largely to internal matters of reorganization (for details, see p. 11), convention was spiced by glowing report that servicing of TV-radio receivers currently equals or exceeds annual retail dollar volume of receivers themselves, for first time in industry's history (see p. 1).

On debit side of trade ledger were these problems, present and prospective: TV inventories are on the rise at factory & distributor level, standing currently at estimated 2,300,000 at all levels; prices & profits keep going down, average factory price of TV set being estimated at mere \$130 for 12 months ending June 30 (compared to \$145 for calendar 1954 & \$170 for calendar 1953) and factory-to-retail markup down to only 25% from 40% in 1954, 60% in 1953. The one encouraging aspect of inventory picture is that retail stockpiles have been reduced in last 3 months, reversing normal industry pattern for this time of year.

Though serious, these problems were far outweighed by such considerations as the expanding electronics industry at large, in which more-&-more TV-radio firms are participants, both as manufacturers of non-TV electronic equipment and as customers for broadening applications of automation techniques. And they got more statistical evidence, if any more were needed, that the TV-radio receiver boom shows no sign of slackening. Robert S. Alexander, Wells-Gardner pres. & outgoing chairman of RETMA set div., reported that TV production in 12 months ending June 30 will establish all-time record of 8,300,000, with retail sales at 7,900,000.

That set & tube manufacturers think boom will continue rest of year is shown in their informal average "guesstimates" of 7,000,000-7,300,000 black-&-white, 35,000 color sales at retail for calendar 1955, or just about equal to last year's 7,300,000 total. Radio sales this year, they guessed, would be 12,500,000-13,000,000, including 4,500,000-5,000,000 auto sets, compared to total of 10,300,000 in 1954. For 1956, they estimated 6,500,000-7,000,000 black-&-white, 250,000-300,000 color sales.

Color talk was conspicuous by its absence. As figures indicate, manufacturers set little store by color in immediate future -- and they showed no disposition to possibly upset a strong black-&-white market by even going into any public discussion of color. In latter respect, at least, they are being abetted by networks, which are scheduling scarcely any color shows this summer (see p. 3).

Other brief highlights of major trade developments this week:

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Labor: It wasn't publicized much, but included in the guaranteed annual wage package granted United Auto Workers by General Motors were its Delco radio division workers represented by IUE. All of which, in opinion of union, has strengthened its hand in upcoming bargaining negotiations with GE, Westinghouse & Sylvania. So intent is IUE on winning annual wage provision that its national leaders are reportedly preparing to negotiate these contracts personally, leaving only ratification to the locals. Up to now, locals have been given broad latitude in negotiating contracts -- and in cases of RCA & Philco, they decided to yield on annual wage provision in exchange for more liberal wage and fringe benefits.

\$100 Set: GE's 14-in. table model at \$99.95, which it introduced month ago as its answer to second-set demand (Vol. 11:21), is doing "extremely well" in sales, though full national distribution won't be achieved until July 15, company tells us. Arthur Brandt, gen. sales mgr. of TV-radio dept., said "initial and repeat orders from dealers are magnificent." He reports it's doing well not only in its own right but as a sales magnet for other sets in store. Hallicrafters reportedly will intro-

duce a \$99.95 table model at next week's big furniture marts in Chicago, joining Emerson and Olympic as companies which have same-priced set.

How's Business? Pleasant reading, for most part, is "Where Business Is Best in U.S. Now" -- in June 17 U.S. News & World Report. It concludes West & Midwest are booming, sees pickup in New England, tabulates 22 cities in which average worker's income is up vs. year ago in all but one city (Portland, Me.); moderate or slight unemployment in all but 2 (Pittsburgh and Portland, Me. show substantial drops); employment up in 11 cities, down in 11 from year ago; dept. store sales up in all but New York (same), and Milwaukee (down); banking activity up in all but Philadelphia (same), New York (down). "Recession of 1954," magazine concludes, "seems only a distant memory. People are loaded with cash, and in a mood to spend it. Nothing quite like it has been seen before..."

Job Outlook: Labor Dept. Bureau of Employment Security reports, on basis of spring survey of 149 market areas, that rise in demand for workers is likely to continue through fall, assuming absence of strikes. As result of job gains already made, 8 major areas were removed from list of labor surplus markets, which had entitled them to special treatment under defense procurement program.

Production: TV output reversed 2-week decline in week ended June 10, going up to 110,766, compared to 91,648 preceding week and 110,944 in week ended May 27. It was year's 23rd week and brought production for year to date to 3,370,000, compared to 2,710,000 in corresponding 1954 period. Radio production went up to some 264,054 (137,609 auto), from 206,428 preceding week and compared to 266,946 week before. Radio output for 23 weeks was 6,370,000 vs. 4,540,000 same 1954 period.

Trade Personals: Ralph B. Austrian, ex-RCA & Westinghouse, recently with Pereira & Luckman architects, named DuMont west coast mgr., headquartering at 11845 Olympic Blvd., Los Angeles . . . John N. Phillips, mgr. of GE color TV product engineering, named mgr. of product planning, TV-radio dept. . . . Edward R. Taylor, Motorola v.p., represents TV-radio in appliance industry panel discussion June 21 at Merchandise Mart in conjunction with market week . . . A. Brewer Hunt, Canadian RTMA pres. in 1953-54, serving last 18 months as director of electronics branch in Canadian Dept. of Defense Production, returns to his old company, Northern Electric Co. Ltd., Montreal, on special assignment, reporting to M. P. Murphy, v.p. & managing director . . . L. L. Malin, ex-Admiral Pittsburgh factory branch mgr., named regional sales mgr. covering N. Y., Newark, Philadelphia & Altoona, in series of regional sales appointments; C. F. Weeks to cover Los Angeles, San Diego, San Francisco, Sacramento, Fresno & Phoenix; W. F. Hand, ex-Denver branch mgr., covers Denver, Albuquerque, El Paso & Salt Lake City; Joe K. Boone, ex-International Harvester, named north central mgr., covering Indianapolis, Evansville, Ft. Wayne, Louisville & Nashville . . . David P. McIlmoil appointed southwestern sales rep, Westinghouse electronic tube div., Los Angeles . . . Aaron Bowser resigns as Sylvania radio sales mgr. . . . Roger Minthorne Jr. appointed Scott Radio Pacific northwest sales mgr. . . . Wilfred L. Larson, pres. of Switchcraft Inc., Chicago, named representative of Assn. of Electronic Parts & Equipment Mfrs. on Radio Parts & Electronic Equipment Show board, governing body of annual electronic parts show in Chicago . . . George Geich, asst. to exec. v.p. Dorman Israel, has been designated chairman of Emerson Radio's new rotating associates management committee comprising 10 executives below div. chiefs . . . Oliver H. Straus, ex-National Co., elected v.p. of newly-formed Hycon Eastern Inc., Cambridge, Mass. (guided missiles, computers), affiliate of Hycon Mfg. Co., Pasadena . . . Joseph Delaney resigns as mgr. of RCA Victor's "Label X" record dept. to become v.p.-gen. mgr. of Cadence Records, replacing Sam Clark, new head of American Broadcasting-Paramount Theatres' record subsidiary.

H. Leslie Hoffman, pres. of Hoffman Electronics, is new pres. of RETMA's reorganized, unified board, taking over duties performed last year by Max Balcom as board chairman and Glen McDaniel, who gives up presidency but remains as gen. counsel. All other officers were re-elected at 31st annual convention this week at Chicago's Palmér House: exec. v.p. & secy., James D. Secrest; treas., Leslie F. Muter, Muter Co.; engineering director, Dr. W. R. G. Baker, GE; govt. relations mgr., Joseph H. Gillies, Philco.

These div. chairmen were also elected: set, H. C. Bonfig, CBS-Columbia, replacing Robert S. Alexander, Wells-Gardner; tube, Richard T. Orth, Westinghouse, replacing John Q. Adams, CBS-Hytron; parts, Herbert W. Clough, Belden Mfg. Co., Chicago (re-elected); technical products, James D. McLean, Philco (re-elected); military products, T. A. Smith, RCA, replacing A. K. Ward, RCA, chairman of old amplifier & sound equipment div.

Rear Adm. Walter A. Buck, 60, RCA operating services v.p., died June 12 at his home in Wynnewood, Pa., just 10 weeks after the death of his wife. Adm. Buck, ex-head of old RCA Victor div., became pres. of Radiomarine Corp. of America on retirement from the Navy in 1948, having just completed 2 years as Paymaster General and as chief of Bureau of Supplies & Accounts. Graduate of Kansas State U and Harvard Business School, he had joined the Navy as Ensign in 1917. He is survived by 2 sons, both in Navy, Lieut. Walter J. Buck, on duty in Korean waters, and Lieut. (j.g.) John A. Buck. Burial was at Arlington June 17.

Dorman D. Israel, Emerson exec. v.p., July 1 becomes chairman of IRE-RETMA's Joint Technical Advisory Committee (JTAC) for one-year term. An autonomous group, JTAC's function is to examine technical factors in radio communications, advise Govt., industry and engineering profession. Other members: vice chairman Ernst Weber, Brooklyn Polytechnic Institute; Ralph Bown, Bell Labs; Ralph N. Harmon, Westinghouse Broadcasting Co.; John V. L. Hogan, consulting engineer; I. J. Kaar, GE; A. V. Loughren, Hazeltine; Philip F. Siling, RCA.

Emo D. Porro named engineering asst. to Stanford Research Institute director Dr. J. E. Hobson.

Topics & Trends of TV Trade: Questionable advertising practices have replaced servicing as the chief complaint of consumers in TV-radio field, says Assn. of Better Business Bureaus on basis of survey of 78 member bureaus released at BBB convention this week in Minneapolis.

Kenneth Willson, national BBB president, reported that complaints about advertising broke down in this order of frequency: comparative pricing, bait ads, layouts involving misleading price in relation to a featured illustration, failure to disclose that models advertised are obsolete, misleading trade-in allowances. Other complaints included use of superlatives, misleading screen size descriptions, false credit terms and deceptive free trial offers.

Willson reported that 26 bureaus have organized programs to control abuses, and 30 more have sponsored fair trade practice codes. At week's end, convention adopted resolution calling for closer cooperation between bureaus, advertisers & media to halt questionable practices.

Note: Federal Trade Commission's trade practice rules for TV-radio merchandising, subject of hearings extending for 3 years, are scheduled for release June 28.

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TV-radio and related firms were prominent among the national advertisers in newspapers in 1954, according to ANPA Bureau of Advertising reports. On its list of 1404 national newspaper advertisers spending \$25,000 or more last year (not counting their local co-op schedules):

Admiral	\$ 439,465	Philco	1,349,976
Alliance Mfg.	79,790	(TV-radio, \$605,164)	
AT&T	85,825	RCA	1,569,702
Avco Mfg. Co.	1,379,852	(TV-radio, \$930,788)	
(TV-Radio, \$396,892)		(NBC, \$10,499)	
Channel Master	40,142	Raytheon	43,726
CBS	406,984	Sentinel	167,464
DuMont	190,786	Sparks-Withington	34,101
Emerson Radio	204,951	Stromberg-Carlson	83,341
GE	3,792,542	Sylvania	789,859
(TV-radio, \$438,602)		(TV-radio, \$557,481)	
Hallcrafters	86,683	Westinghouse	2,184,427
IT&T	700,460	(TV-radio, \$618,479)	
(Capehart, \$85,998)		Zenith Radio	794,015
Packard-Bell	46,129	(TV-radio, \$220,649)	

Note: Among top 100, headed by General Motors (\$37,391,415), Westinghouse ranked 35th, RCA 56th, Avco 66th, Philco, 67th.

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DuMont entered radio & high-fidelity phonograph fields with introduction this week of 2 unpriced table radios, one 3-speed phono console at \$150, one AM-FM radio-phono console at \$275. At same meeting of eastern regional distributors, new line of 16 TV models was introduced, ranging from \$170 to \$500. William C. Scales, gen. mgr. of receiver sales div., said company plans to expand radio line to include clock sets in fall. Company previously had made radios only for incorporation in its TVs. TV line comprises eleven 21-in. sets—\$170, \$180, \$200, \$220, \$230, \$240, \$250, \$260, \$270, \$290, \$320; five 24-in.—\$330, \$340, \$400, \$410, \$500.

Westinghouse's new line, introduced this week for showing at Chicago's furniture marts, features printed-circuit components in 70% of the chassis of more expensive "Riviera" series, mounted on 2 printed circuit boards. Full line ranges from \$140 for brown metal table model to \$490 for 24-in. limed oak combination, latter set being a carryover from old line. The 21-in. series ranges from \$160 to \$370, 24-in. from \$240 to \$490. Less-expensive "Catalina" series has vertical chassis, while "Riviera" sets have front tuning, simplified controls, 90-degree aluminized tube, plug-in all-channel tuner.

RETMA of Canada publishes 5th edition of its trade directory (31 pp.), listing membership by divisions, sources of supply of parts & accessories manufactured in Canada, alphabetical list of foreign manufacturers & their Canadian reps. It's free from RETMA of Canada, 200 St. Clair Ave. West, Toronto.

RETMA-IRE 1955 radio fall meeting is scheduled Oct. 17-19 at Syracuse Hotel, Syracuse, N. Y.

BUSINESS FAILURES among TV-radio-electronic manufacturers declined to 26 in year ended April 30, compared with 33 in preceding year. This was stated in report of credit committee to 31st annual RETMA convention this week at Chicago's Palmer House. Of the 26 manufacturers which failed, 12 were components producers, 5 TV-radio set manufacturers, 3 made electronic instruments, 3 phonograph or high-fidelity equipment, 2 recorders, one hearing aids. Average age of these companies was 6½ years.

Committee chairman Edward C. Tudor, pres. of Industrial Development Engineering Associates (I.D.E.A.), stated liabilities of these companies totaled \$14,460,000, compared to \$24,800,000 for the 33 companies in preceding year. Tudor attributed failures chiefly to "poor management," inability of companies to meet competition successfully, and sales below cost or at a price which "could not provide a fair or reasonable profit." Highlights of other RETMA actions:

Spurious Radiation: In annual report, outgoing pres. Glen McDaniel said RETMA soon will be able to establish procedure for stamping RETMA seal on each set complying with its radiation standards. Responses of manufacturers to questionnaires on subject have been encouraging, "with a few exceptions," he said.

Reorganization: As predicted (Vol. 11:23), RETMA was reorganized, with abolition of separate electronics industry & TV-radio industry committees and return of their functions to single board, creation of military products div., reallocation of directors among 5 divs., consolidation of amplifier & sound equipment div. as section within technical products div.

Promotion: Advertising & public relations committee approved plans for National Radio & TV Week Sept. 18, endorsing promotional kit with theme "For Better Home Entertainment." NARTB and NARDA are also participating in public display of sets (Vol. 11:3).

RETMA treas. Leslie F. Muter was presented 1955 "Medal of Honor" at banquet June 16. In presenting award, outgoing board chairman Max Balcom pointed out that Muter attended old RMA's first organization meeting April 18, 1924 and the first meeting June 23 when first by-laws were adopted.

Control of Webster-Chicago Corp. is being acquired by Chicago industrialist Titus Haffa, who has added to his holdings more than 40,000 shares purchased from founder-chairman R. F. Blash, now in virtual retirement. Haffa becomes acting chairman, is said to be considering making offer to purchase all other outstanding stock. He and family own Dormeyer Corp., big Chicago appliance manufacturer, and Haber Corp. (screw machine products), among other companies. Webster-Chicago in 1954 earned net of \$564,198 (\$1.09 on 519,794 shares) on sales of \$31,746,046; this compared to \$927,162 (\$1.87) profit on \$27,757,891 in 1953 (Vol. 11:15).

American Television & Radio Co., 300 E. 4th St., St. Paul, Minn. (Albert A. Goffstein, pres.), manufacturers of auto radio vibrators since 1931, is now producing line of custom full-door console TVs under own ATR brand, will show sets on 17th floor of Chicago's American Furniture Mart next week.

Magnavox to introduce its first color set, a 21-in. console called Magnacolor, at Chicago marts June 20-July 2, along with 2 full-door 24-in. black-&-white consoles at \$425.

Battery-operated radio-phono combination, priced at \$60, was introduced this week by RCA, along with 3 conventional phonographs at \$15, \$30 & \$40.

Financial & Trade Notes: Storer Broadcasting Co. was approved for listing on N. Y. Stock Exchange this week, will be traded there from July 5. In June 14 letter to shareholders accompanying 35¢ dividend (upped from 30¢), pres. George B. Storer explained changes in capital structure that make \$1.40 annual rate possible:

"Through the sale of 262,750 shares of common stock to the public, \$4,000,000 in bank indebtedness was retired and all of the 7% preferred stock, amounting to \$1,500,000 [held mostly by Jefferson Standard Life] was called for retirement. In addition, interest on the balance of the company's bank loans was reduced voluntarily by the 4 participating banks: the Society for Savings, Cleveland, Chase Manhattan Bank of N. Y., Bankers Trust Co. of N. Y. and National City Bank of Cleveland. Your management believes that these savings, amounting to \$352,500 per year, should be passed on promptly to the holders of the company's common stock."

First quarter earnings after all charges, states letter, were \$811,989 (\$1.44 a share) including \$143,912 increased depreciation authorized under 1954 code, as against \$803,235 (\$1.43) in same 1954 quarter. [For table of previous years' quotes and earnings, see Vol. 11:18.] Letter continues:

"A slight recession occurred in some areas served by our stations during the latter months of 1954 and during the first two months of 1955, but there has been substantial improvement in March and April of this year. While there has been some concern over the future of radio broadcasting within the industry, our company's radio stations are now completing a period of adjustment which, we believe, has put them on a sound basis to operate successfully under today's conditions.

"Your company is rapidly equipping its television stations for color telecasting. However, there is much to be learned in this field and expenses involved for both equipment and experimenting are substantial. Nevertheless, our management believes that color receivers will soon be purchased by the public in sufficient quantity to warrant your company's preparing itself to provide color telecasting service to these purchasers."

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DISTRIBUTOR NOTES: RCA appoints M. E. Silver Corp., Motorola's Rochester, N. Y. outlet, replacing own subsidiary branch; RCA also appoints Ryan Supply Co., Emerson outlet in Jackson, Miss. (Thad Ryan, owner) . . . Motorola appoints Bristol Distributing Co., Fargo, N. D. (Howard Bristol, pres.), replacing Fargo Glass & Paint Co. . . . Stromberg-Carlson appoints Mechanical Engineering Corp., Norfolk, and Southern Electric Corp., Staunton, Va. . . . Hallicrafters appoints Frank Millman Distributors, 121 Clinton Ave., Newark . . . DuMont reports resignation of H. Joseph Sarlin, ex-gen. sales mgr. of its N. J. factory branch, replaced recently by Igoe Bros., Newark . . . Times Appliance Co., N. Y., Westinghouse distributing subsidiary, names C. J. Ward v.p.-gen. mgr., succeeding Col. Arthur F. Callahan, retired . . . B. T. Crump Co., Richmond (Philco) appoints L. McCarthy Downs exec. v.p. & gen. mgr. . . . Emerson Radio of Pennsylvania appoints Samuel Gershman v.p. . . . G. W. Onthank Co., Des Moines (Admiral) promotes Harold L. Haff to gen. sales mgr. . . . Olympic of Pittsburgh appoints I. A. Frankel gen. sales mgr. . . . Westinghouse Electric Supply Co. reports resignation of Wm. Constance as mgr. of Vernon, Cal. branch.

Indiana Steel Products Co. net profit was \$195,741 (69¢ a share) for quarter ended March 31, reports pres. Robert F. Smith, taking into account 2-for-1 split approved last Feb. 15. Working capital went up to \$1,504,320. In same 1954 quarter, profit was \$203,018 (\$1.43).

Philco Corp. profit-sharing plan, which holds more than 10% of company's outstanding common stock, purchased 3100 more shares in May, bringing total holdings to 522,857 shares. Other advance reports on May transactions involving officers & directors: Percy M. Stewart sold 1000 DuMont "A," now holds 1000; Herbert J. Allemang bought 5000 National Union Electric Corp., holds 8000.

Among officers' and directors' stock transactions reported by SEC for April: H. Webster Crum bought 400 Avco, holds 400; Benjamin H. Namm sold 4400 Avco, holds 1912; James B. Conkling bought 100 CBS "B," holds 100; Wm. C. Decker sold 3000 Corning Glass, holds 10,118; Amory Houghton sold 30,000 Corning Glass personally and 147,500 thru trusts, holds 57,687 personally and 1,577,500 thru trusts; Arthur A. Houghton Jr. sold 52,500 Corning Glass personally and 154,950 thru trusts, holds 315,680 personally and 1,614,490 thru trusts; Alfred H. Avery sold 2333 Electronics Corp. of America, holds 164,334; John A. Long sold 22,333 Electronics Corp. of America personally and bought 20,000 thru family trust, holds 144,334 personally and 20,000 thru family trust; Wm. Rogers Herod sold 600 GE, holds 4938; Robert Parton bought 1506 GE, holds 7621; R. W. Turnbull bought 1044 GE, holds 3891; Walter E. Green sold 500 General Precision Equipment, holds 2855; Wilfred M. McFarland bought 100 Hazeltine, holds 210; C. E. Underwood sold 100 Hoffman Electronics, holds 4900; Frank M. Freimann bought 500 Magnavox, holds 49,285 personally and 29,484 thru trust; John Rovellstad bought 500 Oak Mfg. Co., holds 3055; Elof Sandstrom bought 1000 Oak Mfg. Co., holds 6511; James M. Skinner Jr. sold 8000 Philco, holds 8670; Leslie J. Woods sold 200 Philco, holds 7693; Robert L. Werner bought 200 RCA, holds 345; Norman B. Krim bought 1500 Raytheon, holds 1830; Harold C. Mattes sold 600 Raytheon, holds 8634; E. F. McDonald Jr. bought 500 Zenith, holds 10,462 personally and 31,931 thru holding company.

Underwriting of National Telefilm Assoc. public offering of 312,500 shares of common stock at \$5 per share (Vol. 11:22) has been completed, with check for \$1,328,125 turned over to NTA pres. Ely Landau by underwriter Charles Plohn. Company will apply shortly for listing on American Stock Exchange. It's 65% owner of GE-supported National Affiliated Television Stations Inc. (NATS), which has been set up to help stations achieve profitable operations (Vol. 11:14).

Armed Forces Communications & Electronics Assn.'s new officers: George W. Bailey, pres.; Maj. Gen. James D. O'Connell, 1st v.p.; Rear Adm. Henry C. Bruton, 2nd v.p.; Maj. Gen. Gordon A. Blake, USAF, 3rd v.p.; W. W. Watts, RCA, 4th v.p.; Brig Gen. George W. Goddard, USAF (Ret.), 5th v.p.; Frank W. Wozencraft, counsel; George P. Dixon, exec. v.p.

James H. Goss elected pres. of Canadian GE, succeeding Harold M. Turner, who moves up to chairman. Harold H. Miller, gen. mgr. of room air conditioning dept., succeeds him as mgr. of home laundry dept., Louisville; Paul M. Augenstein promoted to succeed Miller.

Erie Resistor Corp., which paid 10¢ common stock dividend in March, took no action last week on second quarter dividend, though declared regular quarterly 30¢ on preferred payable June 15 to holders June 10.

Norden-Ketay Corp. has made agreement to acquire all stock of Scientific Specialties Corp., Boston (precision instruments), which will continue to be headed by its present pres. Dr. Roland B. Holt.

Dividends: Motorola, 37½¢ payable July 15 to stockholders of record June 30; Packard-Bell, 10¢ July 25 to holders July 1 (raised from 5¢).

Electronics Reports: Air Force again denied this week that its weapon system concept will be used to detriment of established electronics industry (Vol. 11:7, 17, 21, 23). Addressing RETMA membership luncheon June 15 in Chicago, Lt. Gen. C. S. Irvine, Air Force deputy chief of staff, materiel, outlined these techniques used by Air Force to prevent weapon system management contractors (usually aircraft manufacturers) from taking over development and production of parts or sub-systems from other industries:

"(1) We review the system contractor's proposal [to] determine those items to be furnished by the prime contractor, by the associate contractor and by the Air Force. (2) During negotiations with the weapon system contractor we closely examine the proposed subcontract structure to assure that a substantial spread of subcontracting is planned. (3) We insert a clause in the contract to the effect that the contractor is not to deviate from the subcontract structure agreed upon in negotiations without prior written approval of the Air Force. (4) We then require that Air Force prime contractors implement their own programs to discharge these contractual responsibilities. This insures that a company follows both the letter and the spirit of our subcontract philosophy. Our goal is to encourage subcontracting."

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Machine that actually reads numbers was unveiled in New York this week by Burroughs Corp., which built it, and First National City Bank, which is field testing prototype model. It's claimed to be "first workable equipment to read directly from a source document without the need for human intervention or an intermediate coding operation." Bank is using device to read serial numbers on travelers' checks, in place of human punch-card operators. Machine consists of scanning device and punching machine connected by cables. Its 7200-check-an-hour rate is about the capacity of 10 skilled card operators, and the bank says traditional error factor of 1% has been reduced to "considerably less than 1/10 of 1%."

Automation and its effects on design in communications is topic of speech by Sol Cornberg, NBC director of studio & plant planning at June 13 meeting of International Design Conference in Aspen, Colo. He designed the sets for *Today*, *Tonight*, *Home* shows, helped design NBC's "Color City" in Burbank, Cal., has book titled *Television Techniques* soon due from Harper & Bros.

Color radar for civilian use will be tested at CAA's Technical Development & Evaluation Center at Indianapolis this year on "simulator" which reproduces traffic conditions around an airport. Due to be installed there is radar set built by Gilfillan Bros. and incorporating Lawrence tube. Color radar was first demonstrated to public early this year (Vol. 11:5).

Built in 1913 by old Marconi company, once nation's most powerful Trans-Atlantic wireless station, the RCA radio plant on Canal Road, New Brunswick, N. J., has been dismantled and equipment moved to Rocky Point, L. I., and 850-acre area has been sold to a realtor.

Sylvania plans new factory in Amherst, N. Y., suburb of Buffalo, for electronics systems div., turning out military & industrial electronics products.

D. R. Tashjian appointed mgr. of engineering, Westinghouse electronics div., Baltimore, replacing F. S. Mabry, now consultant to div. mgr.

J. H. Compton, stationed in London since 1951, elected v.p. of Westinghouse Electric Co. of Europe, headquartering in Paris.

Dr. Harris M. Sullivan, ex-v.p. of Central Scientific Co., Chicago, named mgr., GE electronics lab, Syracuse.

Station in trouble: San Francisco's KQED (Ch. 9, educational) undertook what it plainly labelled a "do or die" campaign for public contributions this week—otherwise it must sign off by June 30, just 15 months after debut. It seeks \$65,000 to continue 13-man staff, having operated first year on less than \$114,000, and gen. mgr. James Day states that this will give it "breathing spell" of at least 6 months during which it can develop new finance program. If appeal fails, it would be second of 14 educational TVs thus far undertaken which had to give up ghost—other having been USC-affiliated uhf KTHE, Los Angeles (Ch. 28) which had to quit last year after Allen Hancock Foundation withdrew financial support (Vol. 10:32, 43). San Francisco area's commercial KRON-TV, KPIX, KGO-TV & KOVR (Stockton) are donating spots & short shows for fund appeals for station.

"Instruction by TV is much more effective than actual live instruction" for some young soldiers with below-average intelligence. This finding was reported by Maj. Gen. K. F. Hertford, chief of Army research & development in testimony released recently by House Appropriations subcommittee. Said Gen. Hertford: "This could be a reflection of our modern life where these youngsters are taken into the Army and have been used to being glued to a TV screen. They concentrate more when they see something on TV than if they are behind the barracks and a man is actually showing them how to do things. [This discovery] has given us leads in mass training where we do not have sufficient instructors." He added that men who will not look at a training film "will look at a TV screen."

Ford Foundation's Fund for Adult Education contributed more than \$4,600,000 to educational TV in year ended June 30, 1954, it discloses in annual report just released. Of that sum, \$3,000,000 was granted to Educational TV & Radio Center at Ann Arbor; about \$100,000 each to 8 educational stations on air at that time; \$507,000 to American Council on Education (Joint Committee on Educational TV); \$81,000 to National Assn. of Educational Broadcasters. Funds spent for *Omnibus* (CBS-TV) are covered in annual report of Ford's TV-Radio Workshop, not yet released.

Stanford U's Radio-TV Institute conducts 13th annual summer session June 27-Aug. 23, in cooperation with KPIX, educational KQED & radio KNBC. Institute offers four \$100 scholarships presented by KPIX gen. mgr. Philip G. Lasky, based on scholarship, need of assistance & possible future contribution of student to TV-radio. Tuition fee is \$250 for credit students, \$170 for non-credit students. Admission application should be addressed to Prof. Norman Philbrick, acting executive head, Stanford U dept. of speech & drama. Enrollment is limited to 75.

Educational WQED, Pittsburgh (Ch. 13) will offer summer high school courses for 6 weeks starting June 27, giving students chance to earn credit for courses failed during regular school year. Pittsburgh high schools have discontinued summer courses because of lack of funds.

Sources of TV interference, listed by British Post Office on basis of complaints investigated last year, shows electric sewing machines leading list. Of 83,514 individual complaints, Post Office found sewing machines at fault in 8956 cases; hair driers were second with 6954, then power lines 3789, vacuum cleaners 3269, incandescent lamps 2569, drills 2492. Biggest source of interference to AM sets was radiation from TV receivers.

New 1955 "BBC Handbook," 224-page book explaining structure and functions of British Broadcasting Corp., plus review of its 1954 activities, is available from BBC, International Bldg., 630 Fifth Ave., N. Y.

Reasons for swap of TV-radio stations in Philadelphia and Cleveland, between NBC and Westinghouse (Vol. 11:22), were outlined in application for transfer filed with FCC this week. In the exchange, NBC would get Philadelphia's WPTZ & KYW, while Westinghouse would acquire Cleveland's WNBK & WTAM, NBC paying \$3,000,000 into the bargain. NBC told Commission: "The economic health of a company in the network business has been dependent on profits from some other source. This is the ownership of stations," indicating that Philadelphia outlets offered prospects of greater profits. Westinghouse stated that NBC initiated swap; that NBC had been offered another Philadelphia station but preferred to acquire Westinghouse's. Westinghouse added: "The acquisition by NBC of its own radio and TV stations in Philadelphia would have meant the end of NBC affiliation with the Westinghouse stations . . . Westinghouse could have (a) retained its stations in Philadelphia, operating them with substantially reduced income without NBC affiliation and possibly on an independent basis, or (b) transferred the Philadelphia stations to NBC and acquired and operated stations in another locality . . . Westinghouse made this business decision in the belief that the ownership and operation of stations in Cleveland, with NBC affiliation, was of greater benefit to Westinghouse and the public than the ownership and operation of stations in Philadelphia without network affiliation."

Trans-Canadian TV microwave, reaching 3800 mi. from Sydney, N. S. to Vancouver, B. C. is due for completion early in 1958 at cost of \$40-\$50,000,000. It's being built by Trans-Canada Telephone System, a combination of Govt. and private telephone companies. Built and now in use is section from Windsor, Ont. to Quebec, Que. Next is 1200-mi. Toronto-Winnipeg link due for fall 1956, 800-mi. Winnipeg-Regina-Calgary section early 1957, 710-mi. Quebec-St. John-Sydney link mid-1957, 580-mi. Calgary-Vancouver section early 1958. Approximately 140 relay stations will be required. Initially, 2 TV channels in each direction will be available—but only one of each will be used, other employed as emergency standby. In addition, some 120 phone circuits will be provided.

Heavy support for CBS pres. Frank Stanton's proposal for "Lincoln-Douglas" debates on TV by presidential candidates (Vol. 11:21, 23) came this week from newspapers in key metropolitan cities, as Chairman Harris (D-Ark.) of House transportation & communications subcommittee introduced bill for necessary amendments to Communications Act (HR-6810). Harris didn't specifically endorse bill, but said he felt it deserved "careful consideration." Amendment to Communications Act would permit networks and stations to have political candidates as guests on news shows, documentaries, panels, etc., without being subject to equal time provisions. Meanwhile Senate Rules Committee, by 5-3 vote (Democrats in favor, Republicans against), approved increase in political spending ceilings—largely resulting from cost of TV time (Vol. 11:16-18). Measure would raise ceiling for national committee spending in presidential elections from \$3,000,000 to about \$12,000,000, with Senatorial and Congressional limits raised correspondingly.

Latest community antenna system: Entron pres. H. M. Diambra reports that system in Midland, Ontario, on Georgian Bay, got big sendoff recently, including film coverage by WGR-TV, Buffalo and 8-p. special section in local *Free Press Herald*. Pres. of operator Tower TV Ltd. is W. H. Pinchin; v.p. is W. H. Cranston, publisher of *Free Press Herald*. Bell Telephone of Canada is handling wiring.

Next Armed Forces TV stations: Dharan Airport, Saudi Arabia, due to start July 1; Kindly Air Force Base, Bermuda, July 3; Okinawa, Aug. 15.

Subscription TV front: (1) Though most major principals in case want delay in filing reply comments, now due July 11, efforts to seek postponement fell through this week. Almost all parties had agreed to ask for delay until Sept. 15, but attempts to file unanimous request failed, and none wanted to go to Commission alone. (2) CBS released Elmo Roper survey showing that 62% of Columbus, O. families oppose pay-as-you-look under "most favorable circumstances," and that 93% oppose it if they'd be charged for all programs. Some 65% of interviewees said they'd vote against authorizing toll TV. (3) Jerrold Electronics Corp., which claims it can break any scrambled code, showing feasibility of widespread TV "bootlegging," is preparing to tell FCC it's ready to demonstrate that fact—and to show wired system is the only practical method of distributing pay-TV programs. (4) Rep. Emanuel Celler (D-N. Y.), chairman of important Judiciary Committee, is first congressman to come out publicly with strong opposition to tollvision. June 18 N. Y. *Herald Tribune* carried letter in which he expressed concern over pay-TV's possible effects on free TV, low-income families, etc., concluding: "I shall continue to oppose all efforts to foist fee TV on the American public."

Trade name "Ampar" will shortly herald entry of American Broadcasting-Paramount Theatres Inc. into phonograph record field, as forecast (Vol. 11:16). Subsidiary will be headed by Sam Clark, ex-gen. mgr., v.p. & co-founder of Cadence Records. Earlier plans to buy out an existing company have been abandoned; new firm will be backed by "ample resources" of parent TV-radio-theatre company, which presumably will extend its Walt Disney ties into recording field, will issue disks in all 3 speeds and all classifications, contracting the pressing to custom manufacturers at first. Said AB-PT pres. Leonard Goldenson: "The new record company will seek, at once, to enlist under its label the very finest of artists . . . we will not enter the market in strength until about the first of the year but we expect to 'be in business' in several months in the children's and package-goods fields." Note: AB-PT also is negotiating to purchase Baird Electronics, Cambridge, Mass., manufacturers of physical optics, spectrographs, etc. Company also is noted for its transistor-circuitry research.

Hearing on amendment to "protest" section of Communications Act (HR-5614) is scheduled June 22 by House transportation & communications subcommittee under Rep. Harris (D-Ark.). Subcommittee hasn't released list of witnesses yet, but only groups known to be preparing to appear are FCC (favoring measure) and Federal Communications Bar Assn. (which won't take decisive stand). Senate communications subcommittee under Sen. Pastore (D-R. I.) will probably hold hearings on similar bill (S-1648) week of June 27. Because of strong Congressional pressures for quick final decisions, amendment has good chance of passage.

Injunction to block sale of radio WMFJ, Daytona Beach, has been sought in Deland, Fla. by TV-radio producer Ted Granik and attorney Wm. Cook, both of whom are part owners of WJNO-TV, Palm Beach. They contend that seller W. Wright Esch has broken contract to sell station, with CP for WMFJ-TV (Ch. 2), to them. Price was to be \$7000 yearly for life of Esch and his wife, who are around 60. Esch is going ahead with construction of TV, having changed call recently to WESH-TV.

TV history will be made when Soviet Foreign Minister V. M. Molotov is questioned by newsmen on CBS-TV's *Face the Nation* Sun. June 26, 4:30-5 p.m. Originating from San Francisco, show marks first time a Russian official has submitted to newsmen's questions on TV panel program. It'll be recorded for CBS Radio same night, 10:05-10:30 p.m.

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SUMMARY - INDEX OF THE WEEK'S NEWS—June 25, 1955

FEWER THAN 250 NEW STATIONS, beyond today's 433, seen likely by CBS—as it attacks pay-TV proponents' promises of stimulated expansion (p. 1).

PAY-TV PIQUES POLITICIANS, Reps. Celler and Chelf introducing opposing bills, most Congressmen dubious; latest moves in "Tollvision War" (pp. 2 & 5).

ALLOCATION REVIEW in light of vhf-uhf problems is started by group of top engineers, headed by MIT Prof. Edward Bowles, for Senate investigators (p. 3).

MOVIE COMPANIES' network shows cause concern: Having failed to lick TV, is Hollywood now trying to take it over? Free plugs, program control are issues (p. 4).

HOLLYWOOD LINEUP: MGM is latest to sign network pact; all other major producers are listed, with their present and future TV activities spelled out (p. 5).

\$8400 RATE ON WRCA-TV, highest on record, was \$6200 year ago; new Class AAA 20-sec. spot is \$2050 net, 10-sec. \$975 net; color rates, too (pp. 7 & 15).

MORE STEP-UP MODELS, more at \$100, top-tuning, side-tuning, color plans noted at Chicago marts; Philco convention to reveal its models, plans (p. 11).

BILLS TO PROTECT NEWSPAPERS and TV-radio stations from discrimination by FCC in grants introduced in Congress; "protest" amendments debated (p. 8).

ANOTHER TV CODE: Britain's new rules for TV commercials protects parents against nagging by kiddies, OK's liquor ads, may let bookies on TV later (p. 9).

DES MOINES' KRNT-TV gets under way as Ottawa's French outlet gets started; next will be Notre Dame's uhf WNDU-TV; other upcoming reports (p. 10).

CEILING & FLOOR of station power extended by FCC, which finalizes rule permitting powers as low as 100 watts, proposes to raise uhf to 5000 kw (p. 10).

SENATE PROBERS to "farm out" most of TV study to expert groups, Magnuson says, to be climaxed by autumn "legislative, not investigative" hearings (p. 16).

FEWER THAN 250 NEW TV STATIONS IN SIGHT: Overlooked in the hurly-burly of deadline filings in the subscription TV case June 9 (Vol. 11:24) was an intriguing analysis in CBS's printed comments (pp. 40-42) -- relating to prospects of increase in number of TV stations in the U.S. CBS researchers, who have an enviable record of coming up with right answers, dating from the time present pres. Frank Stanton headed the dept., conclude that only 673 stations are in sight, due to economic limitations.

The 673 include the 433 now in operation as well as prospective new starters emerging from CPs still outstanding and applications still on file at FCC.

Our own records indicate CBS may be over-generous, for the immediate future at least, assuming TV installations and operation continue so costly as to preclude the small-town and sparsely-settled-area outlets commonplace in radio. For example, only 26 stations began this year to date, while 16 quit the air. Of the 157 CPs outstanding, only about 30 are due to start before end of 1955 -- and quite a few never will be built. Furthermore, there will certainly be more casualties. And the application backlog has been reduced drastically, while new applications are now rare.

* * * *

Though designed to refute arguments of subscription-TV proponents, the CBS analysis is provocative from standpoint of TV economics -- wholly apart from pay-TV angle. Its thesis is that no great increase is likely -- toll TV or no toll TV. Here's how CBS-TV Research arrives at that conclusion:

(1) More than 97% of U.S. population is now within range of TV signals.

(2) Of 1838 channel assignments allocated in FCC plan, 589 are now in use, or will be used by existing CP-holders or applicants -- leaving 1249 unused.

(3) Of the 1249 unused channels, 1074 are in areas now served or about to be served. The 175 left "are all in thinly settled areas not likely to support a TV station." Even the FCC has said, in report to Senate, that it isn't Govt.'s function "to create TV services where there is no demand or economic basis [for them]."

(4) Of the 1074 unused channels in areas now served, 809, almost all uhf, "are in communities served by stations in adjacent larger communities. Pay TV would reach these areas in the same way that free TV now reaches them. The same factors which make it profitable for an advertiser to utilize a New York station -- for instance, to serve Stamford, Conn. -- would operate in the area of pay TV."

(5) Of remaining unused channels, 181 are uhf in cities which are vhf-only. "It is a gratuitous assumption," CBS asserts, "that the uhf problem can be solved by persuading the set owner to bear the cost of not one but 2 additional devices on his vhf set. Again the same economic factors which induce the use of vhf stations for advertising programs would be operative for pay-TV programs."

(6) This leaves mere 84 channels, CBS says -- 19 vhf in vhf-only cities, 22 uhf in uhf-only cities, 43 uhf in vhf-uhf cities. CBS's conclusion: "It has not been demonstrated that pay TV would bring about a more rapid utilization of these 84 channels; even if it were wholly successful in doing so, it would bring an additional service to only a limited number of areas, all of them already served, at the price of the sacrifice of the nation's system of free TV."

* * * *

Note: We again urge you to read, unhurriedly, full texts of the comments filed by at least the major parties in the fee-TV proceeding. The skill and experience that went into their preparation has produced some of the finest analyses of TV to date -- economic, program, historical, political, legal. Regardless of your stand on toll TV, there's something in them for everyone. Our Special Digest of all the comments, published June 11, tells you where to write for original texts.

POLITICOS FIND PAY-TV JUICY ISSUE: Arena for subscription-TV fight began to shift from the FCC to Congress this week -- a move long expected. The net result will be to diminish chances of pay-TV approval -- for the simple reason that the popular vote-getting stance is to oppose it (Vol. 11:24).

Delay in final decision on pay-TV is also implicit in the Congressional agitation. But substantial delay is in prospect anyway, since all major parties except NBC asked FCC to postpone from July 11 to Sept. 9 the deadline for additional formal comments. Theatres' Joint Committee based petition on the tremendous volume of work involved, was joined by ABC, CBS, NARTB, Skiatron, Telemeter, Zenith. Of the majors, only-NBC abstained. FCC is certain to grant postponement.

First to introduce a bill was Rep. Celler (D-N.Y.), chairman of the important Judiciary Committee, whose HR-6899 would prohibit stations or their agents from charging for programs. He doesn't think toll TV has a chance, telling us:

"I'm in no hurry for hearings on the bill. I don't think there will be need for any, because I don't think the FCC could possibly approve subscription TV. I don't know where anyone got the idea the public was in favor of it. The reaction to my bill has been tremendous -- about 30-to-1 endorsing it -- and I know most of my colleagues go along with me."

Counterattacking Celler bill, Rep. Chelf (D-Ky.), also a member of Judiciary Committee, promptly introduced HR-6913 to forbid FCC from deciding the fee-TV issue against "the expressed will and desire of the people," and directing Commission to solicit public opinion via letters, cards, telegrams, etc. In June 21 speech to House, Chelf complained about summer TV fare, said he favors letting public have a chance to pay for something better, declared "I do not advocate pay TV," concluded "some form of 'pay-as-you-see' TV is inevitable." He told us he'd like to see tests conducted all over country, including such cities as Louisville and Nashville.

When reminded that FCC mail is now running overwhelmingly against pay TV, Chelf said: "I'm sure the commissioners can judge pressure mail and form letters. We can. We get them all the time." Theatre exhibitors Trueman Rembusch and Alfred Starr, speaking for Organizations for Free-TV, were delighted with Chelf, stating: "The quickest way to kill pay-to-see TV for once and for all is to subject the question directly to the people." They said they're already thinking of ways of getting the issue on ballot in regular elections.

If final decision is to hinge on expressions of public opinion, the networks' current announcements of lavish fall program schedules (see p. 4 & Telecasting Notes, p. 9) are certain to have a powerful effect.

Chairman Percy Priest (D-Tenn.), of House Interstate Commerce Committee, has no desire to get his group into the act yet, saying: "I don't think it's a legislative problem at this time. I have no intention of holding any hearings on it in the near future. The Commission should finish its consideration first, and I'm keeping a completely open mind on the subject until it does."

Similar position is taken by Sen. Magnuson (D-Wash.), chairman of the Senate Commerce Committee, who says that he may look into pay-as-you-see TV next fall "if the Commission hasn't resolved the question by then."

Additional Congressional objectors: Sen. Welker (R-Ida.) had reprinted in June 20 Congressional Record a long editorial blasting toll TV, written by James P. Gossett, of Gooding (Ida.) Leader. Rep. Bass (R-Tenn.) said that pay-TV would discriminate against low-income groups; that all his mail on subject is in that vein.

This week's activity is undoubtedly just the beginning. More bills and speeches can be expected -- predominantly in opposition to tollvision.

[For other subscription-TV activity this week, see p. 5.]

AN ALLOCATIONS STUDY 'AT THE SUMMIT': Senate investigators have given carte blanche to a group of nation's top allocations & communications engineers in their attempt to re-evaluate FCC's TV allocation plan in light of vhf-uhf problems.

This is first of series of "expert" groups due to tackle knotty TV issues for Senate Commerce Committee, according to Chairman Magnuson, who expects hearings next fall to receive summation of findings (see separate story on p. 16).

The high-powered ad hoc engineering committee met for first time June 21 with Magnuson and other Senators and staff members. Following the meeting, Magnuson made it clear he had torn up his original "assignment sheet" (Vol. 11:25) and decided to let the engineers work out their own agenda, goals, timetable, methods of study.

Committee is headed by Prof. Edward Bowles of MIT, who from 1942-52 occupied high posts in War & Defense Depts. including 2 years as scientific warfare advisor to Defense Secy. He's generally regarded as an outstanding choice, an impartial chairman highly respected in industry, Govt. and education.

Philco research director Donald G. Fink was elected secy. He's former editor of Electronics Magazine and veteran of such far-reaching industry technical projects as NTSC, the Condon ad hoc committee on color TV and Joint Technical Advisory Committee's study on spectrum conservation. Other engineers attending first meeting:

Haraden Pratt, IRE executive secretary and former telecommunications advisor to President Truman; Dr. Allen B. DuMont & Robert Wakeman, DuMont allocations engineer; Washington consulting engineers C.M. Jansky & Stuart Bailey; NBC allocations expert Wm. Duttera; ABC engineering v.p. Frank Marx; CBS engineering v.p. Wm. Lodge; Westinghouse Bcstg. engineering v.p. Ralph Harmon; Washington consulting engineer T.A.M. Craven; FCC Broadcast Bureau chief Curtis Plummer.

Group made no decisions at first meeting, hasn't yet mapped out program. It will delve deeply into allocation principles, criteria, etc. A fact-finding group, it's not expected to come up with any "recommendations" as such, will leave that to Senate Committee. Engineers will meet infrequently, do much of work by correspondence, each member to be assigned specific fact-finding tasks.

* * * *

No "freeze" on FCC actions with regard to uhf problems is contemplated while ad hoc committee conducts its study. In press conference following engineers' first meeting, Sen. Magnuson made it clear he wants Commission to continue its case-by-case consideration of deintermixture petitions.

The Commission will hold first oral arguments on deintermixture Mon. & Tue., June 27-28, involving Peoria, Evansville, Madison, Hartford, Albany. Total of 33 parties will participate, each being allowed 20 minutes for argument.

THE TV-MOVIE 'MARRIAGE'—WHO'S BOSS? Three short years ago, 20th Century-Fox pres. Spyros Skouras called TV the "enemy" of the movies (Vol. 8:14) and his confreres in the then depression-ridden cinema world echoed his sentiments. To which the TV industry replied: "We need you -- and you can't lick us; so why not join us?"

Today, Mr. Skouras is making TV films and is being paid to turn out an hour-long network show beginning next fall. Every major movie producer is now in TV -- made unanimous by the announcement this week of MGM's new half-hour series on ABC, beginning next season. Hollywood's philosophy has changed. Attitude now appears to be: "No, we can't lick 'em; but maybe we can take 'em over."

[For list of major movie producers and their new TV activities, see p. 5.]

* * * *

Hollywood has found TV and movies are truly interdependent. And the TV industry, which for years has been crying out for Hollywood's properties and know-how, is beginning to discover that if it's not careful it may be taken for a ride.

It's evident that Hollywood didn't marry for love. Considering that the movie industry was depending on candy and popcorn sales 3 years ago, it's extracting a terrific price for its part in the partnership. As regards spate of new studio-owned shows which debut next fall, 2 potential pitfalls are evident:

(1) Though they're traditionally big advertising spenders in other national media (except radio), the movie producers are buying absolutely no network TV time. Yet they get about 8 minutes of advertising during each hour of the forthcoming new programs -- before large audiences in prime time, paid for by another sponsor -- to tell viewers, in effect, "turn off your set and go to the movies." They're making great capital of it, too. For example, Loew's Inc. pres. Nicholas Schenck stated:

"Here at MGM we have made a study of TV and have in mind the point-of-view of motion picture exhibitors. We are now evolving a program which will be good popular entertainment and will serve the mutual interests of our customers and ourselves. A portion of our MGM Parade will be devoted to information about the studio's forthcoming pictures to be played exclusively in motion picture theatres."

(2) Assuming the programs are successful (the "movie touch" isn't necessarily magic -- there are plenty of turkeys in theatres, too), will this new TV-movie affinity take control of top programs out of hands of the networks? Except for Disney-ABC joint ownership of Disneyland, no details of network-movie producer contracts have been released. If trend to movie package shows results in Hollywood control of many top programs, it's fair to ask: Have the networks paid too high a price? They should recall only too well their bitter experiences in radio's heyday when the ad agencies controlled most programs. We remember their vows not to let it happen in TV.

* * * *

An entirely different kind of offshoot of the TV-movie mating is the promise of the biggest spectacular of them all -- a 3-hour color premiere of one of the most important British films in years, produced at cost of \$2,000,000.

Paying \$500,000 for one-shot rights to Alexander Korda's forthcoming picture "Richard III" (Laurence Olivier, Ralph Richardson, Cedric Hardwicke, John Gielgud, Claire Bloom), NBC will show film immediately before its U.S. theatrical release, which will be on 2-a-day, advance price roadshow basis. This is second premiere of a new Korda film planned by NBC -- first being Rex Harrison's "The Constant Husband" (for \$200,000), due to be shown on color TV Oct. 9 (Vol. 11:23).

Actions speak louder than words, and NBC's expensive burst of programming innovations obviously is aimed not only at recouping billings leadership from CBS, but -- perhaps more important -- at answering fee-TV partisans in language everyone can understand: "Free TV is giving the public first-run movies (Richard III, The Constant Husband), hit Broadway-cast plays (Peter Pan, Saint of Bleecker Street, One Touch of Venus, Skin of Our Teeth) and lavish original productions (spectaculars). So what else can you give them, besides a coin box?"

Note: Latest telecast of a stage success from Broadway -- CBS-TV's June 22 one-hour adaptation of "Three for Tonight" -- was another smash hit, drawing acclaim from critics. It ought to be repeated, preferably in color.

EMBOLDENED BY TREND of public and Congressional opinion in their favor in subscription-TV struggle (p. 2), theatre exhibitors' spokesmen Alfred Starr and Trueman Rembusch this week even dared prod the enigmatic movie producers.

They noted with "shocked surprise" the failure of producers to file comments with FCC or to take a stand. Since Paramount was only one to file, through subsidiary International Telemeter which has a coinbox pay device, exhibitors said they must assume Paramount dominates the rest. They sought to wean others to their side by warning that Paramount holds patents, might be in position to call the tune for all producers; that release of first-run pictures to pay-TV would bring "endless litigation," etc. Other toll-TV developments:

(1) NARTB board voted this week to take more active role opposing pay-as-you-see, will have 3-member committee promote "full disclosure by appropriate means of pertinent facts and information to Congress and the American public concerning pay TV."

(2) Canadians have rejected tollvision. A. Davidson Dunton, chairman of CBC board of governors, said it just isn't practical, in testimony during governmental inquiry in Toronto.

(3) Milton Shapp, pres. of Jerrold Electronics Corp., major wired system manufacturer and operator, reports that 2 important unidentified entities in the entertainment industry have come to him for discussions since he first argued case for confining pay-TV to wire (Vol. 11:24).

MOVIE PRODUCERS are all in TV now — in one way or another—with the exception of trouble-beset RKO, which may be on brink of selling its 700-film backlog (see p. 4). Big film companies selling package shows to networks on the *Disneyland* formula (20th Century, Warners, MGM) have sponsors already signed. Here's an up-to-the-minute lineup of Hollywood majors and their TV activities:

Metro-Goldwyn-Mayer's *MGM Parade*, latest to be announced, probably will be slotted by ABC-TV Wed. 8:30-9 p.m., immediately after *Disneyland*, with American Tobacco & General Motors as sponsors. It will draw heavily on old theatrical short subjects, with little new material outside the inevitable movie stars and "behind-the-scenes" sequences plugging current theatrical attractions.

Walt Disney Studios paved the way with *Disneyland*, jointly owned with ABC, Wed. 7:30-8:30 p.m., sponsored by American Motors, Derby Foods (alt.), American Dairy Assn. (alt.). Disney's *Mickey Mouse Club* begins next fall Mon.-Fri. 5-6 p.m. with newly made films and old theatrical cartoons, with 14 of the 20 quarter hours already sold. Special one-shot *Dateline Disneyland* Sun., July 17, 7:30-9 p.m., is sold to American Motors, Swift & Co., Gibson Greeting Card.

The *Warner Bros. Presents* debut date, also ABC-TV, is Sept. 13, Tues. 7:30-8:30 p.m. as weekly hour series sponsored by Liggett & Myers, GE (alt.), Monsanto Chemical (alt.). Warners also has organized new TV film producing subsidiary.

Twentieth Century-Fox will have own hour show on CBS-TV, alt. Wed. 10-11 p.m., sponsored by GE, has also organized big TCF Productions, already shooting 2 other half-hour filmed TV series.

Paramount is part owner of York Productions (with Martin & Lewis), which June 12 took over NBC-TV's ail-

(4) Editorial stand against telecast pay-TV was taken by *Broadcasting-Telecasting Magazine*. In June 20 issue, it endorsed trying it via wired systems. In addition, it deplored Zenith's recent publicity tactics (Vol. 11:25), stating: "Several industry leaders have stooped to personal vilification in the war of the mimeograph . . . but none has stooped lower than spokesmen for Zenith. Nor was it accidental that coincidentally with the deadline for FCC comments on subscription TV, Zenith demonstrated a new electronic gun which can shoot the commercials out of TV. The dictionary says the antonym of zenith is nadir. In this case the dictionary is wrong. Zenith has meant the nadir of taste in recent publicity."

(5) RCA pointed out that current fight is nothing new, noting that NARTB's June 9 brief to FCC quoted from chairman David Sarnoff's testimony before House committee in 1924, in which he expressed faith in radio's ability to succeed without public payment. At that time he stated: "The greatest advantage of radio lies in its universality, in its ability to reach everybody, everywhere, anywhere, in giving free entertainment, culture, instruction, and all the items which constitute a program; in doing what no other agency has yet been able to do, and it is up to us in the radio art and industry, with intelligence and technique and broadness of spirit and vision as to the future, to preserve that most delightful element in the whole situation—freedom of radio."

Note: Digests of arguments on subscription TV, pro & con, as filed with FCC up to June 11, are available in 4-p. Supplement published with our Vol. 11:24, containing story on "The Tollvision War"—At Deadline." Extra copies of Newsletter with Supplement available to subscribers at \$1 each; extra Supplements 50¢ each.

Colgate Comedy Hour (renamed *Variety Hour*) Sun. 8-9 p.m., producing it live, at least for time being. Though long in TV business through its ownership of Los Angeles' KTLA, former ownership of WBKB, Chicago, and interest in DuMont Network, Paramount Pictures has never been particularly active in TV film production. It recently released small block of Class B features to TV.

Columbia Pictures is old-timer in TV film production and distribution, and through its high-ranking Screen Gems subsidiary is understood to be readying a *Columbia Presents* program.

Universal-International was one of first majors to plunge into TV film-making through its United World Films, got its fingers burned after making one 13-chapter series, retrenched 4 years ago, is now dipping its toes into the TV stream again via 90-min. spectacular for NBC-TV July 2. It's also currently filming TV commercials, plans gradual TV film comeback.

Republic Pictures has made more money out of TV than movies for last few years, is active in TV film distribution and processing, leases its studios to outside TV film producers, has released several big batches of oldies to TV.

RKO, in-&-out of movie production field for last few years, is certain to sell its huge feature backlog to TV when it gets big enough offer—General Teleradio now considered most likely purchaser (Vol. 11:24), reportedly having offered more than \$25,000,000.

Comedy writing talent search, announced by NBC last April (Vol. 11:18), has already produced more than 1000 applicants, according to program development director Leonard Hole, who said 900 specimens of writing are being read by NBC's creative comedy committee and 30 writers "have shown sufficient promise for us to ask for additional submissions."

Personal Notes: Edgar B. Stern Sr., chairman, WDSU-TV & WDSU, New Orleans, named by Ford Foundation to committee to advise on distributing \$50,000,000 to colleges & universities to help increase faculty salaries . . . George W. Brett, Katz Agency sales v.p., retires from that post July 1, will continue with rep firm and as director of TvB until end of year . . . Robert C. Wood, Storer midwest sales mgr., promoted to national sales mgr., reporting to v.p. Tom Harker . . . Jones Scovern named business mgr., Free & Peters . . . John B. Lanigan named sales mgr. of NBC-TV daytime programs, succeeded as eastern sales mgr. by John Dodge . . . E. K. Jett, gen. mgr. of WMAR-TV, Baltimore, leaves July 20 for 3 weeks in Europe . . . Robert Sarnoff, NBC exec. v.p., and Mrs. Sarnoff now in Europe, returning mid-July . . . Pegeen Fitzgerald named mgr. of retail merchandising, WRCA-TV & WRCA, N. Y. . . Richard A. Moore elevated to pres., John R. Vrba sales v.p., Robert W. Breckner program v.p., *Los Angeles Times*' KTTV . . . Hardie Frieberg named eastern div. v.p., Television Programs of America Inc. . . . Frederick (Fritz) Jacobi promoted to mgr. of publicity for NBC film div., succeeding Charles Henderson, now mgr. of network field exploitation . . . L. Boyd Mullins promoted to new post of merchandising & research mgr., KRON-TV, San Francisco; Thomas Mulhalley appointed director of public affairs . . . Burt Lambert, ex-Ziv, becomes sales supervisor, and Bennet Korn, ex-WHEN & WQXR, will be sales exec., WABD, N. Y. . . . Joseph J. Battaglia Jr. named traffic mgr., N. W. Ayer TV-radio dept. . . . James F. Brown resigns as national sales mgr., KBTv, Denver, to become commercial mgr. of Denver's radio KOSI . . . George Ruppel, controller, promoted to Mutual v.p.-treas., Roy Danish to v.p. in charge of station programs.

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NBC news dept. shifts, under public affairs v.p. Davidson Taylor's policy of rotating foreign correspondents: Newsman Leif Eid shifted from Washington to Paris, Frank Bourgholtz from Paris to Bonn, Robert McCormick from Bonn to Washington, film correspondents Robert Hecox from Hong Kong to Rome and Henry Toluzzi from Rome to Hong Kong. Domestic changes announced by Wm. R. McAndrew, news chief: John H. Thompson, ex-program director, KNBC, San Francisco, named Pacific div. mgr. of news & special events; Chester E. Hogan promoted from N. Y. desk to Chicago mgr. of news & special events; Rex Goad moved up from Washington news editor to night newsroom supervisor, N. Y.; Henry Cassidy takes over *World News Roundup*; Bill Henry, *Los Angeles Times* columnist, joins staff; Chet Huntley, commentator, joins west coast staff; John Rich, ex-Tokyo & Korean correspondent recently on fellowship leave, rejoins N. Y. staff. Note: NBC's McAndrew will direct coverage of Big 4 "Meeting at the Summit" starting in Geneva July 18; CBS's Eric Severeid, chief Washington correspondent, goes to London June 29 to switch summer jobs with Howard K. Smith, and will cover Big 4 conference also.

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Amon Carter, 75, publisher of *Ft. Worth Star-Telegram*, pioneer TV-radio operator (WBAP-TV & WBAP), oil magnate and one of Texas' most prominent leaders, died in Ft. Worth June 23. His TV-radio interests are handled by the veteran Harold Hough, and his son Amon Jr. is now expected to head newspaper-radio properties.

Wyllis Cooper, 56, TV-radio & film writer, recently with CBS-TV, died June 22 in hospital near his home in Glen Gardner, N. J. His best known radio shows were *Lights Out*, *Tales of the Foreign Legion*, *Quiet Please*; for TV he handled *Escape* and *Stage 13* on CBS.

Fred Rickey, 34, TV producer of NBC's forthcoming *Wide World* and for 6 years executive producer in charge of color for CBS, died June 24 of heart attack.

NARTB's TV BOARD, convening June 23 at Hot Springs, Va., appointed special committee to consider broad-gauged national study of viewer attitudes toward TV programming. It acted after Code Review Board chairman G. Richard Shafto reported that a pilot study conducted last fall under its auspices indicated need for such a national survey. Unlike CBS's proposed field study of what public wants of TV (Vol. 11:22), NARTB's survey would determine viewer attitudes toward what they're getting now in programming. Appointed to committee are Ward Quaal, WLWT, Cincinnati, chairman; Joseph E. Baudino, Westinghouse; Clair R. McCollough, WGAL-TV; Merle S. Jones, CBS; Frank M. Russell, NBC.

In his report, Shafto said Code Review Board's monitoring recently has been devoted to review of children's programming and late-afternoon & early-evening program schedules. Effectiveness of TV code stimulated radio board to ask for appointment of committee to study ways of putting teeth into its Standards of Practice for Radio, including possible use of "a symbol in sound" for radio stations comparable to TV Seal of Good Practices.

Research committee submitted "interim report" to TV board on progress of Politz pre-testing for county-by-county or market-by-market census of TV set ownership. NARTB declined to disclose contents, but spokesman said "it gave no grounds for optimism or pessimism." Committee was instructed to continue field tests and to issue another report in Sept. Full board also approved operating budget of \$850,000—\$400,000 in TV—for fiscal year which began April 1.

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Community TV activity: Question of property rights in TV signals relayed by community TV systems was considered this week by NARTB board, which decided to set up committee to look into it. By and large, stations are pleased with extra circulation; however, several small-town operators feel that systems make serious dent in their audiences by bringing in out-of-town signals. Another community-TV microwave was sought this week, Black Hills Video Co., filing application for link to bring San Antonio signals to system in Victoria, Tex. It proposes to carry 2 channels, using Philco TLR-2C equipment, installed for \$33,566. System operator would pay \$1000 monthly. Black Hills is same organization seeking extensive Denver-Rapid City microwave in competition with Bartlett Management; they're now going through hearing.

Clair R. McCollough, WGAL-TV, Lancaster, Pa., was re-elected chairman of NARTB's TV board at semi-annual meeting this week at Hot Springs, Va. Campbell Arnoux, WTAR-TV, Norfolk, was re-elected vice-chairman. Henry Clay, KWKH, Shreveport, and E. K. Hartenbower, KCMO, Kansas City, were also re-elected chairman & vice-chairman, respectively, of radio board. Kenneth L. Carter, WAAM, Baltimore & J. Frank Jarman, WDNC, Durham, were elected co-chairmen of membership committee; Ward L. Quaal, WLWT, Cincinnati, re-elected chairman of by-laws committee; Wm. D. Pabst, KFRC, San Francisco, chairman of finance committee; Campbell Arnoux, chairman of TV finance committee.

More honorary degrees: Mitchell Wolfson, pres. of WTVJ and co-owner of Wometco Theatres, from U of Miami; Wm. C. Decker, pres. of Corning Glass Works, from Penn state (distinguished alumni award).

Carlos A. Franco, veteran of agency field, recently resigned gen. sales mgr., Crosley Bestg. Corp., forms Carlos Franco Assoc. Inc., adv. & marketing consultants, 420 Madison Ave., N. Y.

Mrs. Marie Natvig, witness in Lamb case who changed testimony in midstream, was sentenced to 8 months to 2 years for perjury, Federal Judge Holtzoff calling her a "danger to the community."

NEW RATE CARD No. 15 released for NBC key WRCA-TV, New York, effective June 1, reveals once again how the high cost of TV time is going still higher. It posts the highest rate yet quoted in TV—\$8400 an hour for so-called Class AA time, \$5040 a half hour, \$3360 for 15-min., \$2940 for 10-min., \$2100 for 5-min. Class AA embraces prime periods: 10:30-11 p.m. daily and 6-7:30 p.m. Sun. When last quoted, June 1, 1954, Class AA hour rate was \$6200, half hour \$3720, 15-min. \$2480, 10-min. \$2170, 5-min. \$1550.

Newly established Class AAA rate for one 20-sec. spot between 7:59-10:30 p.m. Mon.-thru-Sat. & 7:29-10:30 p.m. Sun. costs \$2050 net and 10-sec. \$975. Class AA spot rates (7:30-7:59 p.m. Mon.-thru-Sat., 6:59-7:29 p.m. Sun., 10:30-11 p.m. daily) cost \$1400 for 20-sec., \$690 for 10-sec. There are various other rate changes, too, including schedule of color spot charges (see p. 15).

These give you an idea of the soaring costs of TV sponsorship—even with the usual frequency discounts the bill comes high in the nation's biggest market with its reputed 4,700,000-plus sets-in-use. NBC key's prime rival, CBS-TV's WCBS-TV, now charges \$6500 an hour, \$3900 half hour, \$2600 for 15-min. in its Class AA time, which is 7:30-11 p.m. Mon.-thru-Sat. and 6-11 p.m. Sun. That's up from \$6000, \$3600 & \$2400 last year, when this was called Class A time. Spots range from \$1700 for 20-sec. and \$850 for 10-sec. in Class AA time down to \$300 & \$125 for early-morning (before 9 a.m.) and after-midnight time.

You have to be an actuary as well as timebuyer to dope out many of the complex rate cards not only of the big stations but some of the little ones. All rate cards of all U. S. & Canadian stations will be updated and digested in our *TV Factbook No. 21*, which will be off the presses in about a month. Meanwhile, here are those of WRCA-TV and WCBS-TV:

DIGEST OF WRCA-TV RATE CARD CARD NO. 15
(June 1, 1955)

Hour	30 Min.	15 Min.	10 Min.	5 Min.	20 Sec.*	10 Sec.*
Class AA—10:30-11 p.m., daily; 6-7:30 p.m., Sun.	\$8400.00	\$5040.00	\$3360.00	\$2940.00	\$2100.00	\$1400.00
Class A—7-7:30 p.m., Mon.-Sat.	4500.00	2700.00	1800.00	1575.00	1125.00	1095.00
Class B—6-7 p.m., Mon.-Sat.	3500.00	2100.00	1400.00	1225.00	875.00	850.00
Class C—9 a.m.-6 p.m., Mon.-Fri.; 11 p.m.-midnight, daily.	3150.00	1875.00	1260.00	1102.50	787.50	650.00
Class D—Sign-on-9 a.m., Mon.-Fri.; sign-on-6 p.m., Sat. & Sun.; midnight-sign-off, daily.	1850.00	1110.00	740.00	647.50	462.50	350.00

* Class AAA (7:59-10:30 p.m., Mon.-Sat.; 7:29-10:30 p.m., Sun.); 20 Sec. \$2050, 10 Sec. \$975. Class AA (7:30-7:59 p.m., Mon.-Sat.; 6:59-7:29 p.m., Sun.; 10:30-11 p.m., daily). Class A (7-7:30 p.m., Mon.-Sat.; 6:29-6:59 p.m., Sun.). Class B (11-11:15 p.m., daily). Class C (5:59-7 p.m., Mon.-Sat.; 5:59-6:29 p.m., Sun.). Class D (3-5:59 p.m., Mon.-Sat.; sign-on-5:59 p.m., Sun.; 11:15 p.m.-sign-off, daily). Class E (sign-on-3 p.m., Mon.-Sat.).

Subject to frequency discounts, with exception of Class AAA announcements.

Color—20 Sec. station breaks \$500, 10-Sec. \$250 added to regular station-break rate; commissionable.

Time reserved for network: Class A (7:30-10:30 p.m., daily; 5-6 p.m., Sat. & Sun.). Class B (5-6 p.m., Mon.-Fri.; 3-5 p.m., Sat. & Sun.). Class C (10 a.m.-1 p.m., daily; 3-5 p.m., Mon.-Fri.).

DIGEST OF WCBS-TV RATE CARD CARD NO. 15
(May 1, 1955)

Hour	30 Min.	15 Min.	10 Min.	5 Min.	Min. or 20 Sec.*	10 Sec.*
Class AA—7:30-11 p.m., Mon.-Sat.; 6-11 p.m., Sun.	\$6500.00	\$3900.00	\$2600.00		\$1700.00	\$850.00
Class A—7-7:30 p.m., Mon.-Sat.; 5-6 p.m., Sun.	6250.00	3750.00	2500.00	\$2084.33	\$1875.00	1250.00
Class B—6-7 p.m., Mon.-Sat.	4500.00	2700.00	1800.00	1500.00	1350.00	900.00
Class C—9 a.m.-6 p.m., Mon.-Sat.; 9 a.m.-5 p.m., Sun.; 11 p.m.-midnight, daily.	3125.00	1875.00	1250.00	1041.67	937.50	600.00
Class D—Sign-on-9 a.m., midnight-sign-off, daily.	1500.00	900.00	600.00	500.00	450.00	300.00

* Class AA (7:59-10:30 p.m., Mon.-Sat.; 6:29-11 p.m., Sun.). Class A (7:15-7:59 p.m., Mon.-Fri.; 10:30-11 p.m., Mon.-Sat.; 6:59-7:59 p.m., Sat.; 5:59-6:29 p.m., Sun.). Class B (5:59-7:15 p.m., Mon.-Fri.; 5:59-6:59 p.m., Sat.; 11-11:15 p.m., daily). Class C (8:59 a.m.-5:59 p.m., 11:15 p.m.-midnight, daily). Class D (sign-on-8:59 a.m., midnight-sign-off, daily).

Subject to frequency discounts.

Network Accounts: Eyes of whole TV & ad world will be on NBC-TV's *Wide Wide World* show Mon. June 27, 8-9:30 p.m., pet project of NBC pres. Pat Weaver, who foresees it as "a way of taking people everywhere by TV." Show involves more than 1000 performers & technicians, including 250 engineers, 15 directors & 4 producers. Twelve remote units & 40 cameras will be used to bring in 15 pickups, some from Canada & Mexico, and including network color mobile unit. AT&T has expressed interest in sponsorship if and when it goes on regular program schedule . . . Crosley (appliances) is 3rd sponsor for NCAA football games on NBC-TV this fall, thru Earle Ludgin & Co., leaving only one quarter to be sold; other sponsors are General Cigar & Schick, with Dow Chemical signed for post-game show . . . Emerson Drug & Lenthieric (perfumes) to be alt. sponsors of *Chance of a Lifetime* on ABC-TV starting July 3, Sun. 9-9:30 p.m., thru Lennen & Newell and Cunningham & Walsh . . . U. S. Rubber buys 2 partic. in NBC-TV's color "spectaculars" this fall, Sun. 7:30-9 p.m., thru Fletcher D. Richards Inc. . . Warner-Lambert (cosmetics) buys alt. sponsorships in 5 *Robert Montgomery Presents* this summer on NBC-TV, Mon. 9:30-10:30 p.m., thru Ruthrauff & Ryan . . . Chunky Chocolate Corp. to be alt. sponsor of 30-min. of *Super Circus* on ABC-TV starting Sept. 25, Sun. 5-6 p.m., thru Hilton & Riggio . . . Del Monte extends 1955 purchases on NBC-TV's *Today, Home & Tonight* to total of 93 partic., thru McCann-Erickson.

Among advertisers currently reported using or preparing to use TV station time: Pacific Chemical Co., Seattle (Balance detergent), thru Miller, Mackay, Hoeck, Hartung, Seattle; Wilson Chemical Co., Tyrone, Pa. (White Cloverine salve), thru Walter J. Cattick, Philadelphia; Slenderella Intl., Darien, Conn. (reducing plan), thru Management Assoc. of Conn., Darien; Fisher Nut Co., St. Paul, thru Bozell & Jacobs, Minneapolis; Armstrong Rubber Co., West Haven, Conn. (Armstrong tires), thru Biow-Beirn-Toigo, N. Y.; AlumnaRoll Products Co., N. Y. (AlumaRoll awnings), thru Sherman Lawrence Adv., N. Y.; Spirling Products Co., Hicksville, N. Y. (TV antennas), thru Gerald H. Keller Adv., N. Y.; Tuxedo Candy Co., San Jose, Cal. (Roxbury candies), thru Foote, Cone & Belding; Cliquot Club, thru Harold Cabot, Boston.

Rate increases: KWK-TV, St. Louis, adds new Class AA hour (7-10 p.m. daily) at \$1200, min. at \$250, Class A remaining \$1000. KHJ-TV, Los Angeles, raises base hour from \$1000 to \$1200, min. \$180 to \$220. KRLD-TV, Dallas, adds new Class AA hour (7-10 p.m. Mon.-Sat. & 6-10 p.m. Sun.) at \$1100, min. at \$225, Class A remaining \$950. KLZ-TV, Denver, raises hour from \$550 to \$650, min. \$120 to \$150. WSLS-TV, Roanoke, adds new Class AA hour (8-10:30 p.m. daily) at \$600, min. at \$120, Class A hour remaining \$500. WBRE-TV, Wilkes-Barre, raises hour from \$400 to \$450, min. \$70 to \$90. KELO-TV, Sioux Falls, S. D., hour from \$300 to \$350, min. \$60 to \$70; WJTV, Jackson, Miss., from \$200 to \$300 & \$40 to \$60; WLBT, Jackson, Miss. from \$250 to \$300 & \$50 to \$60; CKWS-TV, Kingston, Ont., from \$200 to \$250; CKCK-TV, Regina, Sask. from \$200 to \$235.

Record-breaking \$2,000,000 in gross billings was racked up by NBC-TV for *Today, Home & Tonight* in week ended June 17. Biggest sponsors signed during week were Del Monte, Roto Broil, Glidden Paints, Gruen, G. Washington Coffee, Westclox, General Time, Calgon (water conditioner).

Mutual Broadcasting System, in rate card No. 18 effective July 1, lowers 6-10:30 p.m. gross rates about 50%, making same single rate for all hours; maximum discount is cut from 63% to 47½%, annual rebate from 12½% to 7½%.

'DIVERSIFICATION' ISSUE, as well as sub-
scription TV (p. 2), got attention of Con-
gress this week. In Senate and House, bills were
introduced which would direct FCC to ignore or
minimize newspaper and TV-radio interests of
applicants when making grants.

FCC granted one CP meanwhile — Ch. 6 to
KAVE, Carlsbad, N. M. Pres. and 50.9% stock-
holder is Val Lawrence, mgr. of KROD-TV, El
Paso (Ch. 4). Also authorized were shifts of
KONA, Honolulu from Ch. 11 to Ch. 2 and WTVR,
Scranton, Pa. from Ch. 73 to Ch. 44.

Sens. Hayden (D-Ariz.) and Capehart (R-Ind.)
co-sponsored S-2321, which would prevent Com-
mission from denying a license to a newspaper
unless grant would "create a monopoly" of news
media to an extent "contrary to the public interest." In
comparative hearings, bill provides that newspaper own-
ership be ignored unless applicants are equal in all other
respects—whereupon newspaper affiliation may be con-
sidered either an advantage or a disadvantage. Bill also
would direct Commission to give no weight to newspapers'
editorial policies.

In House, Rep. Harris (D-Ark.), chairman of Inter-
state Commerce Committee's subcommittee on communica-
tions and transportation, introduced HR-6977, which sim-
ply states that FCC shall not discriminate against princi-
pals with interests in "any medium primarily engaged in
the gathering and dissemination of information." Rep.
Beamer (R-Ind.) introduced identical bill, HR-6968, said
it's also meant to prevent discrimination against appli-
cants with other TV-radio interests. He noted that simi-
lar language was included in draft of McFarland amend-
ments to Communications Act in 1952, was deleted be-
cause FCC promised not to discriminate against news-
papers. "But history hasn't borne that out," he said.

With Congressmen charging that FCC is discriminat-
ing against newspaper and multiple TV-radio owners, and
with Court of Appeals blasting Commission for just the
reverse (Vol. 11:25), commissioners are understandably

perplexed. As one says: "You know, some of these cases
could be decided by no more than the toss of a coin."

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Hearing on "protest" section of Communications Act
was conducted by House Interstate Commerce Committee
this week; it was exploring HR-5614, introduced at re-
quest of FCC. Commission chairman George McCon-
naughey testified that amendment is "urgent"; that exist-
ing law is being used by competitors to keep stations off
air because Commission is not permitted to give short
shrift to insignificant allegations by protestants. Comr.
John Doerfer testified that section should be repealed to-
gether; that it "gives economic protection to broadcasters
and others who are not in the broadcasting field, contrary
to the original purposes of the Communications Act"; that
commissioners, not protestants, should be trusted to pro-
tect the public interest.

Attorney Henry Fischer, speaking for Federal Com-
munications Bar Assn., reported that FCBA's executive
committee, by close vote, endorsed the FCC-sponsored
amendment, with relatively minor changes.

Attorney Benedict Cottone, representing UHF Indus-
try Committee, asserted that law should be left alone; that
it protects uhfs from "super-power" vhfs; that if protest
is filed against a grant, grantee must not be permitted to
get on air because an operating station is almost impossi-
ble to dislodge, regardless of seriousness of charges against
it; that station should be permitted to continue or start
operating, after protest is lodged, only when public inter-
est "imperatively" demands it.

Ervin F. Lyke, pres. of WVET-TV, Rochester, N. Y.,
which shares Ch. 10 with WHEC-TV, supported amend-
ment. He stated that stations are in danger of being
forced to go silent because of protest filed by radio WSAY.
Protest had been dismissed by FCC, is now pending in
Court of Appeals. Lyke declared that if court rules
WSAY is entitled to FCC hearing, "the Commission ap-
parently has no option but to take WVET-TV & WHEC-
TV off the air" until it conducts full hearing and makes
final decision.

Senate subcommittee, under Sen. Pastore (D-R. I.)
will hold hearing on same subject July 7.

Amendment of FCC rules to permit vhf drop-ins
through use of directional antennas and low power was
requested by UHF Industry Coordinating Committee (Vol.
11:24) in petition filed July 21 following 2-hour meeting
of uhf telecasters with commissioners. Petition asks that
mileage separations be waived on case-to-case basis
where it would serve public interest. Committee also
asked freeze of at least 90 days on all grants and modi-
fications which would aggravate intermixture problems,
and that all pending deintermixture proposals be resolved
during that period. Station operators meeting with FCC
members described conditions in their particular areas.
Commissioners asked questions, showed awareness of uhf
plight, but didn't commit themselves. Meeting with FCC
members were uhf committee chairman Harold Thoms,
WISE-TV, Asheville, N. C.; vice chairman Fred Weber,
WFPG-TV, Atlantic City, N. J. (now off air); John John-
son, WTOB-TV, Winston-Salem; Edward Thoms, WKJG-
TV, Fort Wayne, Ind.; Herbert Nelson, WFAM-TV, Lafay-
ette, Ind.; counsel Ben Cottone. Commissioners present
were Chairman McConnaughey, Hyde, Doerfer, Bartley,
Webster.

WTVU, Scranton, Pa. (Ch. 73) applied this week for
permission to leave air July 1 for 60 days in order to in-
stall new RCA transmitter and antenna to permit opera-
tion on recently-allocated Ch. 44, with 13.2-kw visual ERP.
Other Scranton outlets are WARM-TV (Ch. 16) & WGBI-
TV (Ch. 22)

"Territorial exclusivity" ruling of FCC, proposed more
than year ago (Vol. 10:14), was finalized without change
this week. Commission said it realizes rule is "no cure-all
for the economic and other problems which confront many
TV stations today." It explained: "All that the amend-
ment does is to give stations greater freedom on an over-
all basis in negotiating and contracting with networks
and advertisers for their programs. We are hopeful that
the amendment may enable some stations which have
heretofore been precluded from obtaining network pro-
gramming because of the 'first call' rights of stations in
other communities to obtain such programs." Decision is
Notice 55-706, Doc. 10989.

Up-to-date FCC rules on experimental & auxiliary
broadcast stations (Part 4 of Rules), including all changes
since 1950, will be published in *Federal Register* June 25,
and as separate document shortly thereafter. Copies of
both (latter is usually more accurate, handier) will be
available from Supt. of Documents, Govt. Printing Office,
Washington.

Cheaper transcripts of FCC hearings will be available
starting July 1, Commission having awarded stenographic
reporting contract to new company—American Reporting
Assoc., 306 Ninth St. NW, Washington. Price for ordi-
nary copy will be 11.4¢ per page (vs. 20¢). Charge for
daily copy will be 28.5¢ (vs. 55¢); immediate copy 45.6¢
(vs. 70¢).

Telecasting Notes: Networks' "special program" plans for next season—obvious answer to fee-TV—are being doled out to the public in dribs & drabs. This instalment-plan system of announcing the greatest season TV has ever seen is possibly due to fact that special shows are being signed up one at a time. More than likely, however, it's a tactical weapon in the counter-publicity against toll TV's masterful promotional barrage. A sensational announcement a week—like this week's NBC story on the color-TV premiere of Korda's *Richard III* (p. 4)—creates maximum impact, keeps the networks and the wonders of free TV on public's tongue . . . Pat Weaver's pet project *Wide Wide World* (first: Mon. June 27, 8-9:30 p.m.) was subject of at least 6 weekly press releases and "leaks" to trade press, each containing some new information, making it a story all over again . . . CBS's spectaculars next fall—Bing Crosby, Noel Coward, Mary Martin, Paul Gregory, etc.—have been announced one-at-a-time, latest report being that Bing's 2 shows will be *Rip Van Winkle* and Maxwell Anderson's un-Bingish *High Tor* . . . Among other spectacular announcements, leaks and rumors from NBC doled out this week: Maurice Chevalier signed for Dec. 4 spectacular; Sadler's Wells Ballet in *Sleeping Beauty*; Frank Sinatra in musical version of *Our Town*; repeats of *Peter Pan* and *Babes in Toyland*; Sol Hurok concert featuring Marian Anderson & Artur Rubenstein; first performances of 2 new American operas on *Opera Theatre* plus 5 operatic classics with newly-penned English lyrics and the 6th performance of Yuletide standby *Amahl & the Night Visitors*, with some of the operas in color—all this in addition to previous "sensational" announcements . . . Network strategy is summed up beautifully in CBS's fee-TV comments filed with FCC (see p. 1): "It is fallacious to assume [that] additional money would produce a higher calibre of dramatic material and talent than is now available on free TV. Free TV certainly now offers enough money and acclaim to attract the best talent in acting, writing, directing and musicianship. The TV producer, writer and performer are well paid" . . . "Good TV programs," CBS continues, "are the result of brains,

taste and talent. There is no great pool of talent which TV does not reach. It will not improve the caliber of the talent or intelligence employed, or raise the level of taste, if the general level of payment is enormously increased" . . . "Children's spectacular" is latest hypo for DuMont's WABD, administered by gen. mgr. Ted Cott. Called *Wonderama*, it will be programmed every Sun., 12-6 p.m.—"will have a cast of hundreds and will include live presentations, remote pickups and newly made film material." No cowboy-&-Indian shooting matches, no "death struggles on Mars" are promised—but clowns, zoos, how-to-do-it handicrafts, puppets, folk lore, illustrated classics, cooking lessons, etc. . . . "On the basis of current biz—\$2,000,000 gross for the 2nd quarter, representing a 200% increase over the same period last year—CBS TV Film Sales figures to wind the year with an all-time peak of \$8,000,000, more than double that of 1954," says June 22 *Variety*. This gross "would put CBS Film on a par with or higher than the top 4 firms in TV film—Ziv, TPA, MCA & Screen Gems" . . . Theatrical success for Disney's *Davy Crockett* seems to be following same film's 2-time TV success on ABC's *Disneyland*. It's now in 5th week at N. Y.'s Globe Theatre, and grossing high on all-time-runs in Detroit, Cincinnati, Denver, Philadelphia, but disappointing in Pittsburgh & Seattle . . . Entering theatrical distribution field, National Telefilm Associates will book *Tales of Hoffman*, *Cry the Beloved Country*, *Breaking the Sound Barrier* into theatres before release to TV (Vol. 11:18). According to pres. Oliver Unger, this will also "enable NTA to explore all ramifications of toll TV" . . . Return of "name band" popularity as result of TV is predicted in N. Y. *Herald Tribune* article by Guy Lombardo, who has been name bandleader for quarter century and now has own TV film show. He cites success on TV of such bands as Dorsey Bros., Sauter-Finnegan, Ray Anthony, Lawrence Welk . . . NBC buys *Meet the Press* from Lawrence Spivak, who continues under long-term contract as producer & panelist; it's presently sponsored by Pan American Airways & Johns-Manville . . . Cue from spectaculars: CBC planning some 2-hour shows next season, citing success of *Hamlet*.

ATTENTION NARTB: Advertising code for Independent TV Authority, upcoming British commercial TV system, doesn't ban liquor commercials, but does forbid advertising of "products for treatment of alcoholism." Other taboo products & services specifically mentioned: money lenders, matrimonial agencies & correspondence clubs, "fortune tellers and the like," undertakers, betting tipsters, bust developers, contraceptives, smoking cures.

No betting ads will be permitted for the first 6 months, by mutual agreement between bookies' trade association (legal in England) and ITA. Bookies weren't sure they were interested in advertising on TV, anyway. Among other highlights of British code:

"The irrelevant use of data and jargon must never be resorted to to make claims appear more scientific than they are . . . documentary evidence of testimonials may be required . . . visual presentation of doctors, dentists, nurses, midwives . . . should not be used in connection with medicines and treatments."

Children's advertising code contains specific anti-nagging clause: "Care should be taken that [children] are not encouraged to make themselves a nuisance to other people in the interests of any particular product or service." Other children's prohibitions: ads which encourage kiddies "to enter strange places or to converse with strangers in an effort to collect coupons, wrappers, labels, etc."; appeals to youngsters' sense of loyalty or duty on behalf of commercial product; ads which induce children to believe they will be inferior or subject to ridicule for not owning a product.

John A. Kennedy, onetime operator of W. Va. radio stations, who bought KFMB-TV, San Diego in 1950 for \$925,000 (Vol. 6:46 & 7:17) and sold it in 1953 for \$3,150,000 (Vol. 9:5, 9, 13), has purchased *Sioux Falls* (S. D.) *Argus-Leader*, largest daily in state (circ. 53,000). He's native of St. Paul, worked on Iowa newspapers before becoming Hearst correspondent in Washington, then going into radio. Newspaper has no TV-radio affiliation.

Purchase of radio outlet by WEHT, Henderson, Ky. (Ch. 50) was approved by FCC this week. It pays H. M. Bitner \$116,000 for WEOA in neighboring Evansville, Ind. (Vol. 11:24). Also approved was sale of KVOR, Colorado Springs, Colo. by James D. Russell, who retains 50% of Colorado Springs' KKTU (Ch. 11). Paying \$120,000 for KVOR are equal partners John S. Riggs (27% of WELM, Elmira, N. Y. & 50% of WAIR, Winston-Salem) and Robt. Greene of Lakeview, N. Y. (Vol. 11:15).

The \$3,864,540 transaction, whereby Roy N. Whittenburg family increased holdings in Globe-News Publishing Co., Amarillo from 35.6% to 91.8% (Vol. 11:19), was approved by FCC this week. Globe-News properties include KGNC-TV, Amarillo (Ch. 4) & KGNC; *Amarillo News* and *Globe Times*; *Lubbock Avalanche* and *Journal*; radio KFYO, Lubbock.

WBLN, Bloomington, Ill. (Ch. 15) is being sold by Cecil W. Roberts for token \$1 and assumption of some \$200,000 in liabilities, to Worth S. Rough, ex-gen. mgr. of WCBC, Anderson, Ind., holder of CP for WCBC-TV (Ch. 61). New owner is getting \$10,000 NATS operating loan.

DES MOINES AREA's third vhf, KRNT-TV (Ch. 8), started regular test patterns June 20, is slated to become basic CBS Aug. 1—433rd station on the air (106 of them uhf). Headquartered in KRNT Theatre Bldg., called "largest legitimate theatre in the country," it's controlled by Cowles family, who own *Des Moines Register* and *Tribune*, *Minneapolis Star* and *Tribune*, *Look Magazine*, KVTV, Sioux City, Ia. (Ch. 9) and 47% of WCCO-TV, Minneapolis (Ch. 4). Kingsley Murphy family has option to buy 40% after sale of radio KSO (Vol. 11:23).

KRNT-TV has 50-kw GE transmitter, 12-bay RCA antenna atop 709-ft. Ideco tower. Gen. mgr. is Robt. Dillon, with Paul Elliott as commercial mgr.; Dick Covey, program director; Wm. Hippee, local sales mgr.; Charles Quentin, chief engineer. Base rate is \$650. Rep is Katz.

Canada's 27th outlet to go on the air, CBC's 8th, is CBOFT, Ottawa, Ont. (Ch. 9), which ended tests June 24, now is operating as French-language counterpart to CBC's COBT (Ch. 4) which now is exclusively English-language and has hiked its power to 50.1 kw ERP. It's 4th station in CBC's French network, only one in North America with unhyphenated 5-letter call. It connects via microwave with CBC's CBFT, Montreal; other French-language outlets are privately-owned CFCM-TV, Quebec City and CJBR-TV, Rimouski, Que.

Conforming to British precedent of signing off for dinner hour (when the family is supposed to be otherwise engaged and mother putting the small children to bed), CBOFT from 6-7:15 p.m. Mon.-Sat. is putting on only test patterns and music. Its equipment is 6-kw RCA transmitter, 4-slot wavestack antenna on 488-ft. guyed tower shared with CBOT. Combined operations are now in new building in suburban Westboro. C. P. Wright is mgr.; W. E. Powell, commercial mgr. (Toronto); Georges Huard, TV operations mgr.; Maxted Gilbert, chief operator. Base hour rate is \$230. Rep is CBC.

Note: Next starter apparently will be U of Notre Dame's WNDU-TV, South Bend (Ch. 46), which has test patterns scheduled to begin July 2, joins NBC July 15; it ran off short "equipment test" evening of June 20, and gen. mgr. Bernard C. Barth reported some 80 phone calls from viewers in all-uhf South Bend-Elkhart area, most of them stating signal was "sharp and clear."

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

KLEW-TV, Lewiston, Ida. (Ch. 3), began construction June 20, having set tentative Nov. 1 target, reports v.p.-gen. mgr. Tom Bostic. Grantee is subsidiary of KIMA-TV, Yakima, Wash. (Ch. 29), which also operates satellite KEPR-TV, Pasco, Wash. (Ch. 19), holds CP for satellite KBAS-TV, Ephrata, Wash. (Ch. 43), and is applicant for Ch. 8 satellite in Walla Walla. KLEW-TV will not be satellite operation, will use 5-kw GE transmitter and 3-bay antenna. Network affiliation not determined. Rep not chosen. Station is in middle of hot fight between group seeking to build 3-channel uhf experimental satellite and group operating extensive community antenna system (Vol. 11:23).

WOSU-TV, Columbus, O. (Ch. 34, educational), has 12-kw RCA transmitter and 3 studio camera chains & vidicon film chain ordered for delivery as soon as studio-transmitter building is ready—in about another month. Station will probably be on air late this fall, reports Prof. Robert C. Higgy for grantee Ohio State U. Ideco 550-ft. tower & RCA antenna have been ready since last summer.

CEILING AND FLOOR of TV station power were extended by FCC this week when it finalized rules permitting both vhf and uhf stations to operate with as little as 100 watts ERP, at same time issuing proposed rule-making to lift uhf maximum from 1000 kw to 5000 kw.

Low-power rules were finalized as proposed — with one important exception. Originally, Commission intended to permit 100-watt stations only in cities under 50,000. Final rules permit them anywhere—as long as they provide same minimum signal level over principal city now required by rules. There's no height minimum.

No big rush of applications for low-power satellite stations is expected initially, though several are known to be on tap. However, many in industry expect gradual reduction of installation and operating costs will eventually bring mushrooming of stations in towns too small to support higher-power outlets. Several manufacturers have been prepared, well in advance, to offer equipment far cheaper than that required by previous rules—and they made strong impression at recent NARTB convention (Vol. 11:22).

FCC doesn't like to call low-power stations "satellites," and this week's decision expressed hope that they'll "eventually increase power and become full-fledged TV stations in all respects."

Final decision was 6-p. document, Notice 55-704, Doc. 11237, available from Commission or from us. It's effective Aug. 1.

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Proposal to lift uhf power ceiling to 5 megawatts is simple document stating Commission's belief hike is "an additional step in bringing to the viewers the best possible TV service." It threw in cautionary note that receiver makers shouldn't assume that proposed power increase relieves need for better uhf sets and tuners. It added that data on uhf tuner sensitivity would be valuable in weighing merits of station power increase, asked set and tuner makers to supply technical data on uhf sets, broken down into those made before 1955, those being made this year, those planned for next year. It asked for information on receiver noise, transmission line loss, antenna gain, possibilities of reducing problems such as tuning difficulties, cost of improving performance, propagation measurements.

Deadline for comments is Sept. 1. Notice is 55-705, Doc. 11433. Commission will supply copies—or we'll be glad to get one for you.

Though rule was just proposed, WJMR-TV, New Orleans, now Ch. 61 but shifting to Ch. 20, filed immediately for increase—will go on with 5 megawatts experimentally if rules aren't finalized by time equipment is ready; preparation is expected to take about a year (Vol. 11:25).

WHTN-TV, Huntington, W. Va. (Ch. 13), which got STA last week to start from temporary 300-ft. tower formerly used by pre-freeze WSAZ-TV, plans Sept. 15 test patterns, Sept. 25 start on ABC, reports v.p. Fred Weber, also pres. of off-air WFPG-TV, Atlantic City (Ch. 46). It has 5-kw RCA driver and 20-kw GE transmitter due July 15. Custom-designed RCA 6-section 154-ft. slotted antenna is due Sept. 15. Base hour will be \$450, rep Petry.

WQMC, Charlotte, N. C. (Ch. 36), plans return to air about Oct. 1, reports owner Hugh Deadwyler, who acquired station last Dec., then went off air in mid-March (Vol. 11:1, 2). Move of transmitter & studios to undisclosed new site is planned.

CJON-TV, St. John's, Nfld. (Ch. 6), which got 2-kw RCA transmitter June 13, now plans test patterns by July 5, advises pres. Geoff Stirling, revising July 15 target.

HOW THINGS SHAPE UP FOR FALL MARKET: More step-up models, some step-downs, top and side tuning, color merchandising plans -- these kept the semi-annual Chicago markets buzzing this week. More light on industry trends will be shed when Philco shows its reportedly "hot" new TV-radio line to distributors at Miami Beach convention June 27-29 (see below) and when Emerson first displays its new wares at New York's Hotel Plaza June 28-29. (For details of others' new models shown this week, see p. 13.)

Prices appear to be in a "2-way stretch," judging from the lines shown thus far to dealers. On the one hand, there's determined effort by several manufacturers -- notably RCA, Admiral, Zenith & Westinghouse, among those which have introduced lines thus far -- to keep prices firm at low end while dropping in more step-up sets in 21-in. consoles & 24-in. tables in effort to induce sell-up trend.

Counterbalancing sell-up is re-emergence of \$99.95 set in deference to growing second-set market which, according to RETMA statistical chairman Frank Mansfield, currently accounts for one out of every 5 retail sales. GE's 14-in. "portable" at \$99.95 to \$129.95 (Vol. 11:21,25), displayed on a scale to emphasize its light weight (32 lbs.), attracted lots of interest at Merchandise Mart. Its cabinet is drawn skin-tight around tube face, giving appearance of larger viewing area.

Trav-Ler Radio came out this week with 17-in. table at \$99.95, Hallicrafters reportedly has one on production line, and Olympic Radio retained its 14-in. table at \$99.95 in line shown this week in Chicago.

Jack Beldon, marketing mgr. of GE TV-radio dept., told us that retail sales of the under-\$100 set "have exceeded our fondest expectations," though it won't be in full national distribution until July 15. He said few customers had even asked about screen size, being more engrossed in low price. However, several big competitors, pinning their confidence on step-ups, openly disparage \$99.95 set. They argue that it's a move in the wrong direction, a reversion to small screens and low discounts. Such sets, with admittedly limited production, give public psychological impression that no TV set is worth more than \$100, they say.

Controls were placed every which-way on new sets -- some on top, some on side, some hidden. One dealer quipped as he went down on his knees to peer under a set: "I'm looking for the controls." But dealers generally felt the new tuning locations improved the appearance of sets, though some complained they would make it tougher on the consumer because in some cases brightness & contrast controls, which usually go together, are at different locations on the receiver.

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There was lots of talk and all sorts of rumors were rampant about color merchandising, partially prompted by willing dealer orders for at least floor models of RCA's new sets (at \$795 & \$895) at its showings. Colorcasting is virtually dormant for the summer (Vol. 11:25) but there's no mistaking plans of some to give it the "big push" this fall, with NBC & CBS providing plenty of attractive shows. At RCA, it's apparent they think fall color trade will give impetus to the Sarnoff conviction that 1956 will be the "year of decision." If it isn't, Gen. Sarnoff certainly went out on a limb when he told stockholders last month:

"I expect that in 1956 and the years ahead, RCA earnings from sales of color TV sets will substantially exceed its earnings from sales of black-&-white during those years" (Vol. 11:19).

Guesswork abounded about Philco color plans, due to be revealed at Miami. We could get no verification that it will have a 21-in. color set in Sept., coinciding with its sponsorship of the Miss America finals from Atlantic City. There was flat denial that it has abandoned its "Apple" project -- the one-gun tube -- but silence when we queried whether it was ready. Logical questions growing out of rumors:

Has Philco signed patent-licensing agreement with RCA, as have all the other leading manufacturers save Zenith -- and will it go to RCA's 21-in. color tube? Is it tying up with the CBS 22-in. rectangular, about which little has been said lately other than that it has cost CBS-Hytron a lot of money? Could it be that Philco will adopt Lawrence one-gun tube promised by Paramount's Chromatic TV Labs? Everybody expects something definitive from Philco; nobody expects it will again talk down the imminence of color, as it did at last year's convention.

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Dealers are also color-conscious, many getting their houses in order for the fall-winter push. NARDA chairman Mort Farr, in a NARDA-sponsored "bull session" with fellow dealers and newsmen set for June 25 at Merchandise Mart, proposes what he calls "a new chance to re-establish the value of dealer franchises" by limiting distribution of color sets to those dealers who can provide service and are able to perform the "special selling job required." In exchange for this, he said, dealers are willing to forego their original demand for 40% markup, feeling they can make up the difference in service contracts with their customers.

"Sales of 30,000 color sets this year are equivalent in dollar volume to sales of 180,000 black-&-white 17-in. sets," he said. "We've got to go after that 1% market which is available to us for color. And we can't do it merely by putting a color set on our floors and waiting for customers to come in. We've got to go out after the customers we know can afford color and demonstrate it to them with color programs. If necessary, we've got to invite them with color parties. As for the servicing, it takes the better part of a day to service a set properly -- and you just can't send out a hammer-and-chisel guy to work on a color set. It takes skill and it costs money -- about \$10 a call, I'd guess -- and folks want quality."

Brief highlights of other major trade developments this week:

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For Trade & Public to See: Having done it via closed-circuit last year, Philco this year lets public in on its new TV-radio line even as it's first shown to its 1200 distributors in convention at Fontainebleau Hotel, Miami Beach. Occasion will be variety show titled "Convention in Miami Beach" on ABC-TV Tue. June 28, 8-9 p.m. Besides new TV-radio line, "preview of future electronic developments now in the research and engineering stage" will be interspersed with big-name variety stars, with John Daly as m.c. More than 100 stations will carry show. Philco's next big TV extravaganza will be its second sponsorship of Miss America finals on ABC-TV from Atlantic City Sept. 10 -- possibly in color. Last year's show was big hit, drew 34.2 Nielsen audience rating.

Discount Houses: No help from Justice Dept. should be expected by those in trade trying to do battle with discount houses. That was made abundantly clear by Judge Stanley Barnes, chief of Justice's anti-trust div., on NBC-TV's Youth Wants to Know program June 19. Replying to question, he said he felt discount houses were fair to consumer, added: "You don't have to buy from a discount house unless you want to. If you want to get a cheap price and nothing more, you can go to a discount house. If you want to get some other type of service, such as delivery of your goods or a fancy gift wrapping or something of that kind, you can go to some other place and pay more, but it should be up to the consumer to decide where he wants to go, and not a law that says he can't go there."

Fair Trade: Important decision bearing on fair trade laws everywhere was handed down this week by Indiana Superior Court, which ruled that price-fixing pact between Arvin and an Indianapolis dealer was unconstitutional. If sustained by State Supreme Court, ruling would void Indiana's 18-year-old Fair Trade Act. State Judge Pike ruled: "By this act, a manufacturer can make a contract with one man and make that binding on all others in the state. I believe this is restraint of trade." Powerful National Retail Furniture Assn., meanwhile, voted 2-to-1 to oppose all fair trade laws, adopting resolution declaring: "The conclusion is inescapable that fair trade pricing as a system of resale price maintenance is impracticable in the home goods industry." On other hand, American Fair Trade Council Inc., in statement to

House Judiciary subcommittee considering fair trade repeal, warned that some form of price maintenance would continue, regardless of fate of fair trade laws.

Financing of TV Sets: International Consumer Credit Conference in Louisville heard suggestion that national policy on financing TV receivers be established at 10% down, 24 months to pay. Suggestion came from L.A. Brumbaugh, Valley National Bank, Phoenix, because "in our area, dealers sell the idea that TV sets become obsolete within 2 years." That doesn't coincide with any official appraisal of TV set obsolescence. Once it was estimated that 8 years was the life expectancy, but now H.J. Schulman, chairman of RETMA service committee & CBS-Columbia service director, tells us nobody can calculate life expectancy because some of the earliest sets are still working well. Conference also heard prediction from Francis W. Smith, pres. of Associated Credit Bureaus of America, that the \$28-to-\$30 billion of installment credit now outstanding on retail books should reach \$50 billion by 1956.

Production: TV output jumped to 131,801 week ended June 17, uptrending considerably from the 110,766 in the preceding week and 91,648 week ended June 3. It was year's 24th week and brought production for year to date to about 3,500,000, against 2,850,000 in corresponding 1954 period. Radio production totaled 268,822 (125,629 auto), compared to 264,054 week ended June 10 and 206,428 week before. Radio output for 24 weeks was 6,635,000 vs. 4,750,000 in corresponding 1954 period.

Topics & Trends of TV Trade: Dun & Bradstreet lists 182 TV-radio-appliance retail failures in first 5 months, with liabilities of \$5,444,000, compared to 220 failures, \$20,675,000 liabilities first 5 months of 1954; May failures were 36, liabilities \$947,000 vs. 44 & \$1,543,000 in May 1954 . . . TV enters "middle age," which Channel Master Corp. sees as good cue for antenna replacements, noting too many set owners put up with inferior reception, ghosts, snow; current ad pitch: there's big potential but dealers must learn to go after the business . . . **Motorola Canada Ltd.** offering dealers \$1000 worth of life insurance for every 3 sets purchased; they can get up to \$10,000 from N. Y. Life Ins. Co., without examination, between June 30-Aug. 31 . . . **Admiral's** Ross Siragusa recently offered share of company stock, from own personal holdings, for every 3 sets bought . . . **Sears, Roebuck's** new fall catalog, out this week, lists new line of 36 models, with 21-in. Silvertone console leader cut to \$160, 24-in. console to \$255 . . . **Hoffman Electronics** first shows new line to distributors July 6-9 at Huntington Sheraton Hotel, Los Angeles . . . **Magnavox** switching ad account to Foote, Cone & Belding after 13 years with Maxon Inc. . . TV-radio, national magazine and dealer advertising is planned to back up RETMA's "National Radio & TV Week" starting Sept. 18.

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Muntz TV's amended Chapter X reorganization plan was approved June 18 by Chicago Federal Judge Knoch, who set Oct. 18 as deadline for creditors & stockholders to file approval or rejection of plan. Failure to file will be regarded as acceptance, court ruled. Amended plan calls for issuance of preferred stock (\$1 per share par value) for 25% of each non-preferred claim, with remainder of claim secured by promissory note payable 8 years after all preferred claims are paid in full. Plan must be approved by % of creditors and simple majority of stockholders.

TV shipments to dealers totaled 2,329,449 in first 4 months, when production was 2,771,426, compared to shipments of 2,065,871, production of 1,904,718 in first 4 months of 1954, reports RETMA in state-by-state tabulation (county-by-county tables available to RETMA members on request). New York led, with 221,182; California second, 191,435; Pennsylvania third, 146,844. April shipments were 361,102, compared with 690,097 in 5-week March and 410,032 in April 1954.

NEW TV MODELS introduced at Chicago markets this week (see p. 11)—in addition to those previously reported:

Bendix Radio—Full line of 10 sets, all 21-in., ranges from \$140 table model to open-face mahogany console at \$290. Table models are \$140, \$150, \$170 (2 sets); consoles are \$180, \$200, \$220, \$230, \$260, \$290. Gen. sales mgr. Hodge C. Morgan said short line "will do much to eliminate slow turnover and regular dumps as well as to keep overhead costs in line and credit losses to a minimum." He said line reflects results of \$500,000 merchandising survey to determine consumer preferences on TV sizes & prices.

Olympic Radio—Emphasizing combinations, new line includes 7 basic 3-way models in 17, 21 & 24-in. Its 14-in. table model at \$99.95 is carried over. Table models are \$130 for 17-in., \$160 & \$200 for 21-in. The 21-in. consoles are \$180, \$230, \$250, \$270, \$300; 24-in. console \$290. Combinations are 17-in., \$200; 21-in., \$300, \$330, \$380, \$400; 24-in., \$380 & \$420.

Raytheon—Added a 21-in. "lowboy" console at \$200 in mahogany, \$210 in blonde. Company has discontinued policy of introducing full lines, intends only to add "drop-ins" as market conditions warrant, said v.p.-gen. mgr. Henry F. Argento. He said "low-boy" styling is ideal for modern homes & apartments.

Trav-Ler Radio — Also a believer in a market for \$99.95 set, pres. Joe Friedman starts line with 17-in. "fabricoid" table model at that price, points out that it won't cost a great deal more than cost of major repairs for "obsolete sets" in a year. Like GE's 14-in. set at \$99.95 (Vol. 11:25), Trav-Ler set is frankly aimed as second set or replacement, said Friedman. Other 17-in. tables are priced at \$120, \$140, \$150; 21-in. \$125, \$160, \$180; 24-in., \$200. The 21-in. consoles are \$180, \$200, \$230, \$250, \$270; 24-in., \$240, \$300, \$330. Combinations (21-in.) are \$350 & \$370.

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Federal Trade Commission's long-awaited *Trade Practice Rules for the Radio & Television Industry* (20-p.) will be released June 28. Copies are available from FTC, or we'll get one for you.

Bendix TV-radio receiver div. has purchased General Mills automation equipment for TV production line at plant in Towson, Md.

Trade Personals: Alton K. Marsters, ex-Colt Mfg. Co., onetime sales v.p. of American Optical Co., named CBS-Hytron gen. sales mgr. . . R. A. Schieber, Westinghouse TV-radio manufacturing mgr., promoted to works mgr., replacing J. M. Allen, now on div. operating staff under gen. mgr. E. J. Kelly . . . Wm. Brown named director of engineering for consumer products, Webster-Chicago . . . George A. Peck, Stromberg-Carlson TV-radio production mgr., named alumni trustee of Clarkson College of Technology . . . Herbert Kushner, ex-Link Radio, named asst. mgr. of technical services, DuMont mobile communications dept., headed by his ex-chief, Fred M. Link . . . A. Holland Phillips named to GE tube dept.'s district office at Clifton, N. J. . . . George M. Zyvoloski appointed Sparton district mgr. for Illinois (except Chicago); Voyd L. Smith named northwest Texas mgr., Lubbock; Russell H. Francis covers Utah, headquarters Salt Lake City; Verlyn D. Gilkey will cover northern Indiana area . . . Donald E. Heinsch, ex-Crescent Industries, named exec. v.p. of Wilcox-Gay Corp., operating under Chapter X reorganization plan; Edward Jahns promoted to mgr. of engineering & development div., Glen Clifford production mgr., Larry Robbins adv. & sales promotion mgr. . . . W. P. Ready, ex-gen. sales mgr., National Co., now in similar post with Wallace's Telades Inc., Jamaica Plain, Mass. . . . Jay H. Quinn resigns as sales & adv. mgr., Fairchild Recording Equipment Co., which he helped found in 1948 . . . Leonard P. Blakely and Martin Silver, former sales mgr. and broadcast div. mgr. of Tel-Instrument Co., Carlstadt, N. J., form L&M Associates, sales & engineering reps (352 Boulevard, Hasbrouck Heights, N. J.) . . . Norman Freeman, ex-Clarostat, named mid-Pa. district mgr. of Morris F. Taylor Co., Silver Spring, Md., electronic manufacturers' reps.

DISTRIBUTOR NOTES: Admiral appoints Electric Appliance Distributors Inc., 908 Green Ave., Altoona, Pa. (H. Paul Good, pres.) . . . DuMont appoints O'Day Equipment Co., Fargo, N. D., replacing Cook Appliances Inc. . . . Westinghouse Electric Supply Co. appoints Charles J. Vondran mgr. of Indianapolis branch . . . Graybar, Cincinnati (Emerson) names W. D. Giebel appliance sales mgr., succeeding Blaine Lind, now Madison, Wis. branch mgr. . . . Krich-New Jersey Inc., Newark (RCA) reports resignation of parts mgr. Samuel Robbins to form Leader Electronic Supply Corp., 88 Lock St., Newark, specializing in parts sales to service dealers.

Crosley-Bendix reorganization under new pres. Chester H. Gifford merges electronics div. with appliance & laundry divs. Parker H. Ericksen continues as exec. v.p.; F. E. (Bud) Howell, v.p. of appliance & laundry divs., becomes v.p. of sales & distribution, including TV-radio; D. B. (Randy) Blatz gets new post of gen. controller; W. A. MacDonough, gen. mgr. of distribution & merchandising, becomes director of adv. & sales promotion for all consumer goods; A. E. Cascino continues as director of marketing, John Mihalic as director of manufacturing & engineering, Harold C. Tipping as director of industrial & community relations. Govt. products div. is unaffected by merger, Clarence G. Felix continuing as v.p. in charge.

"Better late than never" is how pres. Albert A. Goffstein of American Television & Radio Co., St. Paul, describes his company's recent entry into TV—24 years after its founding with TV in its title. "We had always intended to go into TV, and we're just now catching up with our name," Goffstein told us. Company has manufactured auto radio vibrators since 1931, is RETMA member and RCA licensee. It's marketing eleven 21-in. full-door consoles under "ATR" brand, all \$495, with dealer discounts of 40%, thru furniture & music stores, will skip TV-radio-appliance dealers for time being. It has no distributors.

Named on Queen's birthday honours lists: Baronet: Sir George H. Nelson, chairman & managing director, English Electric Ltd. M.B.E.: H. G. Cheel, gen. mgr., General Electric Co. Ltd.; H. W. Cox, E.M.I. Engineering Development Ltd.; R. J. Porcher, senior TV supt., Cable & Wireless Ltd. C.B.E.: P. H. Spagnoletti, director & gen. mgr., Kolster Brandes Co.; F. N. Sutherland, gen. mgr., Marconi's Wireless Telegraph Ltd.; J. N. Toothill, gen. mgr., Ferranti Ltd. From the BBC, Queen Elizabeth bestowed knighthood on Harold Bishop, director of technical services; bachelor, A. J. M. Ozmond, asst. head of TV design; S. H. Matthew, asst. program accountant; C.B.E., W. L. Streecon, head of programme contracts dept.

Honorary degrees: Dr. Wm. B. Shockley, Bell Labs director of transistor physics research, now on leave as research director of Defense Dept.'s weapons system evaluation div., from U of Pennsylvania; Dr. Walter H. Brattain, Bell Labs physical research dept., and Dr. John Bardeen, ex-Bell Labs and now U of Illinois professor of physics & electrical engineering, from Union College; Harold S. Black, Bell Labs systems research div., from Worcester Polytechnic Institute.

G. C. W. Browne, controller of telecommunications in Canadian Dept. of Transport, presented with short-wave portable radio by RETMA of Canada in honor of his 41 years of govt. communications service; he retires Aug. 18.

S. Merrill Skeist, ex-W. L. Maxson Corp., elected contracts v.p. & director, Polarad Electronics, Long Island City, N. Y.

Michael Palmieri, ex-gen. mgr. of Burnell & Co., elected exec. v.p., gen. mgr. & director of Elsin Electronics Corp., Brooklyn.

Harry R. Clark, ex-pres. of Telechrome, named sales v.p., Linear Equipment Labs, Copiague, N. Y.

Maj. Gen. Wm. Henry Harrison, pres. of IT&T, elected a director of Intertype Corp.

Stewart-Warner quit making TVs and radios in U. S. after last Xmas (Vol. 10:51, 52)—but its electronics div., with \$50,000,000 backlog, did 7.8% more business in first 5 months of this year than same 1954 period. Earnings for 5 months ended May 31 were \$1.60 a share, should be \$2.05 for first 6 months vs. \$1.13 in first half of last year.

Mergers: Westinghouse Air Brake subsidiary Melpar Inc. takes over Corvey Engineering Co., Alexandria, Va., electronics-logistics research firm employing 150. F. L. Jacobs Co., Detroit auto parts manufacturers, acquires Eicor Inc., Oglesby, Ill., makers of dynamotors, inverters and alternators for electronics and aviation industries.

"Automatic" factory: Westinghouse announced it will break ground soon in Youngwood, Pa., near Pittsburgh, for multi-million dollar plant to be devoted to automatic production of semi-conductor devices, including transistors, rectifiers, high frequency detectors and photocells.

Three new transistors, alloy-junction germanium pnp type, have been announced by RCA—2 of them for hearing aid applications, one for portable radio output stages.

* * * *

Electronics Trust has been formed in London with registered capital of £2,000,000 to specialize in investments in electronics and related fields, a la Television-Electronics Fund, Group Securities Inc.'s electronics & electrical equipment group, and recently formed Electronics Investment Corp., San Diego (Vol. 11:17).

Capitol Records Inc., now controlled by EMI of England, has designated v.p. Wm. H. Fowler to inquire into diversifying into other electronics fields, particularly U. S. market for EMI products. He headquarters in N. Y.

Color Trends & Briefs: NBC-TV's efforts to push color in big way next fall are evident in new supplements to rate cards for its own WRCA-TV, N. Y. and WNBQ, Chicago. Advertisers holding station-break positions adjacent to or within regular color shows will either convert to color or risk losing position to those who want color.

WRCA-TV's Supp. 1 to rate card No. 15 specifies that all 20-sec. station breaks and 10-sec. IDs, adjacent to or within regularly scheduled color shows, will be available in color only, starting June 1. Present advertisers in those spots aren't required to convert until Sept. 1. Extra charge is \$500 for 20-sec., \$250 for 10-sec. Here's setup:

"If a station break adjacent to or within a regularly scheduled color program has not been converted to color by Sept. 1, 1955, NBC will make it available to a client wishing to use color. When such client wishes to buy in color, NBC agrees to give 2 weeks notice to the incumbent monochrome buyer to either convert the spot to color within the 2 weeks, or vacate the position. The incumbent monochrome advertiser must notify NBC, within one week of such notification, of his intention to either convert his station break to color or vacate the position.

"Such relinquishment will not affect the advertiser's continuance in station breaks adjacent to or within monochrome programs scheduled on non-color program dates.

"The color facilities charge does not apply to advertisers who continue to occupy with monochrome a color station break position after Sept. 1, 1955." Color facilities charges have 3 months rate protection.

WNBQ's Supp. 1 to rate card No. 9 has same provisions, except that 20-sec. is \$190, 10-sec. \$95, and "required" date is Sept. 15.

* * * *

"Color is coming along steadily, but it has a long way to go before moderately priced sets will be available in large volume. A new technological change such as color simply cannot go ahead any faster. It represents far more than simply doubling the number of receiver tubes in a TV set, and making the picture tube 3 times as complicated. A great deal of development work lies ahead, witness the fact that the original estimates of color set production by the entire industry for 1955 have already been revised downward. At one time the estimates ranged from 100,000 to 300,000, with about 100,000 destined to be sold. Today, the industry is talking about 75,000 to 100,000 being made, and some 50,000 being sold. Be that as it may, color is coming, but it is not just outside the door."—From statement by Don G. Mitchell, Sylvania chairman-pres.

Sole network color feature scheduled next week is pair of pickups June 27, 8:09-8:20 & 8:44-8:54 p.m., during NBC-TV's *Wide Wide World*, of Louis Armstrong and Woody Herman bands from Washington. All Ford and RCA commercials will also be in color. Aside from that, and probable short *Home* and *Today* segments from time to time, only color shows definitely scheduled so far this summer are NBC-TV spectaculars July 25 & Aug. 2.

Color TV film standard: Test 35mm & 16mm color film & slides, long under preparation by SMPTE as final standards for TV industry (Vol. 10:43), are now available from headquarters, 55 W. 42nd St., N. Y. The 35mm film, 700 ft., is \$95; 16mm, 280 ft., \$50; 10 slides, \$25.

"Colorless" conventions: As of now, no network plans to colorcast political conventions in Chicago and San Francisco. At recent meeting of network representatives in San Francisco, AT&T asked networks for color plans, found they'd been dropped.

Equipping itself with "Vitascan" live color facilities, DuMont's WABD, N. Y. will offer advertisers free tests of commercials. Station's color-filmed *Sunday Supplement* has been suspended pending facilities changes.

Financial & Trade Notes: Hallicrafters earned \$363,438 (44¢ a share) on sales of \$18,635,074 in 9 months ended May 31, compared to net loss of \$1,029,935 on \$23,226,340 in same period year ago. For quarter ended May 31, earnings were \$88,197 (11¢) on \$5,799,089 vs. loss of \$80,598 on sales of \$7,514,119 in 1954 quarter. In message to stockholders, chairman Wm. J. Halligan & pres. Raymond W. Durst noted that unit TV sales in 9-month period were 20% ahead of same 9 months year ago; in communications equipment, 46% ahead in unit sales, 26% in dollar volume. They also stated that Hallicrafters got additional \$4,000,000 in govt. contracts in June.

H. R. Blash continues as chairman of Webster-Chicago, N. C. Owen as pres., says official company statement which admits Titus Haffa, Chicago industrialist, has acquired "substantial block of stock" (Vol. 11:24)—stated by Mr. Haffa to amount to "more than 125,000 shares" of 519,750 outstanding. Haffa bought holdings of Blash, whom he said he would later succeed as chairman, and of secy. Herman Bichele, v.p. Walter Altenburg, et al. He and family control Dormeyer Corp. and Haber Corp.

General Electric has revised its 1954 earnings report downward, showing net profit of \$198,913,221 (\$2.30 a share) instead of announced \$212,613,221 (\$2.46); retroactive change in tax law relating to estimated expenses required adding \$13,700,000 in provision for taxes & renegotiation. Earnings remain highest on record, up 20% from 1953 level.

Avco Mfg. Corp. reports sharp drop in sales and profits for 6 months ended May 31, 1955. Profit was \$447,983 (3¢ a share) or sales of \$136,708,269, down from \$3,106,481 (33¢) & \$199,060,391. Pres. Victor Emanuel blamed increased costs, continued price weakness in TV-appliances, strike in Avco's farm implement section.

Ampex Corp., San Francisco (magnetic-tape recorders) reports net income of \$365,736 or 69¢ a share on 528,740 capital shares, for fiscal year ended April 30 vs. \$25,691 (6¢ on 411,340 shares) in 1954 period. Profit is after taxes and \$503,000 on research & development.

Television-Electronics Fund assets increased 72% in 6 months to April 30, up from \$55,868,018 (\$9.47 a share) to \$96,182,332 (\$11.33). Assets passed \$100,000,000 since April 30, according to pres. Chester D. Tripp.

General Instrument Corp. reported June 24 enough proxies (51%) to ratify acquisition of Automatic Mfg. Corp., Newark, whose 1500 shares will be exchanged for 555,000 of GIC (Vol. 11:24).

Sentinel Radio earned \$83,422 (22¢ a share) on sales of \$12,415,185 in fiscal year ended March 31, compared to \$151,301 (40¢) on \$13,532,457 in preceding fiscal year.

Graybar Electric Co. sales in 1954 totaled \$366,027,713 vs. \$384,388,765 in 1953; profit was \$2,688,359 (\$4.43 per share) vs. \$3,228,159 (\$5.24).

Lavoie Laboratories Inc., Morganville, N. J., offered 58,000 shares of \$1 par common stock to public this week at \$5 per share, using no underwriters.

Dividends: Emerson Radio, 10¢ regular & 5¢ extra payable July 15 to stockholders of record July 5; American Phenolic, 12½¢ July 29 to holders July 15.

Gifts of 4 to 20 shares of stock in Washington Post Co., each share worth \$60, were bestowed this week on 65 employes of its WTOP-TV & WTOP and 25 of its WMBR-TV & WMBR, Jacksonville, by chairman Eugene Meyer—apportioned on basis of length of service and responsibility of position. Altogether, 711 employes of the publishing-broadcasting companies now own about \$500,000 worth of the stock, with top executives including WTOP Inc. pres. John S. Hayes having acquired other shares previously.

SENATE PROBERS will call on more "experts" to study various TV problems—along general lines of engineering study of allocations, begun this week (see p. 3). "The TV industry is too big, too complex, has too many problems for a study at the staff or Committee level alone. We must call on experts."

Thus Chairman Magnuson outlined the methods his Commerce Committee will use in its TV investigation (which he prefers to call a "study"). "We'll farm out as much work as possible," he told informal June 21 press conference. Then, when all studies have been completed, probably next fall, "we'll hold our hearings, which will be legislative—not investigative—in nature." He said he has in mind:

(1) Study of TV economics, free speech, political time, etc.—possibly by a large private foundation, "such as Brookings Institution, Carnegie or Ford Foundation."

(2) Network study—by FCC, for which \$80,000 is being appropriated by Congress (Vol. 11:22-24). This study would take 6 months, the Senator said, and his Committee is most interested in terms and details of network-station contracts.

(3) Looking into FCC procedures—he said he hopes to ask American Bar Assn. "or a similar impartial group" to take over-all look at this question, come up with "uniform code" for Commission procedures.

(4) Communications Act amendments—ex-Sen. Clarence Dill (D-Wash.), one of authors of Communications Act of 1934, is looking into this now, will advise Committee what changes are necessary on basis of developments at the hearings.

The Senator sketched a wide area of inquiry for the TV study—with fall hearings covering such subjects as military use of channels which are suited to TV ("we'll ask the military how much they're using and how much they need"). Also, political time, satellites & boosters, AT&T networking charges, subscription TV ("if FCC hasn't finished with it by then").

He was not optimistic about one prime project of the Committee—exemption of uhf-equipped sets from 10% Federal excise tax. He noted that Finance Committee Chairman Byrd (D-Va.) is opposed to any new tax legislation this session, but added there was outside chance the exemption provision could be tacked onto a House-passed tax measure from the Senate floor. Congress is hoping to wind up 1955 session end of next month.

NBC has run into more opposition against its proposed station sales and purchases. WGR-TV, Buffalo, this week asked hearing on NBC's pending acquisition of WBUF-TV, Buffalo (Ch. 17), WKNB-TV, New Britain (Ch. 30) and Philadelphia-Cleveland swap with Westinghouse (Vol. 11:22, 25). WGR-TV asked all these be consolidated in hearing to explore NBC "monopoly", look into RCA's anti-trust history.

Committee studying AT&T rates for TV and aiming to forestall increases reported to NARTB board this week, was directed to continue work and increase size, if necessary. AT&T has been active, meanwhile, in efforts to convince telecasters that rates are too low. Its representatives have been calling on stations, showing figures indicating low rate of return from TV.

Application for satellite in Cheboygan, Mich. on Ch. 4 by WPBN-TV, Traverse City, Mich. (Ch. 7) was only one filed this week. Total now stands at 147 (including 16 uhf). [For details, see *TV Addenda 20-X* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

New TV Factbook—Pre-Print Orders

TELEVISION FACTBOOK No. 21, the Fall-Winter edition of the TV-electronics industries' first and most widely used and quoted "almanac," will be off the presses about Aug. 1—containing basic data on all U.S., Canadian and World TV stations and networks (including digests of station rate cards and complete rate cards of the networks); digests of all CPs outstanding and applications pending for new stations, with details on principals involved, facilities, etc.; all allocation tables brought up-to-date. All other departments are updated, too, such as the directories of the FCC, TV sales reps, program producers & distributors, set-&-tube manufacturers, radio attorneys, engineers & consultants, laboratories, etc. Also updated are TV-radio production figures, time sales and other statistical tables. Included with each *Factbook* is revised copy of our 43x29-in. Map of TV Cities and network interconnections, in color, suitable for framing. One copy of the *Factbook* goes to each of our full-service subscribers. Extra copies, if pre-print orders are placed for 20 or more, are \$1.50 each; single copies, \$4.00.

Rumors that Ch. 2-6 are in jeopardy because of military demands keep recurring, keep getting unequivocal denials at responsible levels of Govt. (Vol. 11:5). For one, Harold M. Botkin, ODM asst. director for telecommunications, whose job it is to coordinate all govt. spectrum use, says he hasn't even heard subject mentioned since he last dismissed it—"and I assumed the rumor was dead." Some in industry (and at FCC) feel it's good tactics for TV to demand more vhf space to counteract possible military efforts to do likewise at expense of TV.

Guatemala's first TV station, TGBO-TV, Guatemala City (Ch. 3), with transmitter on 12,300-ft. Agua Volcano (Vol. 10:50), plans to start this summer. DuMont this week shipped it 5-kw transmitter and dual camera chain. Among owners, along with Guatemala business men, are ex-FCC chairman Paul Porter, now Washington attorney; Col. Frank Katzentine, owner of Miami Beach radio WKAT; J. H. Wilson Jr., Pan-American Airways.

Bill to permit "Lincoln-Douglas" debates on TV-radio between presidential candidates, without subjecting stations and networks to equal time demands from minority candidates, as proposed by CBS pres. Frank Stanton (Vol. 11:21, 23, 25), was introduced June 24 by Sen. Payne (R-Me.) of Senate Commerce Committee. His S-2306 is identical to HR-6810, introduced by Rep. Harris (D-Ark.).

AM-PAR Record Corp. is name of new AB-PT phonograph record subsidiary established last week (Vol. 11:25) under pres. Samuel H. Clark, with headquarters at 1501 Broadway, N. Y. It's expected to enter market with AM-PAR brand early next year.

Some 33,000,000 people saw Archie Moore knock out Bobo Olson in Pabst-sponsored light heavy-weight championship bout June 22, according to Trendex ratings prepared for ABC-TV, which says it was biggest audience ever to watch a televised fight.

He couldn't take it: CBS cancelled its widely-publicized TV-radio "scoop"—the appearance of Soviet Foreign Molotov on June 26 *Face the Nation*—because the guest wouldn't consent to the program's customary free questioning by panel of interviewers.

New FCC Comr. Richard A. Mack will be sworn in July 7, 10 a.m., Room 6121. He replaces Frieda B. Hennock, who is understood to be joining Washington law firm of Davies, Richberg, Tydings, Beebe & Landa.

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PAY-AS-YOU-SEE TV

THE ABC'S OF THE CONTROVERSY

Editor's Note: There are so many requests from laymen for an explanation of what subscription TV is, with its pros and cons, that a handy primer is a time-saving blessing. New York Times TV-radio critic Jack Gould provided just such a document in the form of a full-page appraisal June 19. His summary is impartial and non-technical, and provides a good digest of the major arguments. As a service to our subscribers, we will provide reprints of this article at nominal rates: 25 for \$1.50; 50 for \$2.50; 100 for \$4.00.

By JACK GOULD

SUBSCRIPTION television appears certain to be the subject of the most hectic and widespread controversy in broadcasting's three decades. In interest, complexity and duration it should easily be the spectacular of disputes over use of the airwaves.

The challenge posed by subscription TV is the introduction of an additional concept of broadcasting. Since 1922 the public has been entertained, enlightened or enraged through the courtesy of the advertiser with something to sell. Now it is proposed that the public also pay fees for what it sees.

Those in favor of subscription video say it would open vast new horizons in television entertainment and culture. Represented on the "pro" side are the three companies that have developed systems of toll video and many Hollywood, theatrical and sports interests that envision a vast new market for their wares.

Those opposed to toll TV say it would mean an end to the continuous free show in the nation's front parlor and threaten the existence of movie houses. The opponents include the Columbia Broadcasting System, the National Broadcasting Company, the American Broadcasting Company and the Joint Committee on Toll TV, also known as the Committee Against Pay-As-You-See TV, comprised of motion-picture theatre owners.

Most directly affected by the toll video dispute are the 125,000,000 persons who regularly watch television. There is the somewhat novel prospect of recognizing that a home may be more than a castle; it may also be a box-office.

For the entertainment world there is the possibility of admission receipts dwarfing even an impresario's wildest dream—conceivably \$3,500,000,000 a year.

For the advertising world there is a stake of awesome magnitude—this year program sponsors will spend \$950,000,000 in home TV.

The dispute's ramifications lead not only into uncharted economic fields, but also into largely unknown legal, technical, social and cultural spheres. Whatever approach is taken to toll TV, only one certainty emerges: There is hardly a single point on which there is any agreement.

THE PRESENT SET-UP

Today there is in operation a total of 429 commercial TV stations and ten non-commercial educational outlets. These stations broadcast over twelve channels (Nos. 2 through 13) in what is known as the very high frequency band (V.H.F.) and over seventy channels (Nos. 14 through 83) in the ultra-high-frequency band (U.H.F.).

It is the matter of channels—the space on the air—that distinguishes the controversy over subscription TV from disputes involving other mass media. The number of channels, unlike the number of printing presses, is subject to a physical limitation; there is not enough room on the air for everyone who might want to broadcast in every community. In addition, certain channels have a technical advantage over others. Accordingly, some communities may have seven choice channels; others, only one.

F. C. C. Rules Airwaves

How to make the best use of the available channels in each community is the responsibility of the Federal Communications Commission, the agency established by Congress to supervise the airwaves. The agency's authority derives from Federal law stipulating that the airwaves are the property of the people. A broadcaster only receives a license to use a channel; he does not own it. The F. C. C., in short, has the power to grant or withhold the permit necessary to broadcast.

In the toll TV controversy the task of the F. C. C. is to decide whether it can authorize pay-as-you-see to use broadcasting channels and, if so, under what conditions. Last February the agency invited comments on what it should do. It was swamped with a record mail—more than 25,000 communications as of last night. Now those for and against toll TV have until July 11 to enter rebuttals to one another's arguments.

What happens after that is part of the subscription TV controversy itself. To understand why, it is necessary to outline the ABC's of toll TV.

HOW TOLL TV WORKS

The underlying theory of subscription television is to make a program available only to those viewers willing to pay for it. But the basic technical problem is to find means of keeping the program away from those not willing to pay.

This trick is done by use of the principle of the combination lock that protects a bank safe; in this instance it protects a

television program. The toll TV broadcaster transmits his program with a certain electronic combination. Then he sells this combination to the set owner who wants to see his show.

Why this is feasible is better appreciated when it is first understood how a television picture travels through the air to a receiver. The TV image is not sent as the whole picture you see on the screen. Rather it is sent in the form of little pieces that are then reassembled at the receiver. There are many different ways both to send the pieces and to put them back together again. This is the heart of all systems of toll TV.

The Toll Systems

There are three major proposed methods of transmitting toll television:

Phonevision. This is the system developed by the Zenith Radio Corporation, of which the president is Eugene F. McDonald, generally regarded as the pioneer of toll TV.

The principle of Phonevision is to "scramble" the picture and sound at the transmitter. In effect, the components of the image and voice are mixed up electronically so that on today's conventional receiver the picture would be only jagged lines and the sound unintelligible.

On the receiver equipped to receive Phonevision there would be a device containing five knobs, each of which could be adjusted to one of seven positions. A given program would be assigned a special code number, say 54627. The dial corresponding to each digit would be set accordingly: a normal picture and sound then would be received.

Under the Zenith plan the necessary code information could be obtained from a program card. Punching out an insert on the card containing the digits for a specific show would represent a record of what was seen. A viewer would mail in the used card and then receive a bill.

Skiatron. This is the method advanced by Skiatron TV, Inc., headed by Matthew Fox, and Skiatron Electronics and Television Corporation, of which Arthur Levey is president.

Like Phonevision, Skiatron provides for coding, or "scrambling," the picture at the transmitter, and then decoding, or "unscrambling," the picture at the receiver.

The Skiatron device has provision for the insertion of a standard International Business Machine card on which is superimposed a printed electronic circuit. This circuit would act as an "unscrambler" when a button on the device was pressed. Pressing the button would automatically punch the card, making a record of the show seen.

Telemeter: This is the system proposed by Paramount Pictures, of which Barney Balaban is president, through its subsidiary, the International Telemeter Corporation.

The Telemeter system differs from the other two both in how it would conceal the box-office attraction from the nonpaying audience and its collection of admission fees.

Telemeter proposes to transmit two images on one channel, a development that in time might lead to applications beyond toll video. One image would consist of an advertisement of the program to be charged for; this would appear on existing sets. The second image would be the box-office attraction and could be seen only to sets equipped with a Telemeter attachment.

As the name suggests, Telemeter is basically a coin machine that would collect the money before each show was seen. There would be a slot to accept nickels, dimes and quarters and also automatic provision for a credit allowance if a viewer did not have the right change available. The boxes containing the coins would be picked up periodically, as in the case of pay telephones. Telemeter believes this method preferable to collecting a sizeable bill after shows have been seen.

A point is raised about pay-as-you-see methods: Would it be

feasible to "jump the meter" or break the codes and see box-office attractions for nothing? Technically, almost any method of concealment can be broken, but advocates of toll video insist it will be too much trouble to be practical on any significant scale.

What Will Toll TV Cost?

There are two cost elements to be considered, the initial investment and the upkeep. The price of installing the various devices has been estimated at between \$25 and \$100. Some systems propose to lease their equipment; others to sell it. In most instances it would have to be installed by a service man.

The box-office top most frequently mentioned for a toll TV program is \$2; the proposed minimums have been anywhere from 5 to 25 cents. Whatever the chosen price, multiply it by 35,000,000—the number of sets now used—for a rough idea of the money potential for a single program.

How much toll TV might there be? No definitive prediction is possible; the answer is part of all the basic quarrels. Some say there could not be more than a limited number of hours per night or per week; others have said toll TV might be programmed around the clock.

With a potentially big pie to divide, just about everybody might have a hard in controlling pay-as-you-see. Most predictions envision a three-way split of the money. A percentage would go to the company whose technical system of pay-as-you-see was used, a percentage to the broadcaster and a percentage to the program producer. Since a single corporate entity might fulfill more than one role, the anti-trust laws willing, actual control of toll TV could take many forms.

Commercials

The general assumption has been that toll TV would operate without the familiar interrupting commercials. As a matter of box-office policy it is not believed the public would be eager to put up cash to be regaled by plugs.

However, the question of advertising still has to be determined as a matter of fundamental policy. Already there have been proposals that the public might not object to some commercials if they led to a reduction in the box-office price.

THE LEGAL ISSUE

The legal debate over toll TV centers on the question of what is "broadcasting." In turn, this raises the matter of whether the Federal Communications Commission has the power to act on toll TV or whether the whole issue must go to Congress.

Section 3 of the Federal Communications Act of 1934 defines broadcasting as "the dissemination of radio communications intended to be received by the public, directly or by the intermediary of relay stations."

The opponents of toll television, who urge Congressional action, argue that a program that is scrambled is not intended to be received by the public but is intended to be withheld from all members of the public except those able and willing to pay. Further, it is contended that toll TV constitutes a discriminatory use of a public property—the airwaves—as opposed to advertiser-sponsored TV, which is available to everyone on an equal basis.

The supporters of toll TV, who contend the F. C. C. can act on its own, argue that a box-office program is intended to be received by the entire public. To ask the public to pay for the equipment necessary for subscription TV, they maintain, is legally no different than asking the public to purchase a receiver in the first place.

THE CASE FOR

Here is a summary of the argument in favor of subscription television:

TV broadcasting as it now exists is governed by what an advertiser can afford to do and by what he believes will stimulate the sales of his product. If there are some areas of programming in which the needs of the sponsor and the needs of the viewing public are compatible, there are other important areas in which they are not. It is in the incompatible areas that toll TV proposes to operate.

One of the areas is prime TV programming material—the brand new, full-length motion picture, right off the Hollywood griddle, to be offered without commercial interruptions. Here the inadequacy of an advertiser's resources are evident.

The average cost of production of a Hollywood feature is about \$900,000. Yet, as itemized by Paramount Pictures in its comments to the F. C. C., here are the single-performance costs, including talent and time on the air, of some of TV's currently most expensive shows:

1. Producers' Showcase . . .	\$351,446
2. Max Liebman Presents . . .	313,039
3. Best of Broadway	173,725
4. Shower of Stars	167,710
5. Milton Berle	162,504
6. Godfrey and His Friends . . .	152,902
7. Omnibus	147,201
8. Disneyland	146,144
9. Comedy Hour	138,652
10. Jackie Gleason	130,839

This huge economic disparity, according to toll TV's advocates, is what precludes from the home screen the newest and best that Hollywood can offer.

Similarly with sports. Worried over the competitive inroads of free TV, promoters have backed away from the medium. There has been only one championship bout on home TV since 1951; theatre television has been able to outbid the advertiser. Football is restricted and in some areas so is baseball. If baseball attendance continued to drop, further blackouts can be expected. Toll TV, on the other hand, could assure the economic vitality of sports and at the same time retain them for home viewing.

Each New York baseball club receives between \$500,000 and \$750,000 a season for allowing broadcasts of its game; toll TV—at 50 cents a seat—might mean \$50,000 for each of seventy-seven home games, or \$3,850,000 a season.

Broadway plays of full length could be offered regularly via toll TV, not merely occasionally. The two-hour running time of a play is prohibitive for most advertisers. Without the presence of the advertiser, who, as a business man, is normally averse to offending a prospective customer, greater artistic freedom could prevail.

In the whole field of so-called regular minority programming, such as the symphony concert, opera, ballet or straight educational feature, toll TV offers the only practical hope. Groups interested in such forms of programming may not be large enough to warrant the attention of an advertiser but they are large enough to support such attractions themselves. In addition, toll TV could represent a new source of revenue for a cultural institution such as the Metropolitan Opera or even for a school or college. Merely because an advertiser cannot afford to do certain things in TV is no reason to deny the public a chance to have these things by other means.

Toll TV does not constitute a threat to free TV. There is a limit to the amount of distinctive or qualitative programming for which a charge could be

made; in addition, there probably is a limit on how much the public would be willing to pay in a week for home entertainment. There still would be opportunity for both forms of TV, with the public benefiting from the rivalry for its attention.

Further, toll TV need not be a detrimental factor in communities where there is a single station. While temporarily a toll TV program might black out the only free program, the introduction of public financing of TV could lead to the industry's expansion in areas that do not have sufficient population to interest advertisers.

In any case, toll TV holds enough promise to warrant a chance to prove itself in the marketplace. The broadcasters did not complain when they lost attractions to theatre television or when some of their stations were "blacked out" by sports promoters. Their only basic fear is the first competition they ever have faced in their own medium.

THE CASE AGAINST

Here is a summary of the argument in opposition to toll television:

The advocates of subscription video are trying to pull the wool over the public's eyes by ignoring the elementary economics of the entertainment world: Stars, producers and writers in the show business go where the most money is.

If toll TV can outbid advertiser-sponsored TV for attractions not on the screen, then obviously it can outbid free TV for attractions that are. Toll TV won't stop with the ready-made shows of Broadway and Hollywood; it also will seek the ready-made box-office names familiar to the home TV audience. The public will not pay 10 cents to see Jackie Gleason if it can see him free, but it will pay 10 cents rather than not see him at all. And Mr. Gleason already has shown an interest in working for toll TV; other stars inevitably

will follow suit and, to enhance their box-office potential, would stay off free TV.

The economic dominance of toll TV would assert itself even further. With the available audience divided between free and fee TV, the advertiser would have less incentive than ever to meet TV's sizable costs. If his sales message is going to reach fewer people, he is going to trim his costs, not enlarge them. Only the loss of a few choice evening hours to toll TV is required to mark the beginning of free TV's end.

The rosy cultural future envisioned by toll TV is unrealistic and illusory. The inexorable law of the box office will result in toll TV catering to majority audiences much as existing TV does; the sponsors of toll TV will not be overly concerned with devising ways to make less money rather than more. Especially if facilities for toll TV are subject to a physical limitation, the public will be offered more of Lana Turner than of ballet.

Meanwhile, if the box-office held increasing sway over TV, the public-service programming that is now a by-product of advertising-sponsored TV, such as many news and political events, would be lost. There would not be the income from the popular shows to foot the bill for sustaining video.

Actually, television today provides much if not most of the fare promised by toll TV. Virtually all the stars of Broadway and Hollywood now appear on the home screen. Television dramas are bought by stage and screen producers. There is a trend toward doing Broadway shows after their run and a likelihood of original ninety-minute works before long.

As for movies, free TV's expanding economy is making possible the acquisition of some better pictures. Were it not for the golden promises of toll TV, existing TV might obtain newer releases. In the realm of sports, the loss of some attractions is offset by the presence of others. You may not see a championship fight but you can see the World Series or the Army-Navy game.

Broadcasters' Choice

The toll TV advocates cannot talk away the fact that subscription video proposes to operate on channels made possible by advertising-sponsored TV. When a toll TV program is on the air, it often may black out a program that has gone into millions of homes without charge.

The proposal that toll TV might be confined to a special category of broadcasters—such as the hard-pressed ultra high frequency station owners—is unrealistic. If it is democratic for a listener to have a choice of both types of programming, then it is democratic for a broadcaster to be free to decide which type he will offer. And producers of toll programs, as with today's advertisers, will turn to the big major stations that can deliver the largest ready-made audiences.

To say that toll TV only wants a chance is to evade the issue. Once toll TV is inside the door, free TV's days economically are numbered. Let toll TV prove itself and today's networks and broadcasters will be forced to enter the field to protect their investment.

For the public the question is a simple one; TV can be free: why pay for it?

THE EFFECTS

Subscription TV would affect other fields of entertainment.

The Motion Picture Industry: The impact of subscription television on the movies undoubtedly would be great, though how great is a controversy in itself. This impact would be different for the industry's two main divisions: (1) the producers of films, i. e., Hollywood; (2) the exhibitors of films, i. e., the movie houses.

For Hollywood toll TV would be pure bonanza, the most efficient and far-reaching method of distributing pictures imaginable.

For the exhibitors the prospect of toll TV is a nightmare. The Joint Committee on Toll TV, headed by Alfred Starr, a Nashville theatre owner, asserts bluntly that subscription video

constitutes a significant danger to the continued existence of motion picture theatres." With new movies going for home demonstration, the neighborhood theatre hardly would be in an enviable position. Small wonder the exhibitors are championing free TV, once regarded by them as the economic evil of all time.

The Broadway Theatre: Both Moss Hart, president of the Dramatists Guild, and Ralph Belamy, president of the Actors Equity Association, believe toll TV could prove a major boon to the legitimate theatre, stimulating production and providing a king-sized "angel." Skeptics have wondered, however, where all the necessary good plays would come from and if the content of many—"Bus Stop" and "Cat on a Hot Tin Roof," for example—would be suitable for TV's mixed family audience.

Educational Broadcasting: Subscription TV is seen as a possible form of deliverance for educational broadcasting, which has been assigned its own TV channels by the F. C. C. but has been plagued by economic headaches. A small TV audience—say 10,000—would still be a big school class. A \$1 fee for a course under these circumstances might lead to some new economic thinking on the nation's campuses.

THE FUTURE

The concensus of virtually all participants in the controversy is that the toll TV war will take the form of words rather than deeds for months, perhaps years, to come.

After receiving the rebuttals to the first flood of opinions, the F. C. C. can order an oral hearing, turn to Congress for guidance, order some experimental toll TV to learn more about the systems, or propose standards. Once the F. C. C. reached a determination, then there could be legal challenges on many different grounds, with the final decisions resting with the United States Supreme Court.



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

* * * *

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

* * * *

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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Opponents of deintermixture made these main points:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IN OUR CONTINUING SURVEY of upcoming stations, these were latest reports received:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Brief highlights of other major trade developments this week:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

RANK	COMPANY	SALES ¹ (\$000)	ASSETS (\$000)	PRE-TAX PROFIT ² (\$000)	NET PROFIT (\$000)	STOCKHOLDERS	EMPLOYEES ³
4	General Electric	2,959,078	1,691,980	390,613	212,613	295,945	210,151
13	Westinghouse Electric	1,631,045	1,329,120	163,194	84,594	111,107	117,143
15	Western Electric	1,526,231	1,073,600	115,552	55,836		98,141
23	Radio Corp. of America	940,950	548,325	83,501	40,525	172,551	70,500
46	Bendix Aviation	607,712	285,431	61,797	25,538	25,786	43,811
83	Avco Manufacturing ⁵	375,406	200,879	7,509	3,639	61,462	21,240
85	Philco	349,277	164,588	10,544	6,769	18,000	23,000
106	Sylvania Electric Products	281,642	191,380	18,381	9,481	29,026	25,180
143	Admiral	219,565	109,126	15,582	6,548	5,100	10,000
156	Motorola	205,226	94,531	16,524	7,572	4,381	11,000
178	Raytheon Mfg.	177,100	93,641	10,023	3,523	8,296	18,711
224	Zenith Radio	138,608	62,605	12,056	5,676	4,390	6,500
250	General Precision Equipment	123,333	91,358	12,019	5,488	4,700	10,000
311	DuMont (Allen B.) Labs.	91,938	63,251	1,739	870	14,000	5,200
316	Collins Radio	90,300	42,794	7,656	3,390	1,400	7,327
345	Emerson Radio & Phonograph	80,560	40,971	3,449	1,885	6,000	5,000
371	Standard Coil Products	72,862	29,351	5,136	2,871	4,500	8,500
411	Stromberg-Carlson ⁶	63,509	41,148	4,132	1,982	4,113	5,200
413	Magnavox	62,974	28,543	5,333	2,103	5,616	3,800
433	Clevite	59,205	58,537	5,619	2,669	5,700	5,335
459	Mallory (P.R.)	54,630	33,032	2,420	1,072	3,773	5,596
474	Arvin Industries	53,373	27,979	4,631	2,231	3,953	3,480

(Figures in heavy type are rankings.)

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

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

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

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

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

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

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

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

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

New TV Factbook—Pre-Print Orders

TELEVISION FACTBOOK No. 21, the Fall-Winter edition of the TV-electronics industries' first and most widely used and quoted "almanac," will be off the presses about Aug. 1—containing basic data on all U. S., Canadian and World TV stations and networks (including digests of station rate cards and complete rate cards of the networks); digests of all CPs outstanding and applications pending for new stations, with details on principals involved, facilities, etc.; all allocation tables brought up-to-date. All other departments are updated, too, such as the directories of the FCC, TV sales reps, program producers & distributors, set-&-tube manufacturers, radio attorneys, engineers & consultants, laboratories, etc. Also updated are TV-radio production figures, time sales and other statistical tables. Included with each *Factbook* is revised copy of our 43x29-in. Map of TV Cities and network interconnections, in color, suitable for framing. One copy of the *Factbook* goes to each of our full-service subscribers. Extra copies, if pre-print orders are placed for 20 or more, are \$1.50 each; single copies, \$4.00.

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

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

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

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

Network TV-Radio Billings

May 1955 and January-May 1955

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

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

NETWORK TELEVISION

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

NETWORK RADIO

	May 1955	May 1954	Jan.-May 1955	Jan.-May 1954
CBS	\$ 3,923,796	\$ 5,116,152	\$20,286,915	\$25,533,132
NBC	2,652,560	2,780,725	13,559,541	15,951,564
ABC*	2,080,272	2,307,029	11,497,432	12,764,603
MBS	1,450,889	1,908,198	6,927,552	9,515,534
Total	\$10,107,517	\$12,112,104	\$52,271,440	\$63,764,833

NETWORK TELEVISION—January-May 1955

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

NETWORK RADIO—January-May 1955

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

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

† Revised as of June 30, 1955.

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

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

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

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

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

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

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

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

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

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

MARTIN CODEL'S

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

Television Digest

with **ELECTRONICS REPORTS**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

* * * *

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

* * * *

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Also requested was commercialization of educational

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

New TV Factbook—Pre-Print Orders

TELEVISION FACTBOOK No. 21, the Fall-Winter edition of the TV-electronics industries’ first and most widely used and quoted “almanac,” will be off the presses about Aug. 1—containing basic data on all U. S., Canadian and World TV stations and networks (including digests of station rate cards and complete rate cards of the networks); digests of all CPs outstanding and applications pending for new stations, with details on principals involved, facilities, etc.; all allocation tables brought up-to-date. All other departments are updated, too, such as the directories of the FCC, TV sales reps, program producers & distributors, set-&-tube manufacturers, radio attorneys, engineers & consultants, laboratories, etc. Also updated are TV-radio production figures, time sales and other statistical tables. Included with each *Factbook* is revised copy of our 43x29-in. Map of TV Cities and network interconnections, in color, suitable for framing. One copy of the *Factbook* goes to each of our full-service subscribers. Extra copies, if pre-print orders are placed for 20 or more, are \$1.50 each; single copies, \$4.00.

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

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

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

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

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

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

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

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

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

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

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

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

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

Brief highlights of other major trade developments this week:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

* * * *

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

NEVADA

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

NEW HAMPSHIRE

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

VERMONT

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Television Digest

with **ELECTRONICS** REPORTS

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

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

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

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

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

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

* * * *

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Brief highlights of other major trade developments this week:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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with **ELECTRONICS** REPORTS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

* * * *

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Commission also foresaw little possibility that new

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Brief highlights of other major trade developments this week:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

* * * *

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

* * * *

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Note: NBC Research monthly sets-in-use figures show 36,477,000 as of July 1 -- nearly 2,000,000 more than the Mansfield estimate.

ALL-OUT RCA-NBC FALL COLOR CAMPAIGN: Almost single-handedly, RCA-NBC are determined to put color across next fall-winter season in what shapes up as one of the most extensive and expensive efforts to establish a new product & service ever undertaken by any company in any industry. They're pushing with accelerating vigor on every front -- network programming, set & tube production, receiver and programming promotion & advertising, station equipment sales.

Rounding up programming plans this week, NBC exec. v.p. Robert Sarnoff drew attention not only to extent of color programs but to extremely important fact that many of them will be telecast in periods when sets can be demonstrated easily.

Volume of color programming, Sarnoff said, will be 5 times as great as last year's -- most of it in programs of great appeal -- strongly promoted live spectaculars and big sports events. In terms of volume, NBC will have 37 hours of studio-originated color in Oct. vs. 7 last year, 41 in Nov. vs. 8½, 38 in Dec. vs. 9. This is in addition to color remotes of sports and mobile pickups for inserts in other programs. (For summary of program plans, see Color Trends & Briefs, p. 13.)

On receiver production & promotion end, RCA is uncorking most extensive broad-side yet attempted for color (details on p. 8), while its broadcast equipment sales force is doing its utmost to persuade individual stations that investment in local color originating equipment will pay off competitively.

"REPEAT" IDEA WINS STRONG SUPPORT: Live repeats of hit TV shows, performed while they're still "hot" and buoyed up by word-of-mouth and critical acclaim, are being explored by NBC-TV -- with a vengeance. Pres. Pat Weaver is so sold on the idea (Vol. 11:17-23) that he's thinking in terms of "next day" repeats. First such might be Max Liebman's monthly Sat. 9-10:30 spectaculars, repeated Sun. 7:30-9 p.m. -- thought being mainly to capture audience of children for whom Sat. show is too late. Weaver has long felt that last year's Babes in Toyland (9-10:30 p.m., Dec. 18) could appropriately have reached vast audience of children at an earlier period next day.

First show for which a repeat is planned, assuming cost & clearance problems are settled, is Oct. 1 Heidi. Since Liebman will also produce several Sun. night spectaculars, job of clearances should be somewhat easier.

Most top network executives and producers appear to be in agreement that click performances ought to be repeated (Vol. 11:17-23), only objection being fear of losing audience ratings. The NBC-TV experiment, if it jells, will receive close attention. An exceptional candidate for a repeat was July 25 Fourposter, in color on NBC-TV. Starring Hume Cronyn and Jessica Tandy in show they did on the stage, it had viewers and critics bubbling with superlatives -- and those who missed it are asking, "Why can't we see it, too?" It's our hunch they will.

BRICKER VETOES MAGNUSON PROBE PLANS: Senate Commerce Committee's ranking minority member, former Chairman Bricker (R-Ohio), decided this week that Chairman Magnuson (D-Wash.) and his chief counsel Sidney Davis were flying just a little bit too high in their plans for TV investigation -- and he put his foot down hard.

The conservative Republican put the kibosh on Magnuson's announced plans to "farm out" certain portions of the inquiry to non-profit foundations (Vol. 11:26) -- after reports that Ford Foundation's Fund for the Republic, headed by Robt. M. Hutchins, had been approached to study "freedom of speech and thought on TV-radio."

Not only did he demand that the Committee have no truck with foundations, but he threatened active opposition to any "freedom of thought" investigation -- and his opposition to Davis was at least partly responsible for the majority counsel's resignation, announced this week. The liberal Davis, a New York attorney, asked to be relieved of his duties to undergo treatment next week for dislocated spinal disc.

Office of majority counsel will be offered to former Sen. Clarence C. Dill (D-Wash.) who is currently working on "legislative phases" of TV probe at Magnuson's request. Joseph M. Kittner, asst. chief of FCC Broadcast Bureau, had been rumored as replacement for Davis, but he has not been approached by the Committee. Robert L'Heureux will continue as minority counsel.

Bricker is known to feel Magnuson and Davis were straying far afield in the

TV investigation. Bricker wants inquiry to concentrate on uhf problems and "monopoly aspects" of the network question.

Hearing phase of TV inquiry is now scheduled for January -- plans for fall hearings having been abandoned because of difficulty of rounding up Senators during recess and to allow time for completion of preliminary staff work.

"There will be no lag" in the investigation, Magnuson said this week. Summing up progress to date, he said special ad hoc engineering committee (Vol. 11:26) is well into its study of allocations, the FCC has begun its network investigation and is also working to "simplify its procedures," while Sen. Dill continues his study of possible amendments to Communications Act.

Investigation will continue under Magnuson's personal supervision, he added, denying rumors that hearings would be turned over to Sen. Pastore (D-R.I.).

Note: One important help-uhf project endorsed by Senate Commerce Committee in both Republican 83rd Congress and Democratic 84th went by the boards this week -- for at least 6 months. House Ways & Means Committee declined to act on HR-4070, introduced by Rep. Ikard (D-Tex.), to exempt uhf-equipped receivers from 10% Federal excise tax, after Administration opposed principle of bill (Vol. 11:27).

"BIBLE OF THE BUSINESS"--21st EDITION: Television Factbook No. 21 is on its way to all full-service subscribers this week -- our 1955 Fall-Winter edition bringing up to date the many directories and statistical tables that have become the standard reference of the TV-radio-electronics industries over the last 10 years.

As a semi-annual barometer of TV progress, it's noteworthy that it details 435 stations on the air in U.S., 27 in Canada, as against 426 & 24 just six months earlier, listing also the 56 stations that have gone off the air to date; that its log of foreign stations has grown to 150 in 35 other countries, serving 8,500,000 sets; that there are now 392 community antenna systems serving some 1,000,000 people as against 302 six months ago; that there are now 6 Armed Forces TV stations.

Some 75 reference depts. comprise the 432-p. Factbook, including network & station rates, personnel & other data; lists of CPs outstanding, prospective starting dates of upcoming stations, applications pending for new stations; channel allocation tables; lists of stations equipped for colorcasting; directories of TV, radio & tube manufacturers; TV-radio receiver production, sales & inventories figures; major TV advertisers and time-&-talent expenditures on networks & stations; directories of the FCC, engineers, attorneys, technical services, laboratories, research firms, labor unions, trade associations; lists of educational, newspaper & theatrical ownerships of stations; multiple ownerships and group operators; data on all sales and transfers of stations from 1946-55 -- among other features.

One copy of the Factbook, along with new 1955 TV wall map, 42x29-in. and in color, goes to each subscriber. Map shows all TV cities, all existing and projected AT&T and private network interconnections, all cities involved in the TV allocation plan, all other cities of more than 10,000 population, with log of all U.S. & Canadian stations and their channels. Extra copies of the Factbook are available at \$4; extra maps at \$1, lower prices in quantities.

Praise for TV industry's efforts to improve juvenile programming came this week from Sen. Kefauver's juvenile delinquency subcommittee in its progress report. After acknowledging that industry is "making efforts to improve its programs," report stated: "We asked the TV broadcasters to adhere more closely to their code. We pointed out to them that many violations of their own code are occurring which could have detrimental effect on children. We then asked those not belonging to the radio & TV code to join, so that a united front could be presented for better programming. We were also especially interested in having those who produce films for TV come under some sort of industry regulation. At present they are subject to no restrictions. Our full TV report will be released in a few weeks." Meanwhile, Vincent M. Gaughan, subcommittee's special counsel for TV-motion pictures-

pornography-youth employment phases of probe, left the group on completion of his assignment to organize new law firm in Buffalo. He's v.p. of CP-holder WSTF, Stamford, Conn. (Ch. 27) and was one-third owner of Buffalo's uhf WBES-TV, now off air.

Purchase of off-air WLBR-TV, Lebanon, Pa. (Ch. 15), sought by Triangle Publications (WFIL-TV, Philadelphia, WNBC-TV, Binghamton) which proposed to put station back on air as soon as possible (Vol. 11:27), has been held up by FCC, which sent McFarland Letter based on objections raised by WHP-TV, Harrisburg (Ch. 55). Commission notes allegations that Lebanon area already has plenty of TV service; that WLBR-TV would be a satellite of WFIL-TV and thereby hurt area uhfs; that station's service area would overlap those of WFIL-TV & WNBC-TV.

GENERAL TELERADIO is in the movie business through its \$25,000,000 purchase of RKO Radio Pictures (Vol. 11:30)—and “theatrical motion pictures come first.” So said General Teleradio pres. (and now RKO board chairman) Thomas F. O’Neil at New York press conference this week at which he sketched in some missing details surrounding the General Tire purchase and the company’s future plans.

He said he hopes to work out plans to expand theatrical film production in the relatively inactive studio he took over from Howard Hughes. Production organization will be headed by Charles Glett, former CBS-TV west coast network services v.p. with long experience in motion picture production. O’Neil accented his plans for future theatrical production—obviously anxious to get on good terms with movie exhibitors—but main interest of most newsmen at conference was in his TV plans for the RKO product.

He estimated the feature film backlog at about 800, but said it may be as long as a year before any are on TV. He said it was difficult to estimate how many were suitable for TV; then, he added, there are some legal problems involving TV use of some of the pictures. Possibilities of re-release to theatres of some of the movies will be considered. He foresaw no “flood of features” to TV, pointing out that some 400 feature films came to TV in 1954, and adding that the “gradual release” of RKO product won’t result in any glut.

“No major film company is likely to make its entire library available at one time,” he said. “Rather, we should envision a judicious apportion that would recognize that there are older films which should probably precede the release of the newer product and that would take account of the physical realities in selling any given number of films. If these probabilities prove to be fact, it is not likely that

there will be any real upset of the TV feature film market, least of all any ‘loosening of the floodgates’ to pour thousands of films on a suddenly disinterested market.”

He also said that RKO’s 2 unreleased films—*Jet Pilot* & *The Conqueror*—would be shown in theatres before they’re released to TV; that he has “no immediate plans” to establish a film TV network; that TV film production at RKO studios was a “possibility”; that General Tire has “no immediate intention” of offering RKO stock to public. He revealed that \$20,000,000 of the \$25,000,000 price paid to Howard Hughes came from Chase Manhattan Bank, remainder from General Tire.

RKO sale doesn’t open the floodgates as far as 20th Century-Fox pres. Spyros Skouras is concerned. Asked at London news conference whether his company would sell its feature film backlog for TV, he replied that it would—to the first buyer willing to pay \$150,000,000.

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List of 612 pictures “to which RKO Radio is understood to have clear title,” and which presumably will eventually be offered to TV, was compiled by *Billboard* and printed in July 30 issue. Among the topflight titles:

Abe Lincoln in Illinois (Raymond Massey), *Alice Adams* (Katherine Hepburn), *Annie Oakley* (Barbara Stanwyck), *Bachelor & the Bobby Soxer* (Cary Grant, Shirley Temple), *Bachelor Mother* (Ginger Rogers, David Niven), *Big Street* (Henry Fonda, Lucille Ball), *Bring ‘Em Back Alive* (Frank Buck), *Citizen Kane* (Orson Welles), *Double Dynamite* (Jane Russell, Frank Sinatra), *Hunchback of Notre Dame* (Charles Laughton), *If You Knew Susie* (Eddie Cantor, Joan Davis), *King Kong*, *Kitty Foyle* (Ginger Rogers), *Last Days of Pompeii*, *Sister Kenny* (Rosalind Russell), *Mr. Blandings Builds His Dream House* (Cary Grant, Myrna Loy, Melvyn Douglas)—plus all of the Fred Astaire-Ginger Rogers musicals and pictures featuring John Barrymore, Jimmy Durante, James Stewart, etc.

Personal Notes: Terence Clyne, chairman of McCann-Erickson plans review board, assumes management supervision of TV-radio dept. . . . Alfred R. Stern promoted to new post of NBC Radio director of partic. programs; Nicholas Gilles upped to operations mgr. of partic. programs . . . John P. Jefferson, ex-Radio Free Europe, joins CBS as asst. director of public affairs; Ralph Backlund promoted to exec. producer of radio public affairs programs; Dr. George Crothers, in charge of CBS-TV’s *Lamp Unto My Feet & Look Up and Live*, named director of educational & religious broadcasts . . . Calden P. (Bud) Stitt, from Chicago office, promoted to v.p. in charge of rep John E. Pearson’s Minneapolis office, replacing James Bowden, now John Blair & Co., Chicago . . . Jim Terrell upped to asst. national sales mgr., WKY-TV, Oklahoma City, Bob Gamble replacing him as news director . . . Charles R. White has resigned as commercial mgr. of KPTV, Portland, Ore., to become gen. mgr. of new KLEW-TV, Lewiston, Ida. (Ch. 3), due on air next Nov. . . . Dean McCarthy promoted to program mgr., WISN-TV, Milwaukee, succeeding Mel Quinn, now public affairs director . . . Thomas Freebairn-Smith appointed to newly created post of exec. secy., Academy of TV Arts & Sciences, L. A.; he was recently with WCAU, Philadelphia . . . Cody Pfanstiehl resigns as public relations director of WTOP-TV & WTOP, Washington, to take charge of public relations for Washington Community Chest Federation; Robert Adams continues as promotion director for TV, Wm. Wiggins for radio . . . Gene P. Loffler, ex-KSO, Des Moines, named gen. mgr. of KMMT & radio KAUS, Austin, Minn., replacing Tom Steensland, resigned . . . Jerome D. Greenberg promoted to merchandising director, WATV & WAAT, New-

ark . . . Dick Peck promoted to chief engineer, WREX-TV, Rockford, Ill. . . . Roman W. Wassenberg, ex-gen. mgr. of now off-air KTVU, Stockton, Cal., named exec. v.p. & gen. mgr. of Wesley Dumm’s KSFO, San Francisco, replacing Alan Torbett, resigned . . . Walter Kingsley, Ziv western div. chief, moves to N. Y. to become sales mgr. of new national sales organization, Allen Johnston taking over western div. and Russ Clancy continuing in charge of eastern div.; new setup will serve national advertisers . . . Tony Azzato, ex-film director, WPIX, N. Y. and recently eastern sales chief, George Bagnall Assoc., has formed own eastern film sales firm, Tony Azzato Assoc. . . . Charles Levy, ex-eastern publicity, adv. & exploitation director, resigns from Walt Disney organization to start own firm specializing in TV & film . . . De Alton Neher, ex-WDSU-TV & WDSU, New Orleans, named TV-radio director, Bauerlein Adv., New Orleans . . . Frank Riordan, sales mgr., promoted to managing director of WGBS-TV, Miami, succeeding Noran E. Kersta . . . Don M. Alexander elected pres., Alexander Film Co., Colorado Springs, Colo., succeeding his brother J. Don Alexander, who died May 6.

FCC Comr. Richard A. Mack’s new legal asst. is Earl Barber, from Miami firm of Yonge, Whiteside & Prunty. Engineering asst. hasn’t been selected; Mack has “borrowed” John Doane from staff, meanwhile.

Gordon M. Freeman, of Cincinnati, elected pres. of IBEW (AFL) by executive board July 25; he succeeds the late Scott Milne and his term runs to 1958. H. B. Blankenship, of Canton, O., succeeds Freeman as v.p.

Telecasting Notes: ABC's purchase of 35 top British films is first of its kind by a network, besides marking ABC-TV's entry into regular 90-min. programming. For \$1,600,000, the network acquired unlimited 5-year rights to the J. Arthur Rank features—many of recent vintage. Network will slot 20 of the films Sun. 7:30-9 p.m. under title *Movie of the Week*, in the tough time spot opposite CBS-TV's 8-9 p.m. *Ed Sullivan Show* and NBC-TV's new *Colgate Variety Hour*. Remaining 15 films will be marketed to stations by ABC Film Syndication as "Anniversary Package." All are first-run-on-TV. Advertisers in Sun. "film spectaculars" will be offered 9 spots during 90-min. period, ranging in price from \$9450-\$13,500 each, depending on frequency, with each film due for one or 2 repeats next season a la *Disneyland* . . . Films to be shown on network include *Caesar & Cleopatra* (Vivien Leigh, Claude Rains, Stewart Granger), *Notorious Gentleman* (Rex Harrison, Lilli Palmer), *Clouded Yellow* (Jean Simmons, Trevor Howard), *Mikado* (Kenny Baker, Martyn Green), *Tight Little Island* (Joan Greenwood, Basil Radford), *Odd Man Out* (James Mason, Robert Newton), and possibly several Alec Guinness films. Slated for syndication are such films as *Great Expectations*, *Seventh Veil*, *Kind Hearts & Coronets* (Alec Guinness) . . . More than 60% of ABC-TV's programming next season will be on film, its movie industry-originated programming (Vol. 11:30) consisting of 1½ hours weekly of feature films, 7 hours of new material produced by movie studios (Disney & Warner Bros.), 30 min. of new-to-TV theatrical short subjects (MGM) . . . Educational spectacular: Granddaddy of the 90-min. programs, Ford Foundation's *Omni-bus*, returns to CBS-TV Oct. 9, Sun. 5-6:30 p.m., with several big projects scheduled, including musical comedy based on "Hans Brinker, or the Silver Skates" by Alan Jay Lerner & Frederick Loewe; Alec Guinness in new humorous play; "Battle of Gettysburg" by Pulitzer Prize winner Bruce Catton; and series of 3 programs called *TV World's Fair* . . . Talent & production costs for network programs

next season may hit the astounding figure of \$500,000,000, TV-radio editor George Rosen predicts in lead story in July 27 *Variety*; he points out that \$50,000,000 in agent commissions expected next season would have paid cost of all TV network programming only a few years ago . . . Ziv TV to produce film series on order for advertisers through new national sales organization in N. Y. headed by Walter Kingsley. New Ziv properties for regular syndication include now-in-works *Dr. Christian*, with Jean Hersholt & Macdonald Carey, and *I Love a Mystery*, Carleton Morse's former radio serial; *Mr. & Mrs. Theatre*, possibly with Rex Harrison & Lilli Palmer; *Craig Rice, Woman Detective*, with Barbara Stanwyck; *Man Called X*, by James Saphire . . . Some 4000 actors will be employed in NBC-TV's daily *Matinee* series of hour-long color drama shows (Vol. 11:29), to be produced at Burbank, Cal. studios at cost of about \$100,000 a week. Tieups with movie studios for talent (but no big names) are being explored by exec. producer Albert McCleery . . . "Film network" plans of Guild Films and station-owned Vitapix Corp. apparently have been discarded because of time-clearance difficulties, Guild announcing modification in its deal with Vitapix to allow it to sell its film shows to networks and to national sponsors for network airings . . . TV Inc., small-station-owned film purchasing organization which claims to have acquired more than \$250,000 worth of film for its members, has voted to let major market stations use its film buying services as "associates," but they can't be stockholders . . . TV Review-Preview section in July 27 *Variety* is good reading, studded with predictions and features by top network and TV film officials, and by leading TV writers, directors, producers, etc. . . . Another TV drama goes to Broadway: Paddy Chayevsky's "Middle of the Night," originally produced last year on *Kraft TV Playhouse* (NBC-TV), has been adapted by author for theatre, with opening tentatively set for Dec. . . . Both NBC & CBS reported negotiating with Irving Berlin to write and appear in a spectacular next season.

COURT OF APPEALS is certainly holding tight rein on FCC, particularly in its review of Commission action on protests. This week, court tossed another protest case back, telling Commission it erred in denying an evidentiary hearing to radio WSAY, Rochester, N.Y., which had objected to grant of shared-time CPs to WVET-TV & WHEC-TV.

It is enough, court said, that WHEC is owned by Gannett Newspapers, to require a hearing. Court noted Gannett's widespread newspaper & broadcasting interests, said FCC should look into charges that there is a "threatened monopoly control of mass media of communications in the Rochester area." Court went on to say this issue isn't "frivolous or immaterial," and it called attention to Clarksburg, W.Va. decision (Vol. 11:25) which emphasized same idea. Court called for a "broad reopening" of case.

It was touch-&-go at press time, meanwhile, as to whether Congress would accede to FCC's request to get the protest "albatross" off its neck. The House-passed measure, which would give Commission more discretion in calling hearings, was approved by Sen. Pastore's subcommittee, but appeared doomed after full committee failed to report it. Pastore wouldn't give up, polled members, got bill reported and placed on calendar, awaiting final action.

An earlier reversal by courts was implemented by Commission this week when it stayed CP for WANE-TV, Ft. Wayne (Ch. 69) and ordered reopening of hearing

between it and Anthony Wayne Bestg. Co. Court had ruled that role of Paul V. McNutt, Anthony Wayne principal who died after final decision, must now be considered differently (Vol. 11:25).

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Commission held its last meetings this week until end of vacation period Aug. 31. It got out flock of AM grants, sales, etc. but issued no TV grants. Final action on anything important will be delayed a month. Acting Chairman Webster & Comr. Lee will be only members regularly on hand.

One allocations change was finalized—addition of Ch. 6 to Hayes Center, Neb. Allocation of Ch. 12 to Santa Barbara, Cal. was sought in petition filed by James M. Monroe & Wm. E. Sullivan who asked FCC to cut mileage restrictions. WVEC-TV, Hampton, Va. (Ch. 15) asked change of rules to permit it to identify location as Hampton-Norfolk. Grantee WOBS-TV, Jacksonville, Fla. (Ch. 30) asked that city be deintermixed by making Ch. 12 educational, shifting Ch. 7 to Savannah.

Pay raise for FCC commissioners hung in the balance at week's end as Congress rushed toward adjournment. Both House & Senate Civil Service Committees had approved slightly different versions of President Eisenhower's proposals to increase salaries of about 250 top gov't. executives. House version would increase commissioners' pay from \$15,000 to \$19,000, Senate version to \$20,000 as requested by President. Chairman Magnuson (D-Wash.) of Senate Commerce Committee this week introduced bill to raise members of independent boards and commissions (including FCC) to \$21,500.

Station Accounts: Television Bureau of Advertising has launched local sales campaign, *Pinpoint Concept of Television*, mailing 34-p. presentation under that title to its members, advertisers & agencies. Presentation is first of a series of 5, deals with local news programs and is based on study conducted for TvB by Nielsen. It reveals that 63% of all TV homes regularly view local news programs, and that they watch these shows average of 2.7 times a week. Subsequent presentations will deal with children's programs, movies, women's programs & weather shows . . . Spot TV expenditures in first quarter, revealed by TvB on basis of N. C. Rorabaugh figures, showed increases in 8 product categories over first 3 months of 1954: shortenings, up 220%, mouthwashes 93%, toilet soaps 67%, shaving creams 40%, soaps & detergents 34%, shampoos 28%, dentifrices 21%, home permanents 18%. In addition, TvB disclosed gasoline & oil companies spent \$2,816,000 on spot TV in first quarter (no comparable 1954 figures available), top 10 sponsors being Esso, Shell, Standard Oil of Ohio, Standard Oil of Indiana, Phillips, Pure Oil, Bardahl Oil, Sinclair, Richfield, Ohio Oil . . . Old favorite, *The Goldbergs*, is now being syndicated by Guild Films as 30-min. program; under Old Dutch Coffee sponsorship, it returns as weekly feature on WABD, N. Y. starting Sept. 22, Thu. 7:30-8 p.m. . . . Among advertisers currently reported using or preparing to use TV station time: Marlin Firearms Co., New Haven, thru Scheideler, Beck & Werner, N. Y.; Calistoga Mineral Water Co., Calistoga, Cal., thru Charles R. Stuart Adv., San Francisco; Chattanooga Medicine Co., Chattanooga (Black-Draught laxative) thru Harry B. Cohen Co., N. Y.; Lucky Lager Brewing Co., San Francisco, thru McCann-Erickson, San Francisco; Heckman Biscuit Co., div. of United Biscuit Co., Grand Rapids, thru George H. Hartman Co., Chicago; Shulton Inc., N. Y. (men's toiletries), thru Wesley & Assoc., N. Y.; Armour & Co., Chicago (frankfurters), thru Tatham-Laird, Chicago; Petri Wine Co., San Francisco, thru Young & Rubicam, San Francisco; Byko Co. Inc., N. Y. (Oranjeboom beer), thru Ralph Jones, N. Y.; Continental Baking Co., N. Y. (Daffodil Farms bread), thru Ted Bates, N. Y.; Carnation Co., Los Angeles (Instant Chocolate Drink), thru Erwin, Wasey & Co., L. A.; Perkins Products Co., Chicago (Kool-Aid powdered soft drink), thru Foote, Cone & Belding, Chicago; National Lead Co., N. Y. (Dutch Boy paint), thru Marschalk & Pratt, N. Y.; Rogers Imports Inc., N. Y. (smoking accessories), direct; Kummeth Mfg. Co., Owantonna, Minn. (Trav-L-Eez baby carriages), thru Erwin, Wasey & Co. of Minn., Minneapolis; L. Sonneborn Sons Inc., N. Y. (Amalie Pennsylvania motor oil), thru Humbert & Jones, N. Y.

Signs of the TV-radio times: TV-radio took largest share of Canadian advertising dollar placed through 91 agencies during 1954, reports Dominion Bureau of Statistics; total ad volume last year was \$156,163,289, up 8.2% from 1953 . . . NBC's owned-&-managed stations, TV & radio, collectively registered gain of 13% in national spot, 12% in local sales in first 6 months of 1955, reports v.p. Charles R. Denny; biggest gainers were WRC-TV, Washington, up 43% in national; WNBK, Cleveland, up 34%. WRCA-TV, N. Y. registered 18% gain in local, WNBK 16%, KRCA, Los Angeles, 15%, and Cleveland's WTAM led local radio with 45% gain . . . Westinghouse's 5 radio stations earned 96% more profit in first 6 months of this year than last, with local sales up 25.9%, reports pres. Chris J. Witting; KYW, Philadelphia, alone, was up 60%. Its 4 TV stations, he added, without giving figures, are "regularly setting new highs, but then TV is a booming new medium" . . . Radio WWJ, Detroit reports increase in national spot was 8.9% in first 6 months, with local up 54.2%.

Network Accounts: Westinghouse will spend estimated \$5,000,000 to cover 1956 Presidential conventions, campaigns & election returns on CBS-TV & radio. In 1952, it paid CBS \$3,000,000 for similar sponsorship. Coverage will consist of special program the day before each party's convention, conventions themselves, weekly progress report on campaigns for 8 weeks, election returns. Democratic convention will open in Chicago Aug. 13, Republicans in San Francisco Aug. 20 . . . General Motors, whose United Motors Service div. recently bought 30-min. of NBC-TV's bi-weekly *Wide Wide World* starting Oct. 16, Sun. 4-5:30 p.m., has taken option on entire program, with other 2 segments likely to go to Frigidaire and one of its automobile divs. . . . AT&T's first regular TV show will be *Storyteller*, series of 30-min. filmed dramatizations of true human interest stories, filmed at Hal Roach Studios, on undetermined network this fall, thru N. W. Ayer; it will be narrated by John Nesbitt and tied to Bell Systems' "Second Phone for Every Home" campaign . . . Camels & Amana Refrigeration Co. to be alt. sponsors of Phil Silvers' *You'll Never Get Rich* on CBS-TV starting Sept. 20, Tue. 8:30-9 p.m., thru Wm. Esty & Co. and MacFarland, Aveyard & Co., Chicago . . . U. S. Savings & Loan League buys 3 partic. on NBC-TV's *Color Spread* next year, Jan. 1, March 25 & June 17; show is scheduled for every 4th Sun. 7:30-9 p.m., thru Christopher, Williams & Bridges, Chicago . . . Johnson & Johnson buys alt. Tue. 12-12:15 p.m. segment of *Tennessee Ernie Ford Show* on NBC-TV; alt. Tue. 3:15-3:30 p.m. of *Ted Mack Matinee*; Tue. 4:30-4:45 p.m. of *World of Mr. Sweeney*; 8 partic. on *Home*, Mon.-thru-Fri. 11 a.m.-noon, thru Young & Rubicam . . . Standard Brands buys alt. Fri. 12:15-12:30 p.m. segment of *Tennessee Ernie Ford Show* and alt. Fri. of *Howdy Doody* on NBC-TV, 5:30-6 p.m., thru Ted Bates & Co. . . . Dow Chemical buys *Football Scoreboard*, post-NCAA show, on NBC-TV this fall, thru MacManus, John & Adams . . . Pitching for more food sponsors, NBC-TV's *Home* starts year-round promotion of food industry Aug. 1—including weekly "editorial" on food, remotes from grocery stores & processors, tie-in display promotions with grocers.

Rate increases: WPTZ, Philadelphia, raises base hour from \$2500 to \$3200 and 20 sec. from \$500 to \$650; WXIX, Milwaukee, hour from \$700 to \$800, min. \$100 to \$125; KOTV, Tulsa, from \$700 to \$750, 20 sec. \$150 to \$175; WSJV-TV, Elkhart-South Bend, from \$250 to \$300, min. \$50 to \$60; KBAK-TV, Bakersfield, Cal., \$235 to \$275 & \$47 to \$55.

Miss Suzanne Herz, of Biow-Beirn-Toigo Inc., N. Y. agency, won first prize of \$400 in contest guessing when new 1105-ft. tower of WISN-TV, Milwaukee, would be completed; her guess was 12:05 p.m. July 25. Richard Scott, American Chicle Co., won second prize of \$200; Gene O'Fallon, KFEL-TV, Denver, third prize of \$100.

NBC-TV offers combination rate to sponsors for partic. on *Today*, *Home & Tonight* and weekend radio *Monitor*; exec. v.p. Robert W. Sarnoff said "typical schedule" of 18 messages (14 on *Monitor*, 4 on combination of TV shows) would deliver "29,000,000 commercial impressions" for \$30,853—or \$1.06 per 1000.

NARTB will back National Radio & TV Week Sept. 18-24 (Vol. 11:3) with kit of institutional spot announcements. TV pitch will stress new big-screen sets, urge public to think of second set purchase with theme "Dedicated to Better Home Entertainment." Networks, RETMA, NARDA, RAB & TvB have pledged support.

First Spanish-language ad agency in U. S. is branch of Publicidad Badillo, San Juan, Puerto Rico, opened in Chanin Bldg., N. Y. this week by exec. v.p. Harwood Hull.

TWO MORE VHF stations can be added to roster of those now operating—WHIS-TV, Bluefield, W. Va. (Ch. 6) and WTHS-TV, Miami, Fla. (Ch. 2, educational)—and they bring on-air total to 437, of which 106 are uhf.

Bluefield station turned on first test patterns afternoon of July 29, planned preliminary test programs daily from 6:30-10:30 p.m. and interconnection with NBC in 2 or 3 weeks, depending on completion of microwave relay. It's owned by Hugh I. Shott family, publishers of *Bluefield Daily Telegraph*, oldtime broadcasters, and it's located on W. Va.-Va. border where it opens up virtually new TV market since nearest other outlets are in Roanoke, 71 mi. distant, and Oak Hill, 50 mi. away. It uses 10-kw RCA transmitter, 100-ft. Ideco tower with 6-bay antenna on East River Mt. Ridge. Hugh I. Shott Jr. is gen. mgr.; P. T. Flanagan, station mgr.; J. F. Byers, chief engineer. Base hour is \$200. Rep is Katz.

Miami station, second vhf in city and country's 15th non-commercial educational, is slated for Aug. 1 test patterns, Aug. 10 programming schedule. It utilizes old GE Ch. 4 transmitter of local WTVJ, converted and located on top floor of downtown Everglades Hotel. In charge of operation for Dade County Board of Public Instruction is Vernon Bronson, asst. director of its dept. of radio & television education.

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In our continuing survey of upcoming stations, these are latest reports from principals:

KTBS-TV, Shreveport, La. (Ch. 3) now plans to start NBC programming Sept. 3, writes pres.-gen. mgr. E. Newton Wray. RCA antenna, on hand, is scheduled for installation on 1051-ft. Truscon tower Aug. 25, with test patterns due next day. DuMont 25-kw transmitter also is on hand for installation at site 3 mi. SE of Mooringsport, La. It will be city's second outlet, KSLA (Ch. 12) having begun in Dec. 1953. Base hour will be \$400. Rep will be Petry.

Two engineers who have done quite well: Frank C. Carman and partner Grant R. Wrathall have given 4-month option to publishers of *Salt Lake Tribune* and *Ogden Standard Examiner* to acquire all their TV-radio station holdings for sum reported in excess of \$1,000,000. Salt Lake City newspaper already owns 50% of KUTV (Ch. 2) and radio KUTA, ABC outlets, in which Carman, gen. mgr., and Wrathall, onetime Washington consulting engineer living in Aptos, Cal., are founder-owners of 25% each. Ogden newspaper, owned by Glassman family, including son-in-law George C. Hatch, pres. of radio KALL, Salt Lake City, is owner of radio KLO, Ogden; KIMN, Denver; and 40% of KMON, Great Falls, Mont. Carman & Wrathall own 12½% each of KLIX-TV, Twin Falls, Ida. (Ch. 11) and radio KLIX, also to be sold to the newspaper combine, which has not indicated how it will divide ownership; they also own 16¾% each of radio KOPR, Butte, Mont., whose counterpart KOPR-TV (Ch. 4) quit the air last year; 12½% each of radio KIFI, Idaho Falls, Ida.; 6¼% each of radio KWIK, Pocatello, Ida.—latter 2 stations to be sold to J. Robb Brady Trust Co., of Idaho Falls. Carman personally owns radio KGEM, Boise, and Wrathall is 100% owner of recently inaugurated KPOO, San Francisco, 10-kw daytimer on 1010 kc, and both those stations may go into the new newspaper group.

Latest private microwave: Upcoming WFLB-TV, Fayetteville, N. C. (Ch. 18) was granted CP for system to pick up signals of WFMY-TV, Greensboro & WTVD, Durham.

KCRA-TV, Sacramento (Ch. 3), planning Sept. 1 NBC programming, has set Aug. 25 test pattern target, reports pres.-gen. mgr. Ewing C. Kelly, writing from new headquarters at 310 Tenth St. Transmitter house is ready for 25-kw RCA transmitter due July 27. Coaxial cable is in place and Ideco 450-ft. tower is 60% completed for 6-bay 102-ft. antenna scheduled for installation week of Aug. 15. It will be 2nd vhf to compete with city's first outlet, KCCC-TV (Ch. 40)—KBET-TV (Ch. 10) having started last March. Base hour will be \$650. Rep will be Petry.

WITI-TV, Glendale, Wis. (Ch. 6, allocated to Whitefish Bay), granted June 29, expects to be on air by next Jan. 1, reports pres. Jack Kahn, Milwaukee yarn & hosiery manufacturer. Glendale is suburb of Milwaukee. Equipment not ordered yet, rep contract not signed.

WXEX-TV, Petersburg-Richmond, Va. (Ch. 8) now has Aug. 13 test pattern target, reports managing director Irving G. Abeloff. On Aug. 15 it takes over as NBC outlet for Richmond area from pre-freeze WTVR (Ch. 6). Pres. Tom Tinsley Jr., of Baltimore's WITH, has moved to Petersburg for summer to supervise installation, and 50-kw RCA transmitter is now reported nearly ready. Antenna is scheduled for installation Aug. 9 on 978-ft. Stainless tower at Hundred Rd. site, 12 mi. S. of Richmond. Base hour will be \$750. Rep will be Forjoe.

KTRE-TV, Lufkin, Tex. (Ch. 9), planning Sept. 1 commercial start using KPRC-TV programs via microwave from Houston, has Aug. 10 test pattern target, reports v.p.-gen. mgr. Richman Lewin. KPRC-TV is lending cameras and remote equipment for Aug. 30 opening program featuring live show from new Lufkin High School auditorium. GE 5-kw transmitter is now being installed; antenna is ready on 500-ft. Andrews tower. Base hour will be \$150. Reps will be Venard, Rintoul & McConnell and Clyde Melville Co. (Southwest).

WTTW, Chicago (Ch. 11, educational) now plans test patterns Aug. 15, preparatory to early Sept. programming. It's installing GE antenna atop Field Bldg., also has 5-kw GE transmitter. Regular 4-10 p.m. schedule begins after move of studios & offices to Chicago Museum of Science and Industry late this year.

FCC chief accountant Wm. J. Norfleet retires Oct. 31 after 39 years of govt. service, and Chairman McConaughy plans to split staff into 2 groups—incorporating economists into Broadcast Bureau as a separate division, putting accountants into Common Carrier Bureau, abolishing Office of Chief Accountant. Move is considered logical because economists have been working primarily on TV-radio, accountants on common carrier—and Commission has become acutely aware of TV-radio economics, principally because of Congressional pressures on color, uhf, network practices, subscription TV, etc.

FCC "line of succession" in case of disaster was announced this week. The first 10: chairman, "defense commissioner" (now Lee), "alternate defense commissioner" (Bartley), any other commissioner, chief of Field Engineering & Monitoring Bureau, general counsel, chief engineer, chief of Safety & Special Bureau, chief of Broadcast Bureau, chief of Common Carrier Bureau.

First authorization for 5-megawatt power went this week to New Orleans' WJMR-TV (Ch. 61, due to switch to 20). Commission's grant was experimental, to permit station to serve as proving ground for new GE equipment (Vol. 11:25). FCC's proposed 5-megawatt rule is expected to be finalized within few months.

Low-power uhf & vhf transmitters (150-watt) are among products described in technical bulletins issued by Adler Communications Labs, 1 LeFevre Lane, New Rochelle, N. Y. Also covered: video switcher, video distribution amplifier, video clamp amplifier.

PRICE HIKES DUE BY FALL, COLOR ACTIVATED: Increases in black-&-white TV prices this fall seem more certain than ever, in light of recent increases in costs of labor and raw materials -- plus the robust condition of TV market and national economy. Top set manufacturers and their components suppliers are virtually unanimous now in forecasting price increases in autumn -- though they're understandably cautious, for competitive reasons, about public predictions on their own plans.

RCA, Philco, Admiral, Motorola & Westinghouse are among set makers who have indicated that prices would be raised. Their theme generally is: "We're going to try to hold the price line, but we're not sure we can do it. We anticipated the higher labor costs, but not materials. In the long run, it depends on parts."

Leslie F. Muter, pres. of parts maker Muter Co., flatly predicts 5-10% hike in components prices shortly after Labor Day, saying parts prices now are 10-15% under year ago. He reflected a general attitude when he commented to us:

"We made only a 2% net profit in the first 6 months of this year. I think you'll agree with me that that's a pretty thin margin. In view of the strong TV business, there's no reason for it." (Muter Co. financial report is on p. 12.)

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Record or near-record TV year continues to be indicated in field reports and forecasts. Dealer enthusiasm -- and purchases -- at "open houses" continues to astonish the most experienced manufacturers. Important and especially gratifying aspect of their enthusiasm has been purchase of high-end, or "furniture" TVs.

Sylvania pres. Don G. Mitchell this week added his optimistic forecast to those which have emanated from trade leaders lately. Addressing his distributors' convention in Chicago, he predicted retail sales of at least 7,200,000 TVs this year -- perhaps more. In fact, he forecast unit sales to public will range from about 6,500,000 to 7,300,000 a year for next decade.

Closer attention should be paid to national economic trends, said Mitchell, because TV industry has "now come of age" and is tied closer than ever to economy at large. "In the years ahead," said Mitchell, "I think we [the TV industry] will get better traffic directions from the state of the economy than we will from the facts we used almost exclusively in the past" -- that is, statistics concerning past performances of the TV industry and its potential markets.

Magnavox pres. Frank Freimann, at dealer showing in N.Y., predicted a 20% increase in dollar volume of TV-radio-phono sales this year over 1954. He cited such factors as new TV stations, growth in second-set homes, improved programming. (Details of Sylvania and Magnavox lines are on p. 10.)

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Color is getting ready for another start this fall -- accelerated & sustained almost entirely by RCA, backed by an enlarged NBC colorcasting schedule including daily daytime Matinee (3-4 p.m.) for "showcasing" to customers (see p. 2). It's now preparing big receiver promotion campaign to get color rolling. It's admittedly aiming at outset for a relatively small portion of the 35,000,000 black-&-white set owners -- the 1% or so "Cadillac trade" which can easily afford the \$795-&-up sets. RCA feels they can provide momentum to push color into high gear by year's end.

How many color TV sets will be made rest of this year and next is conjectural and depends largely on what rest of the trade sees in public reaction to all-out RCA promotion. Sylvania is gearing to turn out RCA's 21-in. shadow-mask color tubes -- but so far as we can learn, it's only tubemaker besides RCA readying for quantity. RCA's own capacity at big color-converted Lancaster plant was said to be 30,000 a month, and the company has stated it will use all of its output for its own sets if regular tube customers don't want to buy.

RCA is making complete color sets for Hallicrafters & Magnavox and perhaps

others as yet undisclosed, and it's interesting to note that Hallicrafters withdrew its originally announced \$695 list price after revealing RCA would make its chassis. Magnavox never disclosed a price. Until production really starts rolling, RCA says there's very little chance of color prices coming down substantially.

Taprooms and cocktail lounges, as well as the carriage trade, could well be major factor in color set purchasing, just as they were mainstay of black-&-white market when TV first emerged in 1945 & 1946. This is supported in an article by 3 hotel operators in Feb. Hotel Management Magazine, pointing out that the few such color installations made so far have lured many customers.

RCA's ambitious color promotion was launched with 4-color spread in Aug. 1 Life Magazine, illustrated by shot from smash-hit Peter Pan colorcast. Tentative budget includes 23 one-page ads in color in 14 national magazines in 4th quarter, all devoted to color sets, plus 5 color-set ads in 5 magazines in conjunction with black-&-white line. In Sept., it will place full-page ad in 125 major newspapers in color reception areas and a full-page ad once a month in trade papers, tied in with the Producers' Showcase spectaculars on NBC. In addition, it will have 2½-min. commercial on color sets on RCA-sponsored portion of Producers' Showcase. Dealer co-op promotional material, radio scripts & TV slides round out the campaign.

That RCA intends to capitalize on recalcitrance of others vis-a-vis color, notably Philco & Zenith, is manifest from fact that many of the ads will carry the notation: "RCA pioneered and developed the compatible color TV system."

Brief highlights of other major trade developments this week:

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Whirlpool Merger: RCA's assurance last week that distribution pattern would not be changed abruptly as result of its 20% ownership in merged Whirlpool-Seeger Corp. (Vol. 11:29-30) was echoed this week by Whirlpool exec. v.p. John A. Hurley. He said that selection of distributors will be based on their ability to deliver satisfactory sales performance and ability to maintain adequate financial resources. "If and when changes of distributorship are to be made, I do not expect any quick decisions," he said. "These things require time and thought for best solution." It's assumed RCA-Whirlpool lines will be handled by a single distributor in each market, which inevitably means changes in present representations; best information available to date is that Whirlpool line is currently handled by about 17 RCA distributors, about 13 Admiral, 12 Philco and 5 Motorola outlets. Proxy notice going out to Whirlpool stockholders next week is expected to give further details.

Business Outlook: Still upbeat, judging by all the economic indicators. United Business Service interprets opinion of leading economic authorities thus: "Overall business outlook remains favorable. Mild summer slowdown, mostly seasonal, will give way to a renewed uptrend in the fourth quarter...Total production, after a third-quarter 'breather', is expected to expand moderately this fall...Retail sales will continue to hold above high year-ago levels over the remainder of 1955." U.S. News & World Report stresses that current economic prosperity is being "privately generated," points out that govt. spending is declining, while business outlays and individual spending are on the increase.

Production: TV output, still reflecting factory shutdowns, totaled 90,072 week ended July 22, compared to 78,968 in preceding week and 53,028 week ended July 8. It was year's 29th week and brought production for the year to about 4,000,000 vs. 3,000,000 in equivalent 1954 period. Radio production totaled 224,866 (125,619 auto), compared to 180,987 week ended July 15 & 124,501 week before. Radio output in 29 weeks was 7,600,000 vs. 5,650,000 same period of 1954.

Dun & Bradstreet reports 209 failures among TV-radio-appliance retailers in first 6 months, compared to 274 in first half of 1954. Liabilities in failures this year totaled \$6,213,000 vs. \$22,311,000 year ago. In June alone, there were 27 retail failures, liabilities of \$769,000, vs. 39 & \$947,000 in May and 54 & \$1,636,000 in June 1954.

Excise tax collections on TV-radio-phonos totaled \$128,443,000 in 11 months ended May 31 vs. \$135,096,000 in same period year ago, reports Internal Revenue Service.

NARDA's Institute of Management for 50 top-level TV-radio dealers will be held at American U, Washington, Aug. 14-20. Speakers will be John M. Otter, Philco; Joseph B. Elliott, ex-RCA, now pres. of Schick Inc.; Charles W. Theelen, GE; Dan Packard, McCann-Erickson.

TV Remote Control Co., Los Angeles, has appointed Tilds & Cantz Adv. there to handle local test campaign preliminary to national campaign for its remote control mechanism for TV sets.

Topics & Trends of TV Trade: Westinghouse will supplement its TV line shortly with several new models to be marketed through retailers of kitchen equipment, it's revealed by gen. sales mgr. Dan D. Halpin. The new table models, all 21-in., will be in same colors as appliances—white, "sunshine yellow" & blue-green—and will be priced slightly higher than their counterparts in regular line.

The action reflects 2 of Halpin's pet projects—to use more colors in cabinet finishes and to make a bigger dent in second-set market. Like several other set makers, Westinghouse is hitting hard with colors in cabinets this year, expects to expand its color offerings next year.

"Color in cabinets is one important feature that makes the customer feel he is getting something new," said Halpin. "Furthermore, it opens up several rooms in the house to TV—the kitchen, maid's room, den. The time is past when we can just sell brown sets."

Halpin also attacks "one-set thinking" in some segments of industry, comparing it to "the concept in my childhood days that the living room should have only one big center light." Getting a TV set into the kitchen is an ideal way of cracking the second-set potential and capitalizing on woman's intense interest in TV, he says.

Note: In 1949, Motorola showed 7-in. table TV, in ivory cabinet, for "kitchen trade" (Vol. 5:36), planned to sell it for \$140—but it was a novelty number, never did catch on.

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Sylvania's new line, introduced this week at distributors convention in Chicago, comprises 20 basic models ranging from 21-in. mahogany table model at \$200 to 24-in. full-door console at \$400. One 21-in. table model will be priced by distributors according to local market conditions. Big talking point in some sets is "cabinet of light," with all wood framing removed from the front of set, giving appearance of greater brightness. Other features are new all-channel tuner and increased power. The 21-in. tables are priced at \$200, \$210, \$230, \$250, \$260, \$270 & \$290; 21-in. consoles at \$230, \$260, \$270, \$300, \$310, \$320, \$350, \$370, \$380 & \$420; 24-in. table at \$330; 24-in. consoles at \$370 & \$400. Also introduced were 8 radios ranging from \$26 to \$47 and 2 high-fidelity units at \$150 & \$170.

Magnavox is misinterpreted by many as strictly a "premium-priced" company specializing in more expensive TV models, whereas actually the Magnavox line, model for model, is 10-25% lower than other brands of comparable quality. So said v.p.-gen. mgr. Leonard F. Cramer at his company's N. Y. showing of new models to press & dealers this week. For example, said Cramer, the Broadway 21-in. 3-way combination at \$298 is \$100 less than other models in its class, and the Operetta at \$349 is likewise \$100 under comparable models. Line ranges from 17-in. table at \$150 to 24-in. combination at \$600, has top or front top tuning in all models.

Motorola won't enter white goods field in the foreseeable future, no matter how many of its competitors do so, company spokesman emphasized this week. In wake of RCA's 20% purchase of Whirlpool-Seeger Corp. (Vol. 11:29,30), Motorola spokesman said company is determined to expand only in electronics, taking pride in billing itself as the "largest exclusive electronics manufacturer."

Two all-transistor portable radios will be introduced by RCA some time this fall, both at \$79.95. Six-transistor model will be 5½x3¼x1½-in., 7-transistor model about 10x7x3½-in. Other manufacturers with transistorized portables on market report public snapping them up.

Encouraging step-up selling, Admiral has added mahogany & blonde cabinet finishes (at \$10 extra) to its 21-in. ebony table model at \$170 only, and mahogany, blonde & maple to its 21-in. bronze mahogany console at \$200.

Bullish outlook for phono record business is shown in *Billboard Magazine* survey of dealers, pointing to peak retail gross of \$210,000,000 this year, up from previous highs of \$205,000,000 in 1954 & 1947. Biggest single development in pushing sales up this year—and, it's expected, in next few years—was industry-wide price slash on LP records at start of 1955 (Vol. 11:1-2). Salient points of survey: (1) More than 50% of all record dealers grossed more in first 5 months of 1955 than in same period year ago, average gain being 20%. (2) 67% of dealers increased or held same profit level. (3) Competition from mail order houses decreased sharply, resulting in more optimistic assessment of future. (4) Inventories are up, but are not regarded as dangerously high.

Phonograph sales are moving briskly, too. Bud Letzer, v.p.-gen. sales mgr. of Webster-Chicago, predicted at distributor convention last week that industry would sell 4,000,000 phonographs this year, slightly higher than last year. He estimated that there are now 29,000,000 phonographs in use, or about 37% saturation; that average phonograph in use is 4½ years old; that about 62% of all phonographs sold now are for replacement market.

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Demand for major appliances will rise as much as 300% in some cases by 1959, according to 8-p. booklet prepared by GE and mailed to its 350,000 stockholders and 14,000 dealers. Here's the way it foresees the estimated 1959 demand in units (industry's 1954 sales in parentheses): refrigerators, 4,000,000 (3,484,000); automatic washers, 3,600,000 (2,350,000); electric ranges, 2,200,000 (1,260,000); room air conditioners, 1,850,000 (1,230,000); electric water heaters, 1,600,000 (785,000); clothes dryers, 1,400,000 (660,000); freezers, 1,200,000 (925,000); food waste disposers, 850,000 (425,000); dishwashers, 700,000 (215,000).

Industry-backed excise tax revision bill, correcting inequities in current 10% Federal tax on TV-radio-phonos and components, was passed this week by both House and Senate. HR-7024, introduced by Rep. Simpson (R-Pa.) would remove excise tax from all non-entertainment TV-radio equipment and from components sold "for further manufacture" (Vol. 11:27-28). Only difference between House and Senate versions, both passed by unanimous consent, is that latter was amended to include an unrelated rider with regard to tax litigation. Final passage of Senate version by House is expected before adjournment.

Shortage of available distributors is forcing Hoffman Electronics & Capehart-Farnsworth to institute limited policy of direct factory-to-dealer selling in some markets. Hoffman gen. sales mgr. Walter L. Stickel said new program will be applied largely in big eastern metropolitan markets "where independent distribution of a quality character is not available to us." Capehart v.p. E. W. Gaughan said "such a step is necessary to gain the full advantages afforded by our extensive national advertising program."

Standard Coil Products Co. has formed wholly-owned Canadian subsidiary, Standard Coil Products (Canada) Ltd., having acquired 30,000-sq. ft. plant in Toronto. Jere Cavanaugh has been named gen. mgr.

Agency appointments: Crosley TV-radio to Compton Adv., N. Y., with Earle Ludgin & Co., Chicago, continuing to handle Crosley appliances & Bendix laundry equipment; Spartan TV-radio to Paxson Adv. Inc., Benton Harbor.

Sylvania introduced 21-in. color console, using RCA-type tube, at distributors convention this week. It was unpriced.

Sentinel Radio looking into jukebox TV field, one plan being to put sets in public places to operate 15 min. for 25¢.

Trade Personals: Charles P. Baxter, asst. gen. mgr. of RCA Victor TV div. since 1949, promoted to gen. mgr., succeeding v.p. Henry G. Baker, who will serve as staff adviser on consumer products sales & merchandising policies, reporting to Robert A. Seidel, exec. v.p. for consumer products . . . Norman C. Owen, ex-pres. of Webster-Chicago, named Zenith Radio distribution mgr. . . Robert K. Hartman, CBS-Columbia v.p. in charge of industrial & military manufacturing, appointed director of industrial & defense contracts for CBS-Columbia, CBS-Hytron & CBS Labs . . . Ross D. Siragusa Jr., son of Admiral pres., transferred from San Francisco factory branch to Chicago headquarters as asst. sales mgr. of TV div. . . B. H. Melton, sales mgr. of Admiral contract div., adds duties of sales mgr. of newly-integrated refrigerator & freezer-air conditioner div., replacing Wm. Doyle, who resigned as sales mgr. of freezers & air conditioners to join Crosley-Bendix, and J. M. Tenney, who resigned as sales mgr. of refrigerators, moving to Tucson as Admiral consultant; Evans T. Morton resigns as engineering director of Admiral appliance div. . . Richard B. Leng, ex-Sylvania, RCA & Raytheon, elected v.p. in charge of Packard-Bell's technical products div. . . Jack R. Feeney promoted to sales mgr., RCA Victor Co. Ltd., Montreal . . . F. H. O'Kelley Jr. named eastern regional sales mgr., GE tube dept. . . R. S. Sheetz, from lamp div., named asst. to R. J. Sergent, mgr. of Westinghouse major appliance div. . . Herman S. Sacks resigns as Bendix Radio director of adv. & sales promotion . . . Norman L. Harvey promoted to chief engineer, Sylvania TV-radio div. . . Robert W. Conner, mgr. of installation coordination & customer service, RCA engineering products div., Camden, transferred to RCA Victor Radio S.A., Rio de Janeiro, as head of new engineering dept. under pres. Perry F. Hadlock . . . Jerome E. Respass resigns as v.p. of La Pointe Electronics Inc. to become pres.-treas. of Johns-Hartford Tool Co., Hartford . . . Howard Cushing named sales director of Bell & Howell's new high-fidelity div. . . Bob Deatrick appointed administrative asst. to George Rowen, Sparton gen. mgr. . . J. R. Johnson, gen. mgr. of Los Angeles plant, promoted to technical asst. to Standard Coil pres. Glen E. Swanson . . . Barron W. Chandler named Indianapolis district sales mgr., P. R. Mallory . . . Stanley Kempner, ex-*Mart Magazine* (Caldwell-Clements) & onetime TV-radio editor of *Retailing Daily*, named public relations mgr. of Westinghouse TV-radio div., Metuchen, N. J. . . Norman Wicks resigns as mgr. of business development dept. & adequate wiring bureau, National Electrical Mfrs. Assn., to join General Precision Labs . . . Marcus S. Chacona appointed sales mgr. for GE's TV tables & bases, headquartering in Chicago . . . Manuel H. Rosen, ex-Majestic Radio, named Trav-Ler Radio New England regional mgr., Boston . . . Channing Dichter promoted to mgr. of industrial & military product engineering, GE picture tube sub-dept., Syracuse; Joseph W. Dreher promoted to mgr. of engineering administration . . . Wilfrid L. Larson, pres. of Switchcraft Inc., Chicago, elected chairman of Assn. of Electronic Parts & Equipment Mfrs., succeeding Theodore Rossman, Pentron; J. Wayne Cargile, Permo Inc., succeeds Larson as vice-chairman . . . James O'Connor appointed Sparton district merchandiser for east-central Texas, headquartering in Dallas.

Paul V. Galvin, Motorola pres., appointed chairman of a permanent RETMA organization committee, in charge of recommending changes in its organizational structure. Other members: Dr. W. R. G. Baker, GE; Max F. Balcom, Sylvania; H. J. Hoffman, Machlett Labs; F. R. Lack, Western Electric; Leslie F. Muter, Muter Co.; A. D. Plamondon Jr., Plamondon Magnetics; Robert C. Sprague, Sprague Electric.

DISTRIBUTOR NOTES: CBS-Columbia establishes factory branch, CBS-Columbia of Southern Ohio, 905 Broadway, Cincinnati (Charles E. Goodmanson, gen. mgr.) . . . Admiral appoints Certified Appliance Distributors Inc., 817 S. Alameda St., Los Angeles, for radios & phonos only, supplementing its factory branch, which will concentrate on TV . . . Crosley-Bendix appoints Lott & Geckler, Cleveland . . . GE appoints Lowry Electric, Williamsport, Pa., replacing Raub Supply Co., Lancaster . . . Admiral transfers Carl Lantz from gen. mgr. of Denver factory branch to Chicago headquarters as asst. to Clarence Tay, gen. mgr. of all distributing branches . . . Motor Radio, Kansas City (Motorola) appoints Gene Abrams sales mgr., replacing Joe Merchand, resigned.

Crosley-Bendix reorganization creates merchandising group at Cincinnati headquarters under F. E. Howell, v.p. of sales & distribution, separating it from field sales force. Herbert J. Allen, TV-radio sales mgr., becomes merchandising mgr. of all electronic products, including TV; James Farrell remains as asst. to Allen; Gene Huber is promoted as additional asst. to Allen. Joseph L. Armstrong, Bendix laundry sales mgr., becomes sales mgr. of all products, including TV. Wm. B. Doyle, ex-Admiral, named merchandising mgr. of all kitchen appliances. Sales regions are increased from 5 to 6—and each regional sales rep will merchandise all products, rather than specialties, calling on fewer distributors.

Stromberg-Carlson div., General Dynamics Corp., will convert present administrative building in Rochester into a factory and will build new \$2,000,000 administrative & engineering building adjacent to it by spring of 1956. John Jay Hopkins, General Dynamics pres.-chairman, and his exec. staff visited Rochester plant July 28; he was interviewed on Stromberg's WHAM-TV by gen. mgr. William Fay, later spoke to management group of 325, predicting bright future for GD's electronics-communications div.

John T. Hickey promoted to gen. mgr. of Motorola transistor manufacturing facility, Phoenix, reporting to Daniel E. Noble, v.p. in charge of communications & electronics div.; Dr. Virgil E. Bottom promoted to director of research & development; Edmund G. Shower, ex-National Union Electric, named product production mgr.

Dr. George A. Morton and Dr. Ernest G. Linder, research scientists at RCA Princeton labs, are members of U. S. delegation to International Conference on Peaceful Uses of Atomic Energy to be held in Geneva, Aug. 8-20.

Buyers guide edition of *Electronics Magazine* is out, listing some 3000 companies manufacturing electronics and/or allied products, classified according to products (McGraw-Hill Publishing Co., \$3).

Save-A-Tube Co., 2116 Walnut St., Philadelphia, is marketing "Save-A-Tube" plug-in unit designed to extend life of receiving tubes by absorbing shock of initial current surge, retails for \$5.95.

Home tube tester called Fil-A-Test, is offered by Bava Co., 3655 E. Canfield St., Detroit, claimed useful for testing CR and regular vacuum tubes. Selling for \$4.95, it operates on flashlight batteries, tests only filament.

Leslie F. Muter, winner of RETMA's 1955 Medal of Honor for contribution to industry, named chairman of committee to pick 1956 winner.

Magnavox retains Robert S. Taplinger & Assoc. for public relations.

William T. Meenam, 68, retired GE supervisor of TV-radio news and broadcasting pioneer who helped set up the broadcasts from Admiral Byrd's 1930 Antarctic expedition, died in Schenectady July 27. His wife survives.

Financial & Trade Notes: Initial portfolio of investments of recently organized Electronics Investment Corp., mutual fund set up by ex-broadcaster Charles E. Salik, Bank of America Bldg., San Diego (Vol. 11:17), was disclosed this week. It's dated July 1, shows total stock & bond investments of \$8,552,635.88 out of \$10,000,000 fund raised by \$5 per share offering of 2,000,000 shares last April. Holdings are as follows (market values as of July 1): 2000 shares of ACF Industries, \$134,500; 6000 American Broadcasting-Paramount, \$174,000; 1000 Babcock & Wilcox, \$95,125; 3000 Bendix Aviation, \$158,250; 2500 Borg-Warner, \$108,750; 4000 Burroughs Corp., \$131,500; 5000 Cleveite, \$111,250; 4500 CBS "A," \$123,750; 6000 Consolidated Engineering, \$159,000; 1500 Corning Glass, \$106,875; 1500 Cutler-Hammer, \$115,500; 4000 Garrett Corp., \$146,000; 3500 Gary (Theodore) & Co., partic. common, \$187,250; 3000 General Dynamics, \$178,125; 3000 GE, \$160,875; 2500 General Railway Signal, \$121,562.50; 300 IBM, \$124,200; 4000 Magnavox, \$145,500; 3000 Minneapolis-Honeywell, \$190,500; 1000 Minnesota Mining & Mfg., \$111,250; 2500 National Cash Register, \$104,375; 3000 North American Aviation, \$174,750; 1500 Otis Elevator, \$103,875; 4000 Philco, \$167,500; 200 Philips Gloeilampenfabrieken, \$225,200; 3500 RCA, \$182,875; 7000 Raytheon, \$156,625; 8125 Sperry-Rand, \$230,546.88; 3000 Sprague Electric, \$177,000; 2000 Square "D," \$94,000; 3500 Sylvania, \$169,312.50; 10,000 Texas Instruments, \$136,250; 3000 Thompson Products, \$156,375; 4000 Western Union, \$101,500; 2000 Westinghouse, \$134,750; 2000 Worthington, \$111,000; 1500 Zenith, \$177,375; 3000 P. R. Mallory pfd., \$166,500. Bondholdings consist of \$2,999,064 worth of govts.

* * * *

Financial histories of 69 companies in TV-radio-electronics fields, dating from 1950 through first quarter 1955, is a major reference feature of the 1955 Fall-Winter edition of the semi-annual *TV Factbook* which goes Aug. 1 to all subscribers to the full services of *Television Digest*. Dept. was compiled & edited by Edgar N. Greenebaum Jr., Chicago financial consultant on electronics, and has been expanded from previous editions. Whereas the preceding edition contained 62 listings, the new one adds such companies as American Broadcasting-Paramount Theatres, General Dynamics Corp., General Precision Equipment Corp., Hycon Manufacturing Co., Paramount Pictures Corp., Radio Condenser Co., Storer Broadcasting Co. Shown are the exchanges on which traded, capitalization (debt, if any, and shares authorized), sales, pre-tax earnings, net earnings per share, dividends, total assets, price ranges for fiscal years thru 1954 & for first quarter 1955.

* * * *

RCA executives expressed confidence this week that they'll achieve 1955 volume of \$1 billion (it was \$940,950,220 last year) as announcement was made of record first half sales & earnings. Consolidated statement shows 6-mo. volume of \$488,510,000, up about 10% from previous record of \$444,369,000 in same period 1954, while net profit rose to \$22,061,000 (\$1.46 per share), up 14% from the \$19,268,000 (\$1.26) for same 1954 period. Sales during second quarter were \$232,205,000, net profit \$9,493,000 (62¢) vs. \$217,760,000 & \$9,202,000 (60¢).

Westinghouse sales in first 6 months of 1955 were \$755,963,000, earnings \$29,417,000 (\$1.73 per share on 16,413,231 shares) vs. \$811,709,000 & \$45,359,000 (\$2.75 on 16,117,026) in same 1954 period. Second quarter sales were \$388,258,000, profits \$16,635,000 (98¢) vs. \$405,172,000 & \$19,073,000 (\$1.15). Drop was said by Pres. Gwilym Price to be due to lower billings for apparatus & defense products plus expense of new production facilities, but he predicted 1955 sales will approach 1954 record of \$1,631,045,480, though with lower earnings.

Hoffman Electronics Corp. reports \$17,354,339 sales and \$419,179 profit after taxes (59¢ per share on 721,528 shares outstanding) for first 6 months of 1955 vs. \$22,916,497 & \$818,683 (\$1.13) for same 1954 period. In quarter ended March 31, net profit was \$309,996 (43¢) vs. \$470,238 (65¢). Sales for all 1954 were \$42,647,008, earnings \$1,485,513. Scheduling of military shipments and seasonal characteristics of TV sales, said pres. H. Leslie Hoffman, accounted for the first-half decline, but he anticipated that both sales and profits for full year will exceed 1954.

American Broadcasting-Paramount Theatres officers & directors who have recently exercised their options to acquire AB-PT stock at \$16.63 (currently around 32), as reported to SEC: Leonard H. Goldenson, bought 50,000 shares, holds 52,450 directly; Walter W. Gross, bought 12,500, now holds 12,600; John Balaban, bought 7500, his total holdings; Robert M. Weitman, bought 12,500, holds 12,533; Edward L. Hyman, bought 12,500, total holdings. Disclosed this week: Overseas Securities Co. has purchased 1000 shares of AB-PT.

Storer Broadcasting Co. net income for 6 months to June 30 was \$1,851,908 (75¢ a share) vs. 1,617,336 (65¢) in same 1954 period; for second quarter, it was \$1,039,919 (42¢) vs. \$814,100 (33¢). On July 1, 1955, company redeemed and cancelled all its 7% cumulative preferred stock at \$107 per share, or aggregate of \$1,605,000.

Standard Coil Products reports loss of \$88,892 on net sales of \$30,638,113 for 6 months ended June 30 vs. profits of \$1,358,996 (92¢ a share on 1,470,000 shares) on sales of \$38,542,948 in same 1954 period, and about twice that in 1953. In first 1955 quarter, profit was 8¢ a share against 28¢ for same 1954 quarter.

General Precision Equipment Corp. 6-mo. earnings were \$2,173,654, or \$1.95 per share on 1,022,882 shares, on sales of \$70,238,745, vs. \$2,541,652 (\$3.37 on 749,509 shares) & \$54,305,196 in same 1954 period. Second quarter earnings were \$1,211,668 (\$1.10) on \$35,985,184 sales vs. \$1,485,993 (\$1.86) & \$30,816,064.

Muter Co. earned \$148,948 on sales of \$6,253,815 in first 6 months, compared to \$130,879 on \$5,926,825 in first half of 1954. In semi-annual report, pres. Leslie F. Muter predicted 5-10% increase in components prices around Labor Day, observing that they're now about 15% below July 1954.

Cleveite Corp. net profit went up to \$2,672,957 (\$1.40 per share) for first half of 1955 vs. \$1,646,758 (84¢) for same 1954 period. Company announced plans to expand transistor production and to purchase Intermetall GmbH, Germany.

National Union Electric Co. (C. Russell Feldman, pres.) has purchased most of stock held by estate of late Paul V. McNutt in Cayzor Athabaska Mines Ltd., uranium development near Uranium City, Sask.

Philco Corp. profit-sharing plan, holder of more than 10% of firm's outstanding common stock, bought 3000 more shares recently, sold 198, increasing holdings to 525,659, according to SEC report.

* * * *

Dividends: Storer Bcstg. Co., 35¢ payable Sept. 14 to stockholders of record Sept. 1; Gross Telecasting, 30¢ Aug. 10 to holders July 29; Standard Coil Products, 25¢ Aug. 16 to holders Aug. 5; Indiana Steel Products, 25¢ Sept. 10 to holders Aug. 23; Baltimore Radio Show Inc. (WFBR), 10¢ Sept. 1 to holders Aug. 15; P. R. Mallory, 50¢ Sept. 10 to holders Aug. 15; Westinghouse, 50¢ Sept. 1 to holders Aug. 8; Stewart-Warner, 5% stock div. plus 45¢ Sept. 10 to holders Aug. 12; General Dynamics, 55¢ Sept. 10 to holders Aug. 18; Stanley Warner, 25¢ Aug. 25 to holders Aug. 8; Seeger Refrigerator, 65¢ Sept. 2 to holders Aug. 8.

Color Trends & Briefs: Summarizing NBC's fall-winter color plans (p. 2), exec. v.p. Robert Sarnoff added several features not previously announced. One is Davis Cup tennis finals Aug. 27, 2:30-5 p.m., and Aug. 28, 2-5 p.m. Another is Mozart's opera *The Magic Flute*, Sun. Jan. 15, 4-6 p.m. Sarnoff also confirmed that all World Series games originating from New York will be colorcast, as will 4 NCAA football games—Miami-Georgia Tech, Sept. 17; Notre Dame-Michigan State, Oct. 15; Iowa-Michigan, Oct. 29; Army-Navy, Nov. 26.

"Blockbuster" of the NBC schedule in terms of volume and of receiver demonstration by dealers, will be *Matinee*, 3-4 p.m. 5 days a week, live drama from Hollywood starting Oct. 3. Also highly "demonstrable" will be daily 5:30-6 p.m. *Howdy Doody*, going permanently into color Sept. 12.

Once-a-month spectaculars will be: *Color Spread*, Sun. 7:30-9 p.m., starting Sept. 11 with *The Skin of Our Teeth*, starring Helen Hayes & Mary Martin; *Max Liebman Presents*, Sun. 9-10:30 p.m. beginning Oct. 1 with *Heidi*; *Producers' Showcase*, Mon. 8-9:30 p.m. starting Aug 22; *Milton Berle Show*, Tue. 8-9 p.m., first Sept. 27. Approximately once a month, Maurice Evans will present *Hallmark Hall of Fame*, Sun. 4-5:30 p.m., frequently in color, starting with *Alice in Wonderland* Oct. 23.

Beyond the foregoing, Sarnoff stated, there will be a steady series of color inserts in *Today*, *Home & Tonight*. And the ambitious bi-weekly *Wide Wide World*, Sun. 4-5:30 p.m., now wholly sponsored or optioned by General Motors div., will include frequent color segments, starting Oct. 16.

CBS officials still report situation "fluid" as regards final color schedule—but average of some 3 hours weekly is expected, as against NBC's 9-10. Announced to date: monthly *Shower of Stars*, Thu. 8:30-9:30 p.m., starting date not set; *Ford Star Jubilee*, Sat. 9:30-11 p.m., beginning Sept. 24. Majority of *Omnibus*, Sun. 5-6:30 p.m., first Oct. 9, will be in color. And 6 big 90-min. film shows produced by Orson Welles will be colorcast.

* * * *

Local color originations: (1) KRON-TV, San Francisco, is one of most active, in July 22-30 week offering all live commercials in color during 1-3 p.m. daily *Golden*

Gate Playhouse, plus whole 3-3:30 p.m. daily *Exclusively Yours* in color, plus one-shot half-hour color film *Champions All*. (2) WTVT, Tampa, has been colorcasting 4:30-5 p.m. daily film show since April 1. (3) WABD, New York (DuMont) reports ad agencies jumping at its offer of free time to permit sponsors to experiment with color. Mgr. Ted Cott said that after technical improvements have been completed, substantial stepup in color schedule will be achieved, particularly in film. Presumably, new "Vitascan" equipment (Vol. 11:21) will permit live colorcasts. (4) WIS-TV, Columbia, S. C., has begun distributor-dealer promotion, called "Operation Rainbow," with goal of getting public color-conscious by time of station's color debut Sept. 11. (5) RCA shipped 3-V color film cameras this week to WCAU-TV, Philadelphia & upcoming KCRA-TV, Sacramento, due in Aug. (6) WBAP-TV, Ft. Worth, now originates 11 hours weekly.

Here's how RETMA's new pres. H. Leslie Hoffman sizes up the upcoming color receiver market, as expressed in July 27 letter to shareholders: "The company has maintained a research staff on color television and was the first to introduce the new 21-inch set the early part of the year. Since then a limited number have been produced and sold and have given very excellent performance in the field. It is anticipated that with the telecasting of the World Series, college football and the material increase in color programming, color will begin to be a factor in the market this fall, and your company is in a good position to capitalize on it without exposing itself to any sizable hazard."

First big color year will be 1957, according to *Billboard Magazine's* survey of networks, stations, agencies, sponsors, etc. Respondents were asked: "When do you expect there will be an adequate circulation of color TV sets to warrant your engaging in color programming?" Total of 107 named 1957, 59 picked 1958, 29 picked 1956. Asked whether "there has been an undue delay in the expansion of color TV circulation," 100 said "yes," 113 "no."

Network color schedules for next 2 weeks: NBC-TV—Aug. 1-5 & 8-12, *Matt Dennis*, Mon.-Wed.-Fri. and *Vaughn Monroe*, Tues.-Thu., 7:30-7:45 p.m.; Aug. 1-5, segments of *Home*, 11:45-noon.

Proposed "Commprovision" closed-circuit wired system for Douglas, Ariz. (Vol. 11:24) has been withdrawn, according to I. W. Brayer, who has taken over an uncompleted regular community system there. Brayer, who owns Whitey's Radio & TV Co. in Phoenix as well as Whitey's TV & Co., Douglas, said community system hadn't been completed because of engineer's opinion that satisfactory signal couldn't be received. He reports, however, that his group recently managed to bring in usable picture of KTVK, Phoenix, at Saddle Gap Mt., 263 mi. from station, send it down to Douglas via cable. He plans to add 2 more stations to system.

Sale of radio WKLO, along with CP for off-air WKLO-TV, Louisville, Ky. (Ch. 21) for \$350,000 to ex-Secy. of Commerce Charles Sawyer's Great Trails Bcstg. Corp. (Vol. 11:27) was approved last week. Selling group is headed by E. R. & Harold J. Plunkett, Emanuel Levi & Milton S. Trost. Great Trails operates radio WING, Dayton, has interests in Ohio radio stations WCOL, Columbus & WIZE, Springfield, also controls Ohio newspapers *Lancaster Eagle-Gazette* & weekly *Waverly Watchman*. Return of TV to air is planned when "operation may be resumed on another channel," WKLO-TV having asked for Ch. 7 in deintermixture petition (Vol. 11:23).

The WAAM fellowship at Johns Hopkins, awarded annually by the Baltimore station for graduate studies in TV and valued at \$4500-\$6000, has been awarded for 1955-56 to John J. Moffitt, WEWS, Cleveland.

Three microwave applications to serve community antenna systems granted by FCC recently: (1) Antenna Service Co. Inc., to bring Phoenix signals to proposed systems in Clifton, Morenci, Stargo & Plantside, Ariz. (2) Televue Networks, for relaying signals of KOOK-TV, Billings to system in Sheridan, Wyo. (3) Inland Empire Microwave Co., to transmit Spokane signals to systems in Pasco-Kennewick-Richland, Wash. area.

The \$469,000 sale of WHIM, Providence, to Headley-Reed's Frank W. Miller (Vol. 11:28), was approved by FCC this week. This clears way for Robert T. Engles & C. George Taylor (12½% of WHIM each) to acquire 13% of WPRO-TV (Ch. 12).

S. H. Patterson, owner of KSAN-TV, San Francisco (Ch. 32), himself a former preacher in Kansas, has leased United Paramount's 2150-seat State Theatre on Market St. for his Radio Prayer League and proposes to use it as an interdenominational evangelistic center.

CP for experimental booster in Hawaii, held by Iresco Inc., Santa Monica, Cal., was relinquished after grantee told FCC stations whose signals it was to rebroadcast have withdrawn permission.

AT&T network interconnections scheduled for Aug.: KRNT-TV, Des Moines, by Aug. 1; WHIS-TV, Bluefield, W. Va., Aug. 8; WXEX-TV, Petersburg, Va., Aug. 15.

Television Bureau of Advertising (TvB) lists 153 members with addition this week of Westinghouse's 4 stations.

The subscription TV picture: (1) Off-air WFMZ-TV, Allentown, Pa. (Ch. 67) informed FCC it's willing to serve as guinea pig for 3-year tests, said it neither favors nor opposes pay-TV. Under its plan, outlined in 89-p. document, subscription-TV proponents would foot bill for decoders, first 5000 to be installed by Dec. (2) Demonstrations of Zenith's pay method, for purpose of checking effects of co-channel and adjacent-channel interference, will be conducted in Chicago Aug. 18 for benefit of FCC engineers Hart Cowperthwait and Edward Chapin. (3) *Tide Magazine*, in July 30 issue, says poll of its "leadership panel" of agencies, sponsors and public relations men shows 70% believe toll TV should be given a try. (4) Two more Congressmen got on record on the subject, Rep. Lane (D-Mass.) saying there's room for free and fee TV, Rep. Radwan (R-N.Y.) rejecting the idea of "scrambled phony-vision." (5) General Teleradio chairman Thomas F. O'Neil says he's "neutral" on subject; WOR-TV has been used for tests, and his company owns 5000 out of pay-TV proponent Skiatron's 1,200,000 shares.

Defense Dept. suddenly dropped opposition to new 1610-ft. tower proposed by KSWs-TV, Roswell, N. M., after opposing it in Airspace Subcommittee and at FCC hearing as an air navigation hazard (Vol. 11:11, 21). Commenting on recent initial decision in favor of station (Vol. 11:27), Pentagon this week told Commission it still considers tower a menace, but that "operational requirements necessitate the immediate removal of the present KSWs-TV tower [and] this can be most expeditiously accomplished by consenting to the grant of the pending application." Defense Dept. said its action is based upon "purely practical—not legal—considerations."

British Broadcasting Corp.'s TV service, which derives its revenues from the £3 (\$8.40) tax on receivers, and from part of 50% manufacturers excise tax on sets now selling at rate of more than 1,000,000 a year, during last fiscal year paid its own way for first time, BBC reported this week. Postoffice Dept. reported it had issued more than 1,250,000 TV licenses during the last year to bring total to 4,500,000. It also reported loss of 2,500,000 radio licenses (now totaling 26,000,000), presumably to TV, in second 1955 quarter, while estimating "adult TV public" at same time rose from 9,000,000 to 12,700,000.

General Teleradio now owns 5 TV stations outright, with FCC's approval this week of its purchase of WEAT-TV (Ch. 12) & WEAT, W. Palm Beach for \$194,000 (Vol. 11:27). Its other wholly-owned stations are in N. Y., Los Angeles, Boston & Memphis; it's selling to CBS its 55% of WGTH-TV, Hartford (Ch. 18). WEAT-TV seller J. Robert Meachem remains as mgr. for 5 years at \$12,000 annually.

Permission to sell CP for WAGE-TV, Marquette, Mich. (Ch. 6) to local radio WDMJ, subsidiary of *Marquette Mining Journal*, for \$20,000, was granted this week (Vol. 11:28). New owner is Frank J. Russell, who also controls *Iron Mountain (Mich.) News* and radio WMIQ, Iron Mountain. Sellers are Jerome Sill (67%) and Herbert R. Herzberg (33%).

Georgia's ex-Gov. E. D. Rivers Sr. no longer holds any TV interests, having obtained FCC approval this week for \$90,000 sale of his 59% holdings in CP for WOBS-TV, Jacksonville (Ch. 30) & WOBS to 21% owner Jim Macri (Vol. 11:27). Previously, he disposed of CPs for WCTV, Thomasville, Ga. (Ch. 6) and WMIE-TV, Miami (Ch. 27).

J. Elroy McCaw's purchase of pre-freeze KFEL-TV, Denver (Ch. 2) for \$400,000, plus assumption of some \$350,000 in liabilities (Vol. 11:25, 28), was approved by FCC this week. McCaw also operates KTVW, Tacoma (Ch. 13), owns 25% of KONA, Honolulu (Ch. 11), has interest in 5 radio stations.

FARM TV SET counts in Idaho and Utah were tabulated this week by U. S. Census Bureau as part of its annual Census of Agriculture. Based on 20% sampling in Oct.-Nov. 1954, census shows TV set penetration of 43% in Utah, and nearly 30% in Idaho. Utah's relatively high penetration—despite fact that Salt Lake City's 3 stations are only ones picked up in state—is due to extremely heavy farm TV set ownership in the counties within range of Salt Lake. Idaho figures indicate sparser distribution of farm viewers, though 7 stations can be received in various parts of state—2 in Boise, one each in Twin Falls & Idaho Falls, 3 from Spokane, Wash.

We'll continue to give full county-by-county farm TV count for each state as soon as they are tabulated (other state counts appear in the last 3 issues of *Television Digest*). Here's count for Idaho & Utah:

IDAHO					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Ada	2,007	879	Gooding	1,038	49
Adams	283	38	Idaho	1,090	79
Bannock	873	267	Jefferson	1,247	588
Bear Lake	759	73	Jerome	1,122	135
Benevah	440	109	Kootenai	1,324	494
Bingham	2,160	840	Latah	1,309	445
Blaine	320	55	Lemhi	491	4
Boise	142	33	Lewis	391	78
Bonner	1,150	373	Lincoln	413	73
Bonneville	1,482	684	Madison	902	413
Boundary	596	128	Minidoka	1,067	208
Butte	271	67	Nez Perce	938	156
Camas	131	12	Oneida	485	246
Canyon	4,183	1,725	Owyhee	744	310
Caribou	578	145	Payette	1,113	387
Cassia	1,225	296	Power	397	154
Clark	67	42	Shoshone	168	41
Clearwater	386	62	Teton	447	102
Custer	290	54	Twin Falls	2,406	279
Elmore	407	94	Valley	206	47
Franklin	1,098	403	Washington	776	124
Fremont	891	372			
Gem	916	241	State Total	38,735	11,404

UTAH					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Beaver	342	—	Rich	275	38
Box Elder	1,660	1,042	Salt Lake	2,072	1,598
Cache	2,184	1,033	San Juan	272	5
Carbon	315	37	Sanpete	1,363	556
Daggett	49	—	Sevier	923	107
Davis	1,333	989	Summit	443	219
Duchesne	892	24	Tooele	309	214
Emery	718	21	Uintah	867	7
Garfield	329	1	Utah	3,179	2,264
Grand	59	1	Wasatch	340	109
Iron	465	—	Washington	637	—
Juab	337	179	Wayne	290	—
Kane	162	—	Weber	1,477	973
Millard	1,094	242			
Morgan	237	136	State Total	22,825	9,795
Piute	202	—			

RCA attorney Samuel Ewing testified this week before a Senate subcommittee that Air Force Secy. Talbott had continued to seek a contract with RCA for management consultants Mulligan & Co., in which he was partner, even after RCA had expressed doubts about contract's legality and propriety. Letter from RCA Chairman Sarnoff saying Talbott had never attempted to use the influence of his office to induce him to do business with the Mulligan firm was introduced in the record. The letter was sent, said Sarnoff, "in fairness to Secy. Talbott and at his request." On last day of hearings, Talbott announced his resignation from Mulligan & Co. but denied planning to resign secretaryship.

Good reading: Question-&-answer interview with Clair R. McCollough, WGAL-TV, Lancaster, Pa., TV chairman of NARTB, on his observations of upcoming commercial TV system in Great Britain and of plans to convert from AM to FM there, as well as on broadcasting in France; in July 25 *Broadcasting-Telecasting*.

Cooperative newsfilm exchange among Canadian stations has been set up under leadership of Walter Blackburn, pres., CFPL-TV, London, Ont.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS—August 6, 1955

REVOLUTIONARY RADIO communication system put to work by military for ultra-reliable long-distance use. TV may use it to span oceans & continents (pp. 1 & 8).

HOTEL & MOTEL ROOMS increasingly important outlets for TVs, some 10-15% of them now equipped; how the business is handled (p. 2).

FEATURE FILM FEVER grips networks, eyeing success of "Million Dollar Movie." CBS & NBC may underwrite or produce movies for TV first, theatres later (p. 3).

INITIAL DECISION favors Piedmont for Charlotte's Ch. 9; Clarksburg case moot with sale of station & CP; Congress leaves protest rule unchanged (p. 4).

ALLOCATIONS PLANS studied at all levels—include off-record FCC-RETMA session, new low-power vhf drop-in plan, Jan. 17 start of Senate hearing (p. 5).

CANADA'S 28th TV goes on air in St. John's, Newfoundland. New stations due to start next week in Petersburg-Richmond, Va. and Lufkin, Tex. (p. 7).

AUTO INDUSTRY offers guidance for repeat TV sales: liberal trade-ins, restrictive franchises, greater use of accessories. Admiral ups prices (p. 9).

MERGERS ACCELERATE, with "diversifications" the aim as big companies enter electronics; Avca again denies it's selling Crasley stations (p. 12).

TRANSISTORS REPLACE TUBES in aviation gear, survey showing 33% of sockets in equipment now under development are designed for tube substitutes (p. 12).

RCA-NBC COLOR CAMPAIGN evokes varying reactions; Dr. Baker skeptical, another manufacturer calls it "first real step"; gaad discounts on sets (p. 13).

NETWORK TV BILLINGS nearly \$200,000,000 for 6 months, may approach \$500,000,000 for year; PIB report shows radio down about \$6,000,000 (p. 14).

FILM ACTORS STRIKE won't seriously affect fall programming unless it continues for lengthy period. Prospects for immediate settlement are slim (p. 14).

REVOLUTION IN THE ETHER—VHF-UHF 'SCATTER': The hottest thing in radio communications -- and you'll be hearing plenty about it in coming months -- goes under the name of "forward scatter transmission," now in practical use by the military to transmit vhf signals for distances up to 1000 mi. and uhf as far as 400 mi. or more, both without intermediate relay hops.

The truly sensational aspect of the new type of transmission is this: For the first time, long-distance point-to-point radio systems are being built which are designed not to fail at all -- with reliability so close to 100% as to make radio communication even more dependable than wire or cable!

Its practical uses today are entirely military -- but AT&T is now conducting uhf scatter experiments with TV signals -- and scientists envision the new method as the vehicle by which TV will some day span oceans and continents.

First public revelation that scientists had harnessed "scatter" principles for long-distance radio communication was made by Television Digest on April 26, 1952 (Vol. 8:17) when we reported exclusively that the National Bureau of Standards was receiving vhf signals 774 mi. from transmitting point -- and the signals were constantly receivable "irrespective of season, time of day or geomagnetic disturbance."

Progress has been tremendous in the 3 years since that announcement. For the last 18 months, Air Force has been operating high-reliability vhf radio link, carrying multi-channel teletype transmissions, from Limestone, Me. to Thule, Greenland, over series of relays whose longest hop is 1000 mi.

Scatter transmission is used to connect stations in Arctic continental defense radar "DEW line." Bell System has installed another multi-channel system for military use, with uhf relay hops as great as 225-250 mi. The new "Texas Tower" offshore radar stations will be linked to mainland by many-channel scatter hookup, designed with standby equipment for reliability of 99.9% or better.

TV signals are being beamed over the horizon by Bell Labs and AT&T for distances as great as 200 miles in experiments described at this year's IRE convention

(Vol. 11:13). AT&T is now operating experimental uhf TV relay from Florida to Cuba. It should be borne in mind that scatter is useful only in point-to-point communications, and that home viewers' receivers won't pick up such long-distance signals.

(For description of "scatter" principles, etc., see story on p. 8.)

HOTELS & MOTELS—A GROWING SET MARKET: With little fanfare, a few set manufacturers and a handful of special lessors have been diligently and successfully working a vein of receiver and other equipment sales & servicing that seems to have plenty of potential in it yet -- namely, hotel and motel installations.

Though statistics are extremely difficult to pin down, it's estimated that there are some 2,750,000 hotel-&-motel rooms in the nation, and that not more than 10-15% have been equipped with TV sets.

Accentuating role of TV in recent years is fact that struggle between hotels and motels has become extremely intense, each seizing upon every feature that promises to enhance its appeal to the traveler -- and TV is a valuable "weapon."

It's estimated hotels have 1,500,000 rooms, motels a surprising 1,250,000. Last Census Bureau figures, 1948, show 8664 hotels with 50 or more rooms. There were only 25,919 motels then, but there are believed to be 48-50,000 now, growing at rate of 3000 a year -- most new ones having 50 or more rooms.

Hotel-motel business is handled by 3 principal methods: (1) Outright purchases of sets and associated equipment direct from manufacturers, practiced mainly by the major hotels. (2) Leasing arrangements with special contractors, by large & small hotels. (3) Leasing or coinbox deal with local distributors & dealers, a method employed generally by motels.

Penetration of hotels is much smaller than motels, percentagewise. Arthur J. Moxham, pres. of Master Video System, a major lessor, estimates less than 5% of all hotel rooms are equipped. Milton Shapp, pres. of Jerrold Electronics, installers of master antenna systems, believes 300-400 hotels are wired up, while E.M. Lurie, pres. of contractor American Communications Corp., sets higher figure -- 500-600.

Motel installations are really burgeoning. According to D.J. Berne, mgr. of RCA's sound & community antenna equipment dept., virtually all new motels are building in master systems and supplying sets. It's estimated that 3000 new motels provide potential of 150,000 new set sales annually.

Interest of hotel managers is growing, nonetheless. One contractor says he made 2000 set installations last year, expects to hit 5000 this year. Potential isn't merely in old or small hotels. For example, James B. Morris, mgr. of Washington's new Congressional, near the Capitol, says apologetically: "We're up-to-date in all respects, with air-conditioning, etc., but we missed putting in TV, and we have to do so soon. We've been renting sets, but our modern steel construction makes rabbit ears ineffective."

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Majority of hotel installations are made on lease basis, hotel buying no sets but laying out flat sum per set -- by year or by day of room occupancy. Daily fee ranges 20-50¢, depending on size & construction of hotel, kind of set, etc.

One lease operator gives this breakdown of his costs on recent job, figuring on a 5-year basis: \$140 for a set, \$85 antenna & installation, \$125 servicing, \$50 carrying charges -- total \$400 (22¢ per day per set over the 5 years). Hotel paid \$450 (25¢ per day), giving operator net of \$10 per year per set. Jerrold's Shapp estimates cost of installing master systems at \$20-\$50 per room.

Some of major Statler hotels have bought own sets. W.R. Lever, chain's engineering v.p., says they write own specifications for sets, antennas & service, then get competitive bids. As result, Statlers bought DuMont for New York, Boston and Hartford, RCA for Los Angeles and Washington. Among big hotels on lease basis is New York's Waldorf-Astoria, working through Master Video Systems, which provides sets made by CBS-Columbia. (For list of major lessors, see p. 14).

Cost of TV is almost always included in hotel room charge. Some hotels raised rates when TV was added, others didn't. Few use coin-operated sets.

Older motels rely heavily on coin sets, on other hand. With somewhat less solid financing, they were generally unable or unwilling to undertake outright pur-

chase or fixed rental fees. They're usually served by local distributor or dealer who handles everything, gives motel 10-25% of gross. Newer motels, however, are getting away from coin sets -- becoming more and more like hotels. Master antenna for motels is often simple installation handled by local men, whereas hotel systems frequently pose major construction and engineering problems.

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Most common hotel set is 21-in., motels leaning toward 17-in. Consolettes are preferred, with consoles going into fancier suites. Color is still no factor, though new antenna systems are designed to handle it.

Some outfits offer TV-only, others TV-radio-wired music set or even a TV-dresser-desk such as Wells TV Inc. is promoting. Other modifications may include tamper-proof back and limited volume control -- and sets are usually sturdier, featuring cabinets that resist burns and stains.

Servicing is extremely important, of course, to keep the guests happy. Most hotel contracts call for full-time serviceman for spot repairs and regular checks. In Washington's Statler, for example, serviceman handles 850-set installation from 9-5, house electrician taking over after-hours, doing no repairs but substituting one of 20 spare sets for any that go on the blink.

'FEATURITIS' GRIPS THE TV NETWORKS: The networks are out after top feature films for showing during prime evening hours -- even if they have to make them themselves.

It was General Teleradio's "Million-Dollar Movie" series which convinced the networks that "movies are your best entertainment" -- even in Class A time -- if they're top-notch feature films. So successful werethe "Million-Dollar" features that Teleradio first tried to buy out RKO's feature backlog, ended up by buying the entire motion picture company (see p. 7 and Vol. 11:30-31).

NBC-TV was actually the first network to announce feature film spectaculars when it broke stories on its coming TV premieres of British-made Richard III and The Constant Husband before their American theatrical showings (Vol. 11:23,26). It also plans spectacular featuring star-studded British oldie, The Magic Box -- which, incidentally, traces the history of the motion picture industry.

Then came ABC-TV's entry into the spectacular field -- to begin next fall -- via Sun. 7:30-9 p.m. series of new-to-TV J. Arthur Rank feature films (Vol. 11:31).

But now something new has been added -- the do-it-yourself feature film. The networks' reasoning apparently runs this way: If we can't get first-run features, why not make our own, show them on TV first, and later try to recoup some of our investment by peddling them to theatres? No doubt they bear in mind the success of Walt Disney's Davy Crockett in theatres after 3 runs on ABC-TV's Disneyland.

CBS seems to have led the way in the make-your-own-movies field. By putting a 90-min. spectacular on film, there's still something left to show again on TV -- or in theatres. So the network has already announced 2 Bing Crosby features and 6 Orson Welles productions, all 90 min. for first showings as TV spectaculars -- with theatre plans understood to be in the works if it looks profitable.

Biggest deal of all is now in negotiating stage between CBS chairman Wm. S. Paley and independent film producer Louis deRochemont for 3 full-length features to cost \$500,000-\$1,000,000 each on TV-first-theatres-next basis.

Another network venture into theatrical film production was revealed in this week's disclosure of long-term contract between CBS & United Productions of America for series of half-hour cartoon shows (26 next year) which eventually could wind up in theatres as short subjects. In addition, CBS will finance one UPA-produced full-hour cartoon for theatres. Whether the network will hold "second-run" TV rights to this feature wasn't disclosed.

NBC will make feature films too, if negotiations with Hal Roach Jr. and team of Laurel & Hardy bear fruit. Reportedly the plan is to turn out three 90-minute color films, NBC underwriting most of cost, for showing first as TV spectaculars, later in theatres abroad -- and domestically too, no doubt, if there's demand.

All of which suggests this interesting question: With networks apparently aiming to go heavily into feature film production, when will the movie exhibitors start crying for networks to release their backlogs to the theatres?

Personal Notes: Louis G. Cowan, packager-producer (*\$64,000 Question, Down You Go, Quiz Kids, Stop the Music*), joins CBS-TV as fulltime producer in development of new programs; he retains his interest in Louis G. Cowan Inc., to be operated by new pres. Harry Fleischman & exec. v.p. Steve Carlin . . . Howard G. Barnes promoted to CBS v.p. in charge of network radio programs, succeeding Lester Gottlieb, now CBS-TV director of daytime programming . . . Ernest Lee Jahneke Jr., ABC v.p. & asst. to pres. Robt. F. Kintner, and Ned Hullinger, regional mgr., ABC station relations dept., return Aug. 15 from tour of affiliates in mountain states in connection with fall operations . . . Jack R. Poppele, assistant director of USIS (Voice of America) for TV-radio, left this week for 6-week tour of European offices . . . Wm. M. Davidson, asst. gen. mgr. of NBC's WNBK & WTAM, Cleveland, named asst. gen. mgr. of WRCA-TV & WRCA, N. Y. . . W. C. Swartley, Westinghouse Bestg. v.p. & gen. mgr. of its WBZ-TV, Boston, elected pres. of Rotary Club of Boston . . . James J. Kane, CBS trade publicity mgr., N. Y., shifts to Hollywood as director of press information, succeeding Ted Wick, now handling special press projects . . . Gilbert W. Kingsbury, Crosley public relations v.p., assumes added management policy duties for news & special broadcast services programming; James E. Allen named director of special projects, succeeded as publicity & promotion director by James Bruce, program mgr. of WLWT, Cincinnati . . . Gene Cuny promoted to commercial mgr., KRLD-TV, Dallas, succeeding Wm. A. Roberts, now mgr. of AM affiliate KRLD . . . George Diefenderfer Jr., ex-Raymer, Chicago, and son of the NBC Chicago radio sales chief, named sales mgr. of WISH-TV & WISH, Indianapolis, succeeding Robt. F. Ohleyer . . . Wm. Geary promoted to station mgr. of WMGT, Adams-Pittsfield, Mass., succeeded as commercial mgr. by Allan L. Bonney, ex-WPMT, Portland, Me. . . . Roger Van Duzer, ex-KBET-TV, Sacramento, named station mgr. of KTVK, Phoenix, succeeding Ralph Watkins . . . Harry Stone, onetime mgr. of WSM, Nashville, recently with Texas & Arizona TV stations, named TV director of WSIX-TV . . . Wm. Grayson promoted to program mgr., WRC-TV & WRC, Washington, reporting to James E. Kovach, director of programs . . . James W. Frost, ex-sales development mgr., CBS Pacific network, named secy.-mgr. of Oregon State Bestrs. Assn., will also teach radio journalism at Oregon U . . . Richard A. Jackson promoted to public relations director, WOR-TV & WOR, N. Y. . . . Jack Gregory named Ziv western div. sales mgr., Allen Martini succeeding him as spot sales mgr. . . . Alfred Butterfield, ex-CBS-TV and *Life*, joins with Thomas W. Wolf, ex-Pathe and *Time*, to form Butterfield & Wolf Inc., packagers . . . Harold M. Tulchin, ex-Sterling TV Co., appointed commercial TV director & film dept. mgr., Hutchins Adv. . . . Gordon White, asst. business mgr., promoted to business mgr., TV-radio dept., Kenyon & Eckhardt . . . Sylvan Taplinger, TV-radio director of Peck Adv., recovering from emergency appendectomy.

Earl H. Gammons, who retires as CBS Washington v.p. Sept. 1, being succeeded by ex-NARTB govt. relations v.p. Ralph W. Hardy, is retaining offices at 1735 DeSales St. NW, and will continue to represent CBS in an advisory capacity, along with Storer Broadcasting Co. and ex-broadcaster John A. Kennedy, who recently acquired *Siox Falls* (S. D.) *Argus*.

Aurele Seguine, 51, Canadian Broadcasting Corp., executive, a widower and father of 3 sons, became a Dominican monk Aug. 3—recalling that NBC's pre-war Central European correspondent, Max Jordan, quit that company about 5 years ago to become priest in Germany.

ONE INITIAL DECISION, proposing Ch. 9 grant to Piedmont Electronics & Fixture Corp., Charlotte, featured week at FCC which was relatively quiet because of commissioners' vacations. One CP was dropped—WTVM, Muskegon (Ch. 35).

Examiner H. Gifford Irion picked Piedmont over WSOC and Carolinas' TV Corp. WSOC was turned down primarily because of financial weakness, and Piedmont was found to have enlisted Charlotte stockholders who "have materially contributed to fashioning that applicant's proposals," as opposed to less such activity on part of Carolinas' Charlotte stockholders. Piedmont's Charlotte stockholders are headed by theatreman Hershell H. Everett; 40% is owned by Wolfson-Meyer theatre interests, owners of WTVJ, Miami. Carolinas' is also composed of 2 groups—Charlotte interests headed by dept. store owner George M. Ivey and Broadcasting Co. of the South, latter operating radio WIST, Charlotte and WIS-TV & WIS, Columbia (G. Richard Shafto).

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Celebrated Clarksburg, W.Va. case, in which Commission took such a lambasting from Appeals Court (Vol. 11:25), was rendered largely moot this week when stock of Ohio Valley Bestg. Corp. was purchased for some \$250,000 by owners of WSTV-TV & WSTV, Steubenville (Berkman-Laux interests). Purchase includes CP for WBLK-TV, Clarksburg (Ch. 12) & WBLK and radio WPAR, Parkersburg. It's presumed sale removes situation that invoked court's criticism—overlap with Wheeling's WTRF-TV, concentration of media ownership, etc. It also eliminates need for weighing role of Clarksburg community antenna system in Wheeling-Clarksburg overlap question. At direction of court, FCC had scheduled hearing on matter Sept. 15. Case was initiated by protest of WBLK-TV grant by *Clarksburg Exponent & Telegram*.

Meanwhile, Commission will have to live with protest section of Communications Act for at least 5 months more, Senate failing to act on House-approved modifications which had been requested by FCC.

There were 2 requests for allocations changes: (1) WNOW-TV, York, Pa. (Ch. 49) asked that its channel be swapped with Lancaster's Ch. 21. (2) WNAO-TV, Raleigh (Ch. 28) submitted an alternate method of deintermixing—shifting Ch. 5 to Rocky Mount, adding a uhf channel to Raleigh for educational use, making Ch. 22 commercial.

New low-power rules, permitting stations as small as 100 watts, became effective Aug. 1 but no applications were filed this week. E. B. Craney, operator of KXLF-TV, Butte, Mont. (Ch. 6) announced he plans to file for satellites in Helena, Bozeman & Anaconda, but otherwise there are few such applications in the mill (Vol. 11:29).



Pentagon's tall-tower ban was overruled again this week in second initial decision by FCC examiner Hugh B. Hutchinson, who recommended that KGEO-TV, Enid, Okla. be permitted to move to 1356-ft. tower at new site despite opposition by 3 military members of Airspace Subcommittee (Vol. 11:11). Cunningham said evidence shows existing 816-ft. tower at present location presents greater air hazard than proposed higher one at new site. In a second issue, he found no evidence of an attempt to "straddle 2 communities" by moving tower closer to Oklahoma City. First case in which Hutchinson turned thumbs down on military opposition to high tower—that of KSWs-TV, Roswell, N. M. (Vol. 11:27,31)—is awaiting ratification by Commission, Pentagon having dropped its opposition.

VERY OFF-THE-RECORD meeting of FCC and top RETMA engineering officials, called by FCC Chairman McConnaughey July 21, day before he left for Europe, is only one of the many vhf-uhf allocations explorations going on—by FCC, by Senate Commerce Committee's ad hoc group of engineers, by private parties.

FCC-RETMA meeting is described as "extremely informal, exploratory," and it's understood that among ideas RETMA was asked to ponder was concept of eventually moving all TV to uhf. Sitting in for FCC with McConnaughey were Comrs. Webster, Bartley & Mack, chief engineer Edward Allen, technical research chief Wm. Boese. Representing RETMA were engineering director Dr. W. R. G. Baker, GE; Donald G. Fink, Philco research co-director (also secy. of Senate ad hoc committee); James Secrest, RETMA exec. v.p.

Another effort to produce vhf "drop-ins", via the reduced-mileage and low-power route, was made this week. Law firm of Welch, Mott & Morgan and consulting engineer John Mullaney submitted to FCC a "Supplemental VHF Allocation Report."

Essence of report is similar to proposals submitted previously by uhf grantees & applicants in Canton, O.; Bridgeport, Conn. & Asbury Park, N. J. and by UHF Industry Committee: (1) FCC rules provide for certain minimum co-channel spacings—170-mi. in Zone I, 190-mi. Zone II, 220-mi. Zone III. (2) Specific allocations are actually spaced much greater than those minima—about 250-mi. in Zone I, for example. (3) Therefore, why not put in new low-power stations with less than present spacings—provided they cause no more interference to existing stations than would full-power stations at 170, 190 or 220-mi.?

Mullaney notes that proposal follows ex-Comr. Robert Jones' thinking at time he dissented from final allocation plan in 1952—the "full triangular lattice" theory. Mullaney says Jones' predictions were "absolutely right."

Negotiating to buy WFBG-TV, Altoona (Ch. 10), and radio WFBG, Triangle Publications Inc. (WFIL-TV & WFIL, Philadelphia, *Philadelphia Inquirer* and *TV Guide*) is aiming at ownership of maximum number of TV stations. "It's far from a closed deal," says WFBG-TV v.p. W. Stanley Truby, indicating some negotiations have been held with other interests and that an impending tax ruling from Internal Revenue Bureau may be the deciding factor on whether station is sold. He didn't disclose proposed price. Already this year, Triangle has bought WNBF-TV, Binghamton (Ch. 12) with radio WNBF for \$3,000,000 (Vol. 11:11, 19), and off-air WLBR-TV, Lebanon, Pa. (Ch. 15) for \$115,000 plus \$125,000 in equipment obligations (Vol. 11:27). Triangle intends to put latter back on air after FCC approves purchase.

T. B. Lanford buys W. H. Allen's 52% of KALB-TV, Alexandria, La. (Ch. 5) & KALB, bringing his holdings to 97.2%. Allen gets \$150,000 clear, Lanford paying taxes incurred by sale; Allen is also retained as adviser at \$1000 monthly for 30 months. Lanford owns 1/3 of KPLC-TV & KPLC, Lake Charles, La.; 13.8% of WJTV, Jackson, Miss.; controls radio KRRV, Sherman, Tex. & KRMD, Shreveport, La.; has 23% of WSLI, Jackson, Miss. KALB-TV & KALB balance sheet for June 30 shows surplus of \$114,112 as of Jan. 1, \$29,246 profit up to June 30.

FCC members will have to wait until next session of Congress for that pay raise (Vol. 11:31). Various bills boosting salaries of top govt. officials were bypassed in rush to adjourn.

Important aspect of plan is assertion that it can be put into effect immediately, doesn't require rule-making. It's proposed that applicants simply apply wherever they choose—provided they tailor powers and heights to protect existing stations as much as they would be if full-power, full-height station were built 170, 190 or 220-mi. away. In brief, AM protected-contour principles would apply.

It's claimed that more than 200 additional vhf's could be dropped in this way, providing, among other things, a vhf channel for every uhf station that wants one. Uhf would be forgotten. Proponents say Comr. Lee is interested in plan; that Lee's engineering asst. Wm. Campbell has given them considerable help; that Congressional "sympathy" has been shown.

It's proposed that powers as low as 100 watts be permitted as close as 85.5-mi. from co-channel stations, though average Zone I Ch. 2-6 station would probably be about 125-mi. away. Typical adjacent-channel separation would be 31-33.5-mi. Also proposed is use of directional antennas, with suppressions up to 20 db. Mullaney says less than 30% of all new stations would need DA's.

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Senate Commerce Committee chairman Magnuson (D-Wash.), meanwhile, again needled FCC about action on deintermixture, stating: "The Commission has a real and moral responsibility to inform the public as quickly as possible as to what it expects to do on the question of selective deintermixture. Every day the Commission delays such a pronouncement, large sums of money continue to be invested by the public in converting or purchasing sets so that uhf signals may be received. Yet, if the experience of the past 2 years is any guide, many of these people may be making a futile expenditure." Clearly, the Senator likes deintermixture.

Magnuson also set specific date for start of hearings on his all-embracing study of TV—Jan. 17. With resignation of Sidney Davis (Vol. 11:31), Committee is looking for another counsel; ex-Sen. Clarence Dill, now a committee consultant, won't take the job.

FCC's equal-time rules on political broadcasts don't apply to foreign stations, Commission told Detroit lawyer Gregory M. Pillon who says he plans to be Congressional candidate next year. Pillon noted that UAW had shifted its *Meet the UAW-CIO* program from WJBK-TV to CKLW-TV, Windsor, Ont., and asked whether he'll be entitled to equal time if an opponent appears on the program. FCC said it has no jurisdiction and no international agreement covers the situation.

Radio station sale: WTRX, Bellaire, O. (1270-ke 1-kw, daytime) with WTRX-FM sold this week by Washington, D. C. businessman John Kluge, who also owns several other AMs, for \$85,500 to public relations counsel Robert K. Richards (former NARTB admin. v.p.) and Walter Patterson, both of Washington, owners of 2 W. Va. AMs. Sale was handled by Blackburn-Hamilton.

Kansas City Star was fined \$5000 and its advertising director, Emil A. Sees, was fined \$2500 this week for monopolizing and attempting to monopolize advertising & news in violation of Sherman anti-trust act. They were convicted of criminal charge Feb. 22 (Vol. 11:9), but companion civil anti-trust suit still pends. Pres. Roy A. Roberts stated appeal would be filed.

John Battison, the consulting engineer and onetime gen. mgr. of CHCT-TV, Calgary, has purchased KAVE, Carlsbad, N. M. (1240 ke, 250 watts, ABC), which holds CP for Ch. 6, and expects to move there from Washington this fall. Sellers are group headed by Val. Lawrence, gen. mgr. of KROD-TV, El Paso; purchase price was \$150,000.

Station Accounts: Spot TV pulling power will be subjected to 2 separate tests in coming weeks. Stations represented by CBS-TV Spot Sales are offering to advertisers a "Spot-Check Plan" in which a series of "before-&-after" interviews are conducted by independent research organization in large panel of test market homes to determine effectiveness of TV spots. First advertiser to use service is duPont, which on Aug. 29 starts 13-week campaigns on Jacksonville's WMBR-TV, Charlotte's WBTV, Galveston's KGUL-TV. Also, WRCA-TV will team up with Macy's and the Abraham & Straus dept. store "to test the selling muscles of TV" in 10-week spot campaign starting Aug. 15. Their schedules will cover 10 & 20-sec. station breaks & one-min. spots; station has assigned task force headed by Max E. Buck, director of adv., promotion & merchandising, to advise stores on getting maximum use out of TV, and stores will make public sales results of campaign as guide to other dept. stores contemplating use of TV. (For story of Revlon's big sales boost resulting from \$64,000 *Question* on CBS-TV, see adjoining column) . . . Top 25 spot advertisers in second 1955 quarter, with number of spot schedules and stations they used, as reported in July 25 *Rorabaugh Report on Spot TV Advertising*: Procter & Gamble, 32 schedules & 955 stations; Brown & Williamson, 5 & 422; General Foods, 24 & 334; Colgate-Palmolive, 18 & 277; Sterling Drug, 11 & 276; Block Drug, 17 & 234; Standard Brands, 7 & 216; U. S. Rubber, 19 & 201; National Biscuit, 14 & 187; Alka-Seltzer, 5 & 181; Bulova Watch, 1 & 180; Carter Products, 17 & 165; American Chicle, 9 & 163; Toni, 8 & 162; General Motors, 13 & 148; Purex Corp. Ltd., 7 & 142; Ford Motor, 6 & 141; Kellogg Co., 10 & 120; Chesebrough Mfg. Co., 2 & 116; M&M Candy, 1 & 116; S. C. Johnson & Son, 5 & 109; Nehi Corp., 6 & 105; Coca-Cola, 1 & 102; Welch Grape Juice, 8 & 102; General Mills, 16 & 101. New to the second-quarter list were U. S. Rubber, American Chicle, Purex, M&M, S. C. Johnson, Nehi, Coca-Cola, Welch . . . Falstaff Beer, in deal described as biggest local live purchase on West Coast, buys *San Francisco Tonight* variety show on KGO-TV for 52 weeks, Mon.-thru-Fri. 10:30-11 p.m., thru Dancer-Fitzgerald-Sample . . . Listerine to sponsor Instructo Corp.'s new Les Paul & Mary Ford show on 150 stations starting about Oct. 1, thru Lambert & Feasley, N. Y.; it will be filmed by DuMont's Electronicam . . . Ziv's upcoming 30-min. *Highway Patrol* has been bought in 75 markets, with 30-market purchase this week by Ballantine Beer, which also sponsors Ziv's *Eddie Cantor Comedy Theatre* in 28 markets; other regional sponsors of *Highway Patrol* are Kroger Stores, Pfeiffer Brewing, Carnation Milk . . . Among advertisers currently reported using or preparing to use TV station time: Colonial Stores Inc., Norfolk (Our Pride bread), thru Liller, Neal & Battle Adv., Atlanta; Jacobsen Mfg. Co., Racine, Wis. (power mowers), thru Klau-Von Pietersom-Dunlop, Milwaukee; Gaines Dog Food, N. Y., thru Benton & Bowles; Purex Corp. Ltd., South Gate, Cal. (clothing bleach), thru McCann-Erickson, Los Angeles; Church & Dwight Inc., N. Y. (Sal baking soda), thru Brooke, Smith, French & Dorrance, N. Y.; Power Products Inc., Grafton, Wis. (Super Jet paint sprayer), thru Seitz Assoc., Milwaukee; Charles Pfizer Co. Inc., Brooklyn (drugs), thru Wm. Douglas McAdams, N. Y.; Fisher Flour Mills, Seattle, thru Pacific National Adv., Seattle; Rosita Products Inc., Phoenix (Rosarita Mexican food), thru Curry Adv., Phoenix; Lay's Potato Chips, Atlanta, thru Liller, Neal & Battle, Atlanta; Coast Fisheries div., Quaker Oats Co. (Puss 'n Boots Cat Food), thru Lynn Baker Inc., N. Y.; Olin Mathieson Chemical Corp. (Winchester men's toiletries), thru Cunningham & Walsh, N. Y.; American Hardware Mutual Insurance Co., Minneapolis, thru Campbell-Mithun Inc., Minneapolis.

Network Accounts: Revlon's sales of cosmetics have increased as much as 500% on some items since it started sponsorship of highly-popular \$64,000 *Question* on CBS-TV 8 weeks ago, according to Norman B. Norman, exec. v.p. of Norman, Craig & Kummel, Revlon agency. He said Revlon's Pink Shade Lipstick "sold out in 10 days after start of the show," and company recently received largest number of orders in its history for a single day. Show has been particularly beneficial in smaller markets, he said. Show skyrocketed to No. 1 position in ARB ratings for July; Nielsen placed it No. 3 in TV homes reached, No. 4 in percent of homes reached for 2 weeks ended July 9 . . . Alcoa drops option on Tue. 10:30-11 p.m. time period on CBS-TV (where it sponsored Ed Murrow's *See It Now*); it will sponsor unusual "vertical saturation plan" on NBC-TV for one day only, Dec. 6, in which it will buy into 8 shows on behalf of "Christmas Creations of Aluminum"—2 partic. each on *Today, Home & Tonight; Matinee, Ding Dong School, Tennessee Ernie Ford Show, Feather Your Nest & World of Mr. Sweeney*, thru Fuller & Smith & Ross . . . GE Lamp Div. to be alt. sponsor (with Dow Chemical) of *Medic* on NBC-TV starting Sept. 5, Mon. 9-9:30 p.m., thru BBDO, Cleveland . . . Pond's to be alt. sponsor (with Campbell Soups) of new dramatic anthology series, *Star Stage*, on NBC-TV starting Sept. 30, Fri. 9:30-10 p.m., thru J. Walter Thompson . . . Chunky Chocolate Crop. to be alt. sponsor (with Kellogg's) of *Super Circus* on ABC-TV starting Sept. 25, Sun. 5-6 p.m., thru Hilton & Riggio . . . Toni & Viceroy to be alt. sponsors of Louella Parsons film show on NBC-TV starting Oct. 2, Sun. 10:30-11 p.m. . . . Carter Products & Geritol to be alt. sponsors of *Joe and Mabel* on CBS-TV starting Sept. 20, Tue. 9-9:30 p.m., thru Sullivan, Stauffer, Colwell & Bayles and Edward Kletter Assoc. . . . Kraft Foods buys 7 partic. in *Color Spread* on NBC-TV this fall, Sun. 7:30-9 p.m., thru J. Walter Thompson; Corning Glass takes option on 6 partic. . . . Whitehall Pharmacal buys alt. sponsorship of *Wanted* this fall on CBS-TV, Thu. 8-8:30 p.m. . . . Vick Chemical Co. (Sofskin cream) buys 13 partic. on NBC-TV's *Home* starting Sept. 19, Mon.-thru-Fri. 11-noon, thru BBDO . . . CBS-TV to shift reruns of *I Love Lucy* (under Lehn & Fink sponsorship) to Sun. 6 or 6:30 p.m. this fall . . . Charles Antell (liquid makeup) to sponsor *Hollywood Backstage* on ABC-TV starting Aug. 7, Sun. 7:30-8 p.m., thru Product Services Inc., N. Y.

Signs of the TV times: Rev. S. H. Patterson, owner-founder of San Francisco's uhf KSAN-TV (Ch. 32, base rate \$225) tells *Variety* interviewer his station was \$5000 in the black in July, earned profit also in May & June; it specializes in sports, programs 5 hours daily for Negro audience . . . KEY-T, Santa Barbara, Cal. (Ch. 3) reports first-half sales up 35%, pres. Colin Selph stating local sales (within 100-mi. radius) will be up 50% this fall.

New network affiliations: WKNB-TV, New Britain-Hartford (sale pending to NBC; Vol. 11:2, 26) switches from CBS to NBC Oct. 1, replacing WNHC-TV, New Haven-Hartford, which retains ABC. Other area outlet, WGTH-TV, is being sold to CBS (Vol. 11:28).

New rep: WBNF-TV, Binghamton, N. Y. to Blair (from Bolling); WKBT, La Crosse, Wis. to H-R Television (from Raymer); KARD-TV, Wichita (CP), to Petry.

Assn. of National Advertisers next annual meeting has been scheduled for Oct. 31 & Nov. 1-2 in New York's Hotel Plaza; Bristol-Myers adv. v.p. Donald S. Frost is program chairman.

William A. Hart, retired duPont adv. director, named pres. of Advertising Research Foundation, succeeding Edgar Kobak Nov. 1.

Telecasting Notes: Intense network competition this fall will be accompanied by intense promotion. For example, CBS-TV is setting up first station co-op deal—paying for 50% of newspaper space and supplying art; it will be 10-day campaign late Oct. or early Nov., plugging entire program line-up. NBC-TV is planning sponsor co-op series in its 5 owned-&-managed cities, may extend it to 10-15 other Trendex areas; plan is already complete for 5 sponsors of *Perry Como Show*. ABC-TV will have own newspaper program in key markets . . . Abel Green-Joe Laurie Jr. best seller, *Show Biz*, published in 1951, tracing history of show business from vaudeville to video, will be adapted for Sun. Oct. 9 NBC color spectacular, 7:30-9 p.m., in spot originally scheduled for Alexander Korda first-U. S.-run film, *The Constant Husband*, which has been moved up to Nov. 6 . . . "New stars, shows zoom to top in 3rd TV film poll" headlines Aug. 6 *Billboard*, which also includes fact-packed "Spotlight on Fall TV Program & Time Buying" section. Over-all winners of *Billboard's* 3rd annual TV film program and talent awards: *Disneyland* (ABC), selected as best TV film series, best new TV film series, and TV film series contributing most toward raising cultural standards; Jack Webb of *Dragnet* (NBC), best actor; Loretta Young (NBC), best actress; Bob Cummings of *Bob Cummings Show* (NBC), best performer in new series; *Medic* (NBC), series performing greatest public service. Runners-up in "best series" category: *Medic*, *I Love Lucy* (CBS), *I Led 3 Lives* (Ziv) . . . Free plugs for movies in upcoming TV shows (Vol. 11:26) get the full treatment in Aug. 8 *Sponsor*, which figured out that non-TV movies will get total of 70,000,000 "commercial home impressions" each week this fall—40,000,000 of these on regular shows such as *Disneyland* & *Warner Bros. Presents*, 30,000,000 through tieups with existing programs such as special "salutes" and hour-long "previews." Presenting both sides of question, *Sponsor* says some ad executives feel

public enjoys the trailers and Hollywood news, others are wondering whether trailers will be kept in the realm of entertainment and out of category of straight commercials . . . **Mathematicians at ABC-TV**, according to Aug. 10 *Variety*, figure profit of \$1,500,000 in first year of Sun. evening network showings of 20 new-to-TV J. Arthur Rank features (Vol. 11:31)—if all sponsorships are sold . . . **MCA-TV's Frank Mincolla**, through his new merchandising-licensing dept., exploiting toy *Dragnet* guns & badges, Jack Webb kiddie clothes; *This Is Your Life* and *Truth or Consequences* parlor games; toy tugboat replica of the one in *Waterfront* . . . **Barbers talk a lot**—so live-wire Tom Bostic, gen. mgr. of KIMA-TV, Yakima, Wash., got idea of inviting 30 of them who had Mon. off to come by chartered bus for tour of station; they even got 15 min. on air to talk about their profession and demonstrate haircutting (on continuity chief Joe Ryan) with plenty of publicity and goodwill resulting . . . **WMCT cameras** were ordered out of Memphis city hall hearing on corruption in municipal parks this week, leading gen. mgr. Hank Slavick to charge mayor and attorneys with imposing restrictions on freedom of the press; radio was permitted to stay . . . **Betty Hutton** signed by NBC-TV for color spectacular on Oct. 4; Ethel Merman & NBC still negotiating . . . **Mrs. Dione Lucas**, the cookery expert, signed for 6 half-hour films to be shown on new British commercial TV . . . **Another TV play for stage:** *My Kewpie Doll*, by Greer Johnson, seen on ABC-TV July 21, which Eva Marie Saint and director-husband Jeffrey Hayden plan to produce . . . **Hit show, Children's Corner**, from KQED, Pittsburgh educational, gets NBC-TV airing for 4 Sats., 10:30-11 a.m., Aug. 20-Sept. 10.

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 NBC Spot Sales becomes U. S. rep for Associated Broadcasting Co. Ltd., British ITA commercial program contractor, under arrangements this week by Harry A. Towers & Richard L. Meyer with v.p. Tom McFadden.

ONLY NEW STARTER this week was Canada's 28th—CJON-TV, St. John's, Newfoundland (Ch. 6) which put on first test patterns Aug. 3, goes commercial Sept. 4. It has 2-kw RCA transmitter with 12-slot Wavestack antenna. Geoffrey Stirling is pres.-gen. mgr.; Don Jamieson, v.p.-program mgr.; Art Hartnett, production director; Oscar Hierlihy, chief engineer. It starts with \$160 base hourly rate, going to \$200 Oct. 1. Reps are Weed & All-Canada.

Due to start momentarily, probably during week of Aug. 7, are WXEX-TV, Petersburg-Richmond, Va. (Ch. 8), due to become NBC basic, and KTRE-TV, Lufkin, Tex. (Ch. 9), to operate as satellite of KPRC-TV, Houston.

No equipment shipments were reported this week, and in our continuing survey of upcoming stations the only report received was from KARD-TV, Wichita, Kan. (Ch. 3). Its v.p.-gen. mgr. Wm. J. Moyer states it now plans commercial debut Sept. 1 as an independent outlet, with test patterns probably by Aug. 25. Transmitter house is half completed and work is under way on 1000-ft. Stainless tower. RCA 25-kw transmitter is due Aug. 10, with 6-bay antenna due to be installed Aug. 15. It will be area's 4th outlet, others being a uhf and 2 vhf. Base hour will be \$350, rep Petry (shifting from uhf KEDD).

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Hazards of the business: Toots Shor, the restaurant man, sues Stork Club's Sherman Billingsley for \$1,100,000, alleging latter libeled him on his ABC-TV *Stork Club* program by saying he was "financially insolvent" and "reckless or dishonest in his business dealings"—and AB-PT as well as producer Mayfair Productions Inc. are named co-defendants.

Reorganization of RKO Radio Pictures under General Teleradio (Vol. 11:30-31) was well under way this week, with the appointment of CBS Inc. senior v.p. Daniel T. O'Shea as pres. of RKO, succeeding James R. Grainger. Highly regarded in film industry, O'Shea was pres. of David O. Selznick's Vanguard Films Inc. & exec. v.p. of Selznick International Pictures Inc. before joining CBS in 1950. Another former CBS v.p., Charles Glett, heads RKO production organization. Also announced this week was elevation of C. R. (Bob) Manby to General Teleradio v.p., headquartering in New York and serving as liaison between RKO and parent company. Manby has been responsible for development and expansion for Phillips H. Lord properties acquired by Teleradio—notably the *Gangbusters* syndicated TV film and the theatrical motion picture by same name. Latter has been released to theatres in a few cities under novel arrangement whereby, in exchange for on-the-air promotion, one TV station in area gets cut of the theatre's gross.

TV breaks bank at Monte Carlo: One of biggest financial scandals in history of small principality of Monaco has been precipitated by failure of commercial TV station at Monte Carlo. It resulted in a run on Monaco's biggest bank, which closed its doors Aug. 1 with deficit estimated at \$8,625,000, and resignation of 4 of Prince Rainier III's cabinet members. Both the bank and the govt. officials were involved in the TV operation.

Houston area's 3 commercial stations—KGUL-TV, KPRC-TV, KTRK-TV—have agreed to contribute \$10,000 each toward support of U of Houston's educational KUHT (Ch. 8) during upcoming academic year.

NEW "SCATTER" method of point-to-point communication (see p. 1) uses new techniques and equipment to harness a phenomenon which has long been familiar to propagation experts—but which was considered an impediment to efficient radio communications. As long ago as 1913, A. E. Kennelly of Harvard ("Kennelly-Heaviside Layer"), writing in *Proceedings of the IRE*, noted the loss of radio signals in the upper and lower levels of atmosphere through "scatter."

Recent development of high-powered transmitters, high-gain antennas, sensitive receivers—and application of new knowledge, including information theory—has made it possible to utilize this "loss" to develop a radically new system of long-distance point-to-point communication, in which the signal is always unfailingly present so long as the equipment is working.

A visual analogy to scatter transmission principle is the glow which can be observed at night in the clouds from the lights of a distant city over the horizon. While vhf and uhf have been considered "line of sight" services, their "glow" can be picked up far beyond the horizon.

Because the "glow" is so faint, brute force techniques must be used. A thin, tremendously powerful beam is transmitted, but most of it shoots through the atmosphere and is wasted. Using newly developed techniques, high-gain antennas are focused upon the small percentage of the signal which is "scattered." This faint signal is fed into ultra-sensitive receivers and amplified.

Two types of "scatter" have been harnessed. The vhf system employs signals scattered in the E layer of the ionosphere (40-70 mi. up), and is currently used as a super-long-range system, with medium channel-carrying capacity, bandwidths up to 20 kc now being used.

Uhf system picks up signals which scatter in the troposphere or lower atmosphere (up to about 5 mi.); its principal advantage is that wide bands of frequencies can be transmitted—up to and greater than TV channel width—though systems now in use are limited to ½ mc.

Vhf systems are currently attaining distance of 600-1300 mi. in one hop, using frequencies of 30-50 mc (TV broadcast band starts at 54 mc). Uhf systems are useful for 50-400 mi., currently are in 300-1000 mc range, though it's believed frequencies up to 3000 mc could be used.

Powers used by the systems are tremendous. Vhf systems have used transmitters rated at 50-kw, antennas with 23 db gain, ERP up to 10 megawatts—most powerful ever attained in radio communications. Uhf systems use transmitters with power as high as 20-kw fed through antennas with 45 db gain, for ERP of 6 megawatts.

Ultra-reliability of the signal in scatter transmission has created demand for equipment with reliability never before attained. Obviously an ever-present signal is of little advantage without ever-operative equipment.

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Basic research for vhf-scatter principle was conducted almost solely by the National Bureau of Standards. Uhf scatter is based on research by NBS, Bell Labs and MIT's Lincoln Labs. Air Force has been prime mover in harnessing both types of scatter transmission, with much of the pioneering military work handled by Page Communications Engineers, headed by Washington consulting engineer E. C. Page. Most of the equipment to date has been built by Collins Radio, National Co., Radio Engineering Labs (Long Island City), Rixon Electronics (Silver Spring, Md.), D. S. Kennedy & Co. (Cohasset, Mass.).

Applications of scattered principle will be the subject of heavy splurges in electronics technical journals this fall. IRE considers this development so important that it plans to devote entire issue of its *Proceedings* to it.

DIFFERENCES in terrain, population distribution and station powers show up sharply in farm TV set counts for 2 more western states, tabulated this week by U. S. Census Bureau as part of its 1954 Census of Agriculture. Based on 20% sample measured in Oct.-Nov. 1954, South Dakota is shown to have farm TV set penetration of 17% (10,600 sets on 62,520 farms), despite fact that at the time of the census only one area could receive TV. Montana, with stations in 4 different cities, had penetration of only 9% (2970 sets on 33,059 farms).

South Dakota's TV sets are clustered in southeastern part of state, around powerful stations in Sioux Falls, S. D. and Sioux City, Ia., with no appreciable farm TV ownership elsewhere in state (KOTA-TV in Rapid City had not yet come on air when set count was made). Rugged Montana with its wide open spaces and low-power stations in Billings, Butte, Great Falls & Missoula, reflected TV inroads only in counties immediately adjacent to stations, with very little long-distance viewing.

In our continuing coverage of the first farm TV census ever conducted, here are the official county-by-county figures:

MONTANA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Beaverhead	339	32	Meagher	155	—
Big Horn	815	84	Mineral	85	—
Blaine	734	16	Missoula	642	33
Broadwater	215	6	Musselshell	259	23
Carbon	896	188	Park	550	19
Carter	432	1	Petroleum	140	3
Cascade	1,133	290	Phillips	711	7
Chouteau	1,064	337	Pondera	696	80
Custer	453	—	Powder River	424	—
Daniels	609	6	Powell	222	1
Dawson	687	6	Prairie	257	—
Deer Lodge	117	13	Ravalli	1,396	69
Fallon	384	7	Richland	1,004	3
Fergus	1,070	63	Roosevelt	860	18
Flathead	1,434	88	Rosebud	481	18
Gallatin	1,041	13	Sanders	591	34
Garfield	366	6	Sheridan	965	25
Glacier	385	4	Silver Bow	142	28
Golden Valley	197	25	Stillwater	643	117
Granite	181	9	Sweet Grass	366	16
Hill	899	61	Teton	952	204
Jefferson	274	2	Toole	446	50
Judith Basin	489	71	Treasure	148	14
Lake	1,490	98	Valley	1,097	5
Lewis & Clark	382	50	Wheatland	201	3
Liberty	337	107	Wibaux	290	2
Lincoln	387	25	Yellowstone	1,401	555
McCone	610	5			
Madison	508	30	State Total	33,059	2,970

SOUTH DAKOTA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Armstrong	10	—	Jackson	219	3
Aurora	817	34	Jerauld	633	57
Beadle	1,518	78	Jones	289	—
Bennett	386	7	Kingsbury	1,392	235
Bon Homme	1,368	457	Lake	1,252	574
Brookings	1,841	512	Lawrence	339	—
Brown	1,846	193	Lincoln	1,734	750
Brule	711	19	Lyman	636	18
Buffalo	154	2	McCook	1,324	371
Butte	651	7	McPherson	1,104	32
Campbell	636	23	Marshall	1,024	239
Charles Mix	1,567	163	Meade	1,049	9
Clark	1,298	64	Mellette	350	15
Clay	1,153	703	Miner	1,007	251
Codington	1,078	82	Minnehaha	2,320	1,242
Corson	777	51	Moody	1,295	556
Custer	380	1	Pennington	795	11
Davison	892	85	Perkins	855	24
Day	1,600	46	Potter	544	10
Deuel	1,208	132	Roberts	1,911	289
Dewey	484	40	Sanborn	819	50
Douglas	883	40	Shannon	240	2
Edmunds	978	22	Spink	1,557	102
Fall River	415	7	Stanley	216	2
Faulk	711	41	Sully	419	8
Grant	1,264	67	Todd	412	1
Gregory	1,086	44	Tripp	1,194	21
Haakon	431	2	Turner	1,866	656
Hamlin	1,023	87	Union	1,366	856
Hand	1,093	44	Walworth	579	12
Hanson	830	149	Washabaugh	173	—
Harding	408	2	Yankton	1,360	622
Hughes	327	6	Ziebach	344	7
Hutchinson	1,683	357			
Hyde	395	8	State Total	62,520	10,600

Note: Previously published tabulations—Nev., N.H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31).

REPEAT SALES—HOW AUTO INDUSTRY DOES IT: A TV industry seeking ways to stimulate second-set & replacement sales this year might profitably look to the automobile industry for lessons in how to keep the customers coming back every 2 or 3 years, in opinion of several manufacturers familiar with both industries. Though they stress that TV industry obviously can't go as far as auto people in merchandising controls, here are some of the auto features which they say might well be copied:

(1) More liberal trade-ins. The auto industry uses high trade-ins as entering wedges both for new car sales and for making used cars available at just about any price customer wants to pay. TV trade-ins, by contrast, are too often hit-or-miss. In many instances, potential second-set and replacement customers have turned away from stores after dealers may have offered as low as \$10 for a working TV set for which he once paid \$300 or so. Great need in TV, it's said, is for more liberal trade-in and/or rational explanations to customers why more cannot be offered. Thus they would be encouraged to turn in sets or buy an additional receiver.

(2) Increase value of franchises. With lessons gained from 40 years of experience, auto industry has made a dealer franchise highly coveted. While nobody suggests a TV manufacturer could exercise such rigid control over his non-exclusive dealers, there's room for a manufacturer, in NARDA's words, "to give meaning to a franchise." Best ways to do it, it's suggested, are to be more discriminating in selection of dealers, choosing only those who are adequately financed, who can sell aggressively and who can render necessary servicing to satisfy customers.

(3) Greater use of accessories. Auto industry is quick to promote product obsolescence by adding something new to each year's models; for example, new body designs, new color motifs, turn signals, various gadgets, etc. etc. TV is making first moves in this direction with its remote control units, tuning gimmicks, color cabinets, clock timers, etc. -- but there's room for many other accessories.

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Admiral raised prices by \$10-\$20 on 17 of its 41-model line this week, attributing increase to recent hikes in steel and copper, together with other "substantial material and labor boosts." The 21-in. console leader was increased from \$200 to \$220 and another 21-in. console was hiked from \$230 to \$250. Remaining 15 models, all 21 & 24-in., were each raised \$10. It was Admiral's second price hike in 3 weeks, having previously raised 7 models by \$10 in vhf, \$15 in uhf (Vol.11:30).

Admiral's action is concrete evidence of general disposition to raise prices in near future (Vol.11:30-31). Shortage of selenium rectifiers, result of strike of copper miners in west, is starting to pinch many TV manufacturers -- and any settlement which causes copper prices to go up even further is likely to add impetus to the price-raising movement. Production of selenium rectifiers has reportedly dwindled sharply at Federal & Sarkes Tarzian, 2 of biggest producers. Economically, it's impractical to use silicon as substitute for selenium in rectifiers, an official of Sarkes Tarzian says. He said it costs \$16 for a silicon rectifier, compared to 60¢ for a comparable selenium rectifier. Moreover, he says, there isn't enough silicon available to make it commercially expedient to use it.

Other components are also due for price boosts, according to trade reports. A 6% increase in steel tubing is anticipated shortly, along with new increases in brass, aluminum strip & lead-ins.

Set makers themselves continue to talk of price hikes, though only Admiral has raised them so far. Arthur L. Chapman, Sylvania v.p., told distributors convention he foresaw an average retail price increase of "a \$20 bill." A purchasing agent for a major TV maker told us he foresaw "no alternative" to price hike.

Brief highlights of other major trade developments this week:

Consumer Buying Plans: A new survey of consumer finances, conducted in June by U of Michigan Survey Research Center as part of continuing series for Federal Reserve Board reveals: (1) Consumers are generally more optimistic this summer than year ago about their personal financial situations and general business outlook. (2) Greater number than a year ago plan to buy houses; about same number to buy autos & major household appliances, though TV buying plans "appear to be lower" than last June. About 34% of the 2000-family sample said they are better off financially than year ago, compared to 30% in both June & Oct. 1954. Number reporting "worse off" fell to 20%, from 25% in June 1954 & 27% in Oct. Good business conditions are expected by 72% of all families -- and by 82% of those with over-\$5000 income. The report, available from FRB, thus summarizes findings: "Practically all indicators of consumer attitudes have a more favorable position now than a year ago. Consumers as a whole are aware of the great improvement in American business conditions which took place during these 12 months and have revised their expectations upward."

Consumer Credit: Federal Reserve Board reports consumer installment debt hit record \$24.914 billion at end of June, following rise of \$765,000,000 in June alone. The June total was 75% over June 1954 & 300% over June 1953. Autos reportedly accounted for \$12.5 billion as of June 30, or nearly 50% of all outstanding credit. To counteract increase in installment credit, FRB this week approved boost in discount rate for member banks, permitting rate up to 2½%. FRB officials have predicted that less favorable credit risks among manufacturers and retailers would have harder time of it in dealing with their banks for advances.

Production: TV output totaled 113,864 week ended July 29, compared to 90,072 preceding week & 78,968 week ended July 15. It was year's 30th week (7 full months by RETMA calculations) and brought production for the period to about 4,250,000 vs. 3,200,000 in same 1954 period. RETMA this week officially set 6-month TV production at 3,828,793 vs. 2,845,147 in first half of 1954. Radio output totaled 203,343 in week ended July 29, bringing 7-month output to 7,800,000 vs. 5,800,000 in same 1954 period. Here's RETMA's 6-month TV-radio production table:

	PRODUCTION		RADIO PRODUCTION BY TYPES			
	Total TV	Total Radio	Home Sets	Portables	Clock	Auto
January.....	654,582	1,068,146	280,121	47,303	166,885	573,837
February.....	702,514	1,089,724	232,831	109,120	150,031	597,742
March (5 wks)	831,156	1,482,274	300,840	233,465	173,944	774,025
April.....	583,174	1,099,775	193,431	265,866	72,602	567,876
May.....	467,394	1,114,035	161,357	258,701	130,608	563,369
June (5 wks).	589,973	1,204,935	181,930	255,833	182,605	584,567
TOTAL.....	3,828,793	7,058,889	1,350,510	1,170,288	876,675	3,661,416

DISTRIBUTOR NOTES: Shifting pattern of appliance distribution to be touched off by RCA-Whirlpool-Seeger consolidation, though certain to be gradual, was evidenced this week in Atlanta, where RCA distributor Yancey Co. Inc. took over Whirlpool line from Charles S. Martin Distributing Co., which in turn assumed Easy washing machines from Yancey. Pres. Charles Martin was quoted as saying he voluntarily relinquished Whirlpool line because of its tie-up with RCA . . . Interstate Electric Co., New Orleans (RCA) elects George C. Howell Jr. as pres.; he's onetime Whirlpool adv. mgr. . . . Admiral appoints newly-formed Onthank-Harrison Co., 800 S. 72nd St., Omaha (George W. Onthank, pres.), replacing Bi-State Distributing Corp.; it also appoints Lewis Bear Co. Inc., 404 S. Palafox St., Pensacola (Lewis Bear, pres.) . . . Motorola appoints Boyd Corp., 84 W. Cove St., Portland, Me. (James W. Boyd, pres.) . . . Philco appoints Heath Furniture Co., Amarillo, as associate distributor . . . Stromberg-Carlson appoints Electronics Laboratories & Supply Co., 1414 Oriskany St. West, Utica, and Rome Electronics, 102 Erie Blvd. East, Rome, N. Y. . . . Bendix Radio appoints Cerullo Electric Supply Co. Inc., Hazelton . . . Major Appliance Distributors Inc., Charlotte, relin-

quishes Admiral line . . . Allison-Erwin Co., Charlotte (Zenith) promotes exec. v.p. John C. Erwin to pres., succeeding Henry J. Allison, who moves up to chairman; Jack Johnston named v.p.-gen. sales mgr. . . . Krich-New Jersey Inc., Newark (RCA) appoints Lawrence M. Braun, ex-Zenith N. Y., as mgr. of electronic parts dept. . . . RCA Victor Distributing Corp., Detroit, appoints Victor Parker as adv. & sales promotion mgr. . . . Graybar, N. Y. appoints Irwin Schutzer as manager of all electronics sales . . . CBS-Columbia of Philadelphia appoints Samuel Cohen, ex-Emerson Radio of Pennsylvania, as district sales rep. . . . Industrial Sales Co., New Orleans (Motorola) names James Coleman as district mgr. for Jackson, Miss. . . . GE Supply Co., N. Y., appoints George B. Colesworthy Jr. consumer goods sales mgr. . . . American Elite Inc., N. Y. (Telefunken radios) organizes American Elite (Canada) Ltd., 1214 Bishop St., Montreal (Frank J. McNichol, sales mgr.) . . . Sylvania appoints Cladco Distributors Inc., Buffalo (R. W. Cook, gen. mgr.) . . . Capehart-Farnsworth appoints Edgar A. Brown Inc., 4109 Carnegie Ave., Cleveland, and Radio Trade Supply, 1224 Grand Ave., Des Moines . . . Olympic Radio opens factory branch, Buffalo Ortec Inc., 84 Pearl St., Buffalo (Paul B. Hunter).

Topics & Trends of TV Trade: The 6,100,000 radios sold at retail in first half of 1955, compared to 4,500,000 in first half of 1954, have many in trade predicting nearly 13,000,000 year for radios—a fine comeback story overshadowed in publicity by TV's strong year. Nearly 13,000,000 radios were sold in 1953, but last year sales slumped to 10,000,000.

Transistorized radios are expected to hypo sales considerably this fall, brightening chances of reaching the 13,000,000 goal. Selling at \$45-\$55, they haven't exerted too much influence on the market so far, but the price is expected to come down by fall. Average retail price of radio currently is about \$21.

The 3,661,000 auto sets paced the first-half sales rise, comparing to 2,081,000 in first half of 1954. Of the 2,429,000 home radios sold in first 6 months this year, 1,071,000 were table models, 637,000 clock, 721,000 portables. In first 6 months year ago, 2,411,000 home radios were sold—1,182,000 table, 559,000 clock, 668,000 portables.

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Factory production of uhf-equipped sets totaled 558,802 during first 6 months of 1955, or 14.6% of total TV set production of 3,828,793, according to RETMA. This compares with 22.5% in first 6 months of 1954. However, the figures are not considered entirely compatible, since several companies—notably Philco—are now following practice of installing all uhf tuners in field, none in factory, to simplify dealer-distributor inventory problems.

Emerson pushes air conditioners year-round by cutting unit price to dealer for purchases between Aug.-Dec. New price schedule will be issued monthly, with national advertising on air conditioners starting in Sept. Pres. Benjamin Abrams said he expects other manufacturers to come up with similar plans to put production on year-round basis.

Dr. Allen B. DuMont added another powerboat racing laurel last week when his 54-ft. Hurricane III won 31-mi. Westchester power squadron's predicted-log cruiser race on Long Island Sound.

Trade Personals: J. H. Craft Jr., Stromberg-Carlson, named chairman of RETMA service committee, succeeding H. J. Schulman, CBS-Columbia; W. L. Parkinson, GE, named chairman of vocational training subcommittee; J. A. Hatchwell, DuMont, appointed chairman of advisory committee to N. Y. Trade School, which conducts RETMA's training courses . . . Ralston H. Coffin, RCA director of adv. & sales promotion, elected a v.p. . . Thomas P. Ryan, Sylvania TV-radio midwest sales mgr., promoted to TV-radio sales mgr. of TV-radio div., replacing Arthur A. Currie, now v.p.-mgr. of Adams Distributors Co., Sylvania Boston distributor; Ryan reports to gen. sales mgr. Bernard O. Holsinger . . . Herman S. Sacks, ex-Bendix Radio, joins Allied Radio Corp., Chicago, as marketing mgr. of sound & technical products; Wm. Senescu promoted to marketing mgr. of components . . . Dan D. Halpin, Westinghouse TV-radio gen. sales mgr., and Charles Golenpaul, Aerovox v.p., to address Texas Radio & TV Service Clinic & Electronics Fair at San Antonio's Gunter Hotel, Aug. 26-28 . . . Franklin Greene Jr. promoted to manufacturing mgr. of GE's TV-radio dept., Syracuse, succeeded as mgr. of Utica radio plant by Wm. N. Maddox, mgr. of Auburn, N. Y. plant . . . Wm. H. Eutzy promoted to new post of mgr. of sales administration, Westinghouse TV-radio div. . . John W. Fenton appointed mgr. of new RCA Victor TV-radio components plant now under construction at Renfrew, Ont.; F. R. Deakins, pres. of Canadian RCA subsidiary was guest of honor at parade and celebration July 21 when ground was broken for new 52,704-sq. ft. plant, due to employ 450 at outset . . . Luther M. Sandwick,

Crosley's new line, introduced at distributors convention this week in Chicago, comprises 15 TVs & 22 radios—including a transistorized, printed-circuit portable radio designed like a book. Prices are being withheld until Aug. 10. TV line is divided into Custom V, Advanced V & Super V series. The Custom V series comprises 9 models, all with "Zoom-A-Tenna," a multi-directional antenna which slides into chassis when not in use, and illuminated channel indicator with ½-in. numerals. The Advanced V series consists of 17 & 21-in. table models in mahogany or blonde & featuring "leathergleam" enamel finish. Super V series is continued from old line in 17 & 21-in. walnut models. Eight tables & 2 clocks round out the radio line.

TV set sales by Canadian factories in first 6 months totaled 245,917, production 337,369, reports RETMA of Canada. This compares with 181,233 & 211,480 in first half of 1954. Projected production estimate for July-Sept. period is 226,283 more sets. June sales totaled 27,567 at average price of \$304, production 36,060. Inventory at end of June was 139,336 compared to 130,843 at start of month. Montreal led in 6-month sales, with 44,428; Toronto, 40,116; British Columbia, 24,911; Manitoba, 20,882; other Ontario, 20,817; Nova Scotia, 16,458; Alberta, 15,660; Ottawa & eastern Ontario, 12,931; Quebec City, 11,886; Hamilton-Niagara, 11,445; New Brunswick & Prince Edward Island, 9522; Saskatchewan, 6926; Windsor, 6639; Newfoundland, 1891; other Quebec areas, 1405.

Capehart-Farnsworth makes regional bid for big Los Angeles market with specially-designed "California-styled" series of TV & high-fidelity models, to be marketed only on west coast. Designed by Lowell Wood, of Rogers & Wood Co., Capehart's Los Angeles distributors, new series has 5 different designs in 21 & 24-in. High-fidelity offerings are a \$395 console & \$695 tape recorder.

Excise tax repeal on non-entertainment TV-radio and components used in "further manufacture of TV-radio" was finally passed by House, which last week end accepted Senate version of bill (Vol. 11:27-28,31). It awaits President's signature.

ex-Wilcox-Gay & Scott Radio, named sales mgr., Pilot Radio . . . Wm. R. Thurston named to head TV equipment sales at General Radio Co., Cambridge, Mass., C. Wm. Harrison being transferred to N. Y. office . . . Herbert A. Bell, founder-pres. of Packard-Bell, presented plaque by Variety Club of So. Calif. for his service to entertainment field at luncheon marking firm's 30th anniversary . . . Kenneth B. Bryden, mgr. of research & financial controls, RCA tube div., named mgr. of govt. coordination & services, Harrison plant . . . Donald M. Strathearn, engineering director of Crosley laundry equipment, named engineering director of all products; Albert Emanuel II, laundry product mgr., named gen. product mgr. . . Harry M. Rich, ex-GE tube dept., appointed asst. to Leonard Ashbach, pres. of Majestic International, in charge of setting up parts & service facilities for German Grundig-Majestic radios & phonos . . . George M. Hakim, ex-Hoffman Electronics & Raytheon, named west coast regional mgr., DuMont TV receiver sales div., where he was adv. mgr. from 1950-52 . . . Andrew M. Wiswell, ex-Muzak v.p., named head of Capitol Records Inc. repertoire div. . . Richard C. Rowley promoted to Motorola Texas regional mgr., Dallas . . . Oliver S. Hulley promoted to consultant of GE's manufacturing training & education service, Schenectady . . . Wm. M. Sevy, ex-Arvin & Capehart-Farnsworth, named Olympic Radio regional mgr. for Ind., Ky., western Mich.

James H. Simon, 50, pres. of Simon Distributing Co., Washington area Zenith distributor, died Aug. 3 of heart attack. He is survived by his wife and 3 sons.

MERGERS of electronics companies are daily news now—particularly small firms being taken over by larger non-electronic entities—and you'll be hearing of more such "get-togethers" in ensuing months. The mergers of larger companies—whether they involve consumer lines (TVs, radios, appliances), as in the case of RCA-Whirlpool-Seeger (Vol. 11:29-31), or industrial and defense electronics, as in the cases of Sperry-Rand and General Dynamics-Stromberg—are symptomatic of the desire of big industrial entities to stake a claim in the burgeoning electronics fields.

One financial journal had Raytheon "ready" for merger recently, but there were no details and there is no verification. The amusement trade press continues to hammer away at rumors of Avco's disposal (possibly to Storer) of its 4 Crosley TV and one radio station, again stoutly denied by chairman James Shouse of Crosley Broadcasting Corp. There's still talk of "something happening" at DuMont, now apparently more likely to be a spinoff of its 2 telecasting stations into new corporation rather than their outright sale.

Checking the Crosley story, we did run into the information that ex-Crosley sales div. v.p. W. A. Bles last year tried to engineer a deal whereby what is now the Crosley & Bendix home appliance div. (TVs, radios, white goods) would be bought out by Ford Motor Co. in order to give it a better diversified competitive position with General Motors, which of course owns Frigidaire and Delco Radio. That came to naught, but it's a good guess that Avco's Victor Emanuel would not be averse to selling out or merging his Crosley-Bendix operations.

General Dynamics, it's learned, likes the Stromberg-Carlson properties it acquired recently, most particularly for defense electronics facilities, but it wouldn't be surprising to see it either (a) sell out WHAM-TV & WHAM, Rochester, or (b) acquire more telecasting properties

and operate in a bigger way in that field a la Westinghouse, Storer, et al.

While the mergers of industrial giants make the big news, the merger mill is kept going by the nearly one-a-day rate of absorption of smaller electronics companies by larger companies and by weddings-of-convenience of 2 or more small companies into more diversified combines.

The what's-my-line of American industry is becoming a difficult guessing game. For example, Reynolds Spring Co., recently sold out its spring business, changed name to Consolidated Electronics Industries Corp., purchased a number of electronic properties including Alliance Mfg. Co. (antenna rotors, small motors, etc.). At the same time its control passed into the hands of North American Philips, affiliated with the fabulous Philips of Holland electronics and lamp combine.

Metamorphosis of a company in throes of diversification is demonstrated by recent changes in Daystrom Inc., Elizabeth, N. J., which started out as a manufacturer of printing equipment (American Type Founders), then branched out into kitchen furniture, then into electronics (Crestwood tape recorders). This year it purchased Weston Electrical Instrument Co. and Heath Co., maker of do-it-yourself electronic kits. Daystrom will soon announce that it has sold off its printing equipment subsidiary—its original business—for price in the neighborhood of \$8,000,000. Even before sale of ATF, pres. Thomas Roy Jones had predicted that 70% of Daystrom's business in 1955 would be in electronics, electrical and related fields.

* * * *

Latest mergers involving electronics firms: Link-Belt Co., Chicago materials-handling equipment maker, this week announced plan to acquire electronics maker Syntron Co., Homer City, Pa., through exchange of stock. Curtiss-Wright Corp., Woodridge, N. J., purchased Elly Electronics Corp., Fair Lawn, N. J., Elly pres. J. George Sauer becoming mgr. of thermal devices sales for Curtiss. Lavoie Laboratories, Morganville, N. J., acquired Matawan Electronics & Bayshore Electronics, Keansburg, N. J.

Electronics Reports: Transistors are rapidly replacing tubes in aviation electronic equipment, according to *Aviation Week* survey reported in July 25 & Aug. 1 issues by avionics editor Philip Klass. Nineteen leading manufacturers reported that 22% of all sockets in equipment now under development are intended to hold transistors, and 11% magnetic amplifiers, also a vacuum tube substitute. By 1957 these percentages are expected to jump to 50% & 15%. Use of these two replacements varies widely in branches of the avionic equipment field, from a low of 11% in radar equipment, to a high of 61% in digital computers.

Communications equipment now under development uses 14% transistors & 4% magnetic amplifiers, is expected to use 28% & 7% in 1956, 37% & 9% in 1957. Totals in all categories will rise, according to the survey: radar, from 11% to 27% to 43% in 1955, 1956 & 1957; navigational aids, 28%, 50%, 58%; automatic controls, 49%, 74%, 88%; instrumentation, 43%, 55%, 72%; digital computers, 61%, 78%, 94%.

Main advantage of transistors is saving in weight, size & power requirements. Disadvantages are reliability & cost, but reliability is increasing & cost decreasing as production rises. For aviation use, current increased cost is made up by reduction of weight needed to dissipate heat. Douglas Aircraft estimates that transistorizing a jet fighter as fully as possible will save \$48-54,000 per plane vs. an extra \$2-3000 for transistors.

Cost of transistors is dropping rapidly. GE estimates prices will be competitive with tubes by 1957, cheaper by

1960-63. Current ratio of production is 200 vacuum tubes for each transistor, but Bell Labs expert Dr. Wm. Shockley, one of developers of transistor, states that growth curves show that transistors will pass tubes before too long.

* * * *

Maj. Irving Koss, recently Signal Corps, named administrative asst. to Daniel E. Noble, v.p. in charge of Motorola communications & electronics div., succeeding Robert Barton, now asst. mgr. for contract technical administration at Phoenix military research & development facility; Paul Jones named asst. mgr. for contract business administration at Phoenix.

Wm. G. Laffer, pres. of Cleveland Graphite Bronze Co. elevated to pres. of parent Clevite Corp., Cleveland, succeeding James L. Myers who continues as Clevite chairman. Among Clevite divisions are Brush Electronics and Transistor Products Inc.

Dr. Benjamin H. Alexander, former Sylvania semiconductor engineering mgr., named mgr., CBS-Hytron semiconductor operations; Leo E. Dwork appointed chief engineer of CBS-Hytron's Lowell, Mass. semiconductor plant.

Herbert A. Haworth, ex-Sprague Electric, named chief engineer, Condenser Products Co. div., New Haven Clock & Watch Co.

Frederick D. Herbert, 81, who retired this year as pres. of Kearfott Co., died Aug. 4 at his home in Upper Montclair, N. J.

Financial & Trade Notes: Philco sales in first 6 months of 1955 totaled \$178,041,000 as against \$174,676,000 in same 1954 period. Net income was \$3,387,500 (90¢ a share) after preferred dividends vs. \$1,547,500 (41¢). Second quarter sales totaled \$81,216,000, net income \$1,128,000 (28¢) vs. \$60,899,000 & \$703,000 loss year ago due to 45-day strike. Federal and state income taxes for first half of 1955 went up to \$4,160,000 from \$3,115,000. Additional 1954 income taxes payable by reason of retroactive repeal of Sec. 462 of Revenue Act, amounted to \$2,217,068; beginning in 1955, company changed accounting policy to charge prepaid taxes directly to applicable reserves, and as result has transferred \$1,090,549 directly to surplus. If this net adjustment had been included in the income statement, the additional income would amount to 29¢ per share on the 3,771,850 shares outstanding as of June 30.

Motorola expects to achieve \$225,000,000 sales year, said pres. Paul V. Galvin in Aug. 3 report to stockholders, disclosing first half sales of \$93,293,119 compared with \$92,465,210 in same 1954 period, and second quarter sales of \$41,414,940 vs. \$44,458,410. First half earnings were \$2,945,001 (\$1.52) vs. \$2,858,301 (\$1.48); second quarter earnings were \$791,963 (41¢) vs. \$1,214,217 (63¢). In connection with second quarter decreases, Mr. Galvin stated that "about 40% of second quarter TV sales last year was new merchandise, whereas this year there was only a nominal amount of the new TV lines recorded as sales in the second quarter. This will correct itself in the third quarter." Also, Motorola's military sales for first 6 months were disproportionately low compared with the total anticipated for the year. Sales of 2-way radio communications and auto radios for second quarter were substantially up, while home, portable & clock radio sales were up 54%. In 1954, Motorola's gross was \$217,000,000.

Zenith earnings for first half of 1955 were \$3,126,061 (\$6.35 a share) on sales of \$71,455,702 vs. \$1,288,246 (\$2.62) & \$56,681,409 for the same 1954 period. For the second quarter, profits were \$1,051,101 (\$2.14) in 1955 & \$460,725 (94¢) in 1954 on sales of \$31,083,890 & \$27,346,219, respectively. First half TV set sales jumped 71% from 1954 to 1955, compared to an overall industry increase of about 20%, but "because of competitive conditions and increased proportion of table model receivers," pres. E. F. McDonald Jr. told stockholders, "average unit sales prices were substantially lower and the dollar volume increase in television sales was not commensurate with the record number of TV receivers sold."

Tung-Sol reports record first-half 1955 earnings of \$1,528,792 (\$2.20 a share on 643,412 shares) on sales of \$23,754,485 vs. \$1,001,537 (\$1.73 on 555,402 shares) & \$19,102,826 for same 1954 period. Chairman Harvey Harper says new aluminized CR tube will be pushed vigorously for renewal market.

International Resistance Co. reports Jan. 1-June 26 (25 weeks) profits of \$323,290 (24¢ a share on 1,342,598 shares) on sales of \$7,291,888 vs. \$123,080 (9¢ on 1,331,163 shares) & \$5,701,000 for first 25 weeks of 1954.

Whirlpool Corp. sales were \$91,965,427, net income \$5,910,567 (\$1.92 a share) in first 6 months of 1955 vs. \$85,204,210 & \$4,035,176 (\$1.31) year earlier.

Gross Telecasting Inc. earned net profit of \$374,673 (94¢ per share) during first half of 1955 vs. \$332,576 (83¢) in same 1954 period.

* * * *

Dividends: Magnavox, 37½¢ payable Sept. 15 to stockholders of record Aug. 25; Globe-Union, 30¢ Aug. 10 to holders Aug. 1; Tung-Sol, 25¢ Sept. 2 to holders Aug. 18; Whirlpool, 35¢ Sept. 10 to holders Aug. 31; Paramount Pictures, 50¢ Sept. 15 to holders Aug. 26.

Color Trends & Briefs: Still highly skeptical about color's prospects, GE's Dr. W. R. G. Baker, who also is RETMA director of engineering, feels set prices are still too high to get the medium rolling. "I don't think the situation this fall will be much different from last year," he said. "Oh, maybe a little better, but not much."

"The price ought to be around \$495 to open color up—maybe lower," he said. "The whole merchandising job is entirely different from that of black-&-white when it started. There was nothing like TV before. The old man saw it in a barroom and wanted it in his own home."

"But how do you merchandise color? Is it a specialty job? Do you put one in the customer's home and leave it there for him to try out? I don't know."

GE is continuing work on tri-color tubes, meanwhile, Dr. Baker said, aiming for unit cheap enough to permit production of receiver priced within average customer's means. He said he hopes to have something to report before long.

* * * *

Another big set maker, who preferred to remain anonymous, told us: "We believe the RCA-NBC program expansion is the first real step needed to take color off the ground. We feel this will stimulate fall sales of color receivers and will hasten the development of the rectangular color tube so badly needed."

Attitude of RCA-NBC, prime movers in the color crusade, is one of determination, backed by millions being poured into color programming and promotion. "We mean business," said a spokesman, "and if some of the others won't come along, we will go it alone or with those that believe in color, as we do." It was intimated, but not disclosed, that others besides Hallicrafters & Magnavox have also arranged to have RCA make their initial color receivers (Vol. 11:31).

Hypo to color sales is seen in sizable discounts on the \$795 & \$895 being allowed. Reported discount to distributor is 40%, distributor discounts to dealer run 30-32%.

* * * *

Milton Berle color series next season is getting a lot of promotional push from NBC. This week's *Variety* carries full-page ad in form of letter to Berle from NBC pres. Pat Weaver, with caption "Colorfornia Here He Comes!" Letter recalls how Berle became known as "Mr. Television"—"with the sales of black-&-white TV sets racing to keep up with your ratings" and goes on: "Within the next months we are bound to see you carve out a new and colorful career for yourself, giving a tremendous push to color set sales."

Network color schedules for next 2 weeks: NBC-TV—Aug. 8, 10, 12, 17 & 19, *Matt Dennis*, 7:30-7:45 p.m.; Aug. 9, 11, 16 & 18, *Vaughn Monroe*, 7:30-7:45 p.m.; Aug. 8-12 & 15-19, segments of *Home*, 11:45-noon; Aug. 22, *Producers' Showcase*, "The King & Mrs. Candle," starring Cyril Ritchard, Joan Greenwood, Richard Haydn & Irene Manning, 8-9:30 p.m.

Set makers who have announced color receivers for the fall market thus far, according to NBC, prices ranging from \$695 (Motorola) to \$950 (Magnavox): Andrea, Capehart-Farnsworth, DuMont, Hallicrafters, Magnavox, Motorola, Philco, RCA, Sentinel, Sylvania, Stromberg-Carlson.

One index to color tube production is output of masks, and Aug. *Electronics Magazine* estimates 80,000 have been produced to date—about 50,000 of them 19 & 21-in., 2000 of them 22-in., remainder 15-in.

"Flat" color tube: Engineers at Willys West Coast Electronic Lab, Palo Alto, are working on color version of Dr. Wm. Ross Aiken's still-secret "flat" TV picture tube (Vol. 11:3).

Network TV-Radio Billings

June 1955 and January-June 1955

(For May report see *Television Digest*, Vol. 11:27)

HALFWAY through the year, network TV billings came very close to \$200,000,000 mark as against \$150,013,054 at same point last year—and, on basis of record fall-winter bookings, there's every likelihood they will be nearer \$500,000,000 than \$400,000,000 when year ends. Fact that NBC-TV now claims to be 50% sold out daytime, in which classification CBS has been sold out consistently, enabling it to take top position in over-all TV billings, also leads to expectation that 1955 will far surpass 1954's \$320,154,274 (for 1949-54 monthly PIB figures, see p. 32, *TV Factbook No. 21*).

Network radio's \$9,321,858 in June compares with \$10,764,481 in same 1954 month, brought Jan.-June total to \$61,591,309 vs. \$74,529,314 for same 1954 period. Only radio network to show gain in June was NBC, second runner to CBS, but it was a miniscule gain. Here's latest Publishers Information Bureau report:

NETWORK TELEVISION

	June 1955	June 1954	Jan.-June 1955	Jan.-June 1954
CBS	\$15,787,009	\$11,448,180	\$ 93,841,931	\$ 65,916,429
NBC	12,222,554	9,990,729	78,794,603	62,294,026
ABC	3,542,304	2,317,879	21,768,605	15,207,664
DuMont	218,845	778,920	2,904,680	6,594,935
Total	\$31,770,712	\$24,535,708	\$197,309,819	\$150,013,054

NETWORK RADIO

	\$3,603,602	\$ 4,181,677	\$23,888,528	\$29,714,809
CBS	2,652,765	2,618,614	16,212,306	18,570,178
NBC	1,816,367	2,405,994	13,313,799	15,170,597
ABC*	1,249,124	1,558,196	8,176,676	11,073,730
MBS				
Total	\$9,321,858	\$10,764,481	\$61,591,309	\$74,529,314

NETWORK TELEVISION—January-June 1955

	ABC	CBS	DuMont	NBC	Total
Jan. \$	3,718,195	\$15,831,141	\$ 723,960	\$13,172,695	\$ 33,445,991
Feb.	3,567,696	14,694,726	597,275	12,419,641	31,279,338
Mar.	3,806,425	16,036,896	628,625	14,102,093	34,574,039
Apr.	3,527,558	15,463,359	462,335	13,285,933	32,739,185
May	3,606,427	16,028,800	273,640	13,591,687	33,500,554
June	3,542,304	15,787,009	218,845	12,222,554	31,770,712
Tot. \$	\$21,768,605	\$93,841,931	\$2,904,680	\$78,794,603	\$197,309,819

NETWORK RADIO—January-June 1955

	ABC	CBS	MBS	NBC	Total
Jan. \$	2,487,140	\$ 4,181,787	\$1,372,532	\$ 2,744,204	\$10,785,663
Feb.	2,387,900	3,950,767	1,291,938	2,584,620	10,215,225
Mar.	2,445,765	4,393,441	1,446,535	2,953,486	11,239,227
Apr.	2,096,355	3,837,124	1,365,658	2,624,671	9,923,808
May	2,080,272	\$3,921,807†	1,450,889	2,652,560	10,105,528†
June	1,816,367	3,603,602	1,249,124	2,652,765	9,321,858
Tot. \$	\$13,313,799	\$23,888,528	\$8,176,676	\$16,212,306	\$61,591,309

* In order to maintain continuity and comparability with previously published data, an adjustment factor of 1.817 has been used by PIB in calculating gross network radio time charges for those nighttime network radio programs where ABC Rate Card No. 6 was in effect.

† Revised as of Aug. 3, 1955.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Publishers' Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 40%. However, they're generally accepted in the trade as an index.

Major hotel TV lease operators (see p. 2), as far as can be learned, are the following (brand of receiver in parentheses): American Communications Corp., 280 Broadway, N. Y. (GE); The Ira Hirschmann Co., 654 Madison Ave. (CBS-Columbia); Hotel Radio Corp., 1040 W. Fort Ave., Detroit (private label); Master Video Systems, 37 W. 52nd St., N. Y. (CBS-Columbia); Telerent Corp., 870 Seventh Ave., N. Y. (Admiral); Tel-Hotel Corp., 50 Central Park So., N. Y. (Westinghouse); Tele-Sound Inc., 1505 Race St., Philadelphia (Capehart); Wells Television Inc., 52 Vanderbilt Ave., N. Y. (RCA).

East Germany has opened 2nd regular TV station, at Brocken Mt., close to West German border.

STRIKE of TV film actors, which began Aug. 4, isn't expected to have much effect on fall programming unless it drags on for a month or more. Most new film series due for debut this season are reported to have many episodes already in the can, and old series can throw re-runs into the breach, if necessary. As for network filmed shows, there's always the possibility they can convert to live in a pinch.

At press time, prospects for quick settlement seemed slim, with no negotiations expected until "some time next week," according to a management group spokesman. Strike involves some 200 producers and 2-3000 Screen Actors Guild members as well as some 3000 craft workers in other unions. Principal issue is Guild's demand for re-run payments for 2nd runs; current re-run payments begin with 3rd run.

Management bargaining groups directly affected are Alliance of TV Film Producers and Assn. of Motion Picture Producers, but most non-affiliated TV film makers have followed the position adopted by the 2 groups. Seven independent TV film producers reportedly have settled with Guild—including Lewislor Enterprises Inc. and Lewman Ltd., owned respectively by Loretta Young and Jane Wyman, both members of SAG. Contracts also have been signed by Charles E. Skinner Productions (*Sgt. Preston of the Yukon*) and Quintet Productions (*Judge Roy Bean*) as well as Spectrum Film Productions (5 & 15-min. films) and 2 firms in Cleveland.

At least 43 major film series, produced at 23 Hollywood studios, and 4 or more made in New York area, have been interrupted by strike. Surveys by entertainment trade press found backlogs of unreleased TV film episodes varied from 3 to 18, with median being about 6. Since most of the series won't begin using the new material until Sept. or Oct., strike would have to last at least a month before it would cause any widespread shortage of TV film.

The 8% excise tax on installation of community antenna connections came close to elimination this week, when House passed HR-3414 with amendment submitted by Rep. Cole (R-N. Y.); Senate failed to act on it, however. Community operators would much prefer to get 8% excise lifted from monthly charge rather than from original installation, will try again next session.

Looking for personnel? Radio & Television Executives Society, 420 Lexington Ave., N. Y. publishes monthly applicant listing of persons seeking posts in networks, stations & agencies—including management, sales, production, direction, writing, promotion, public relations.

Rocket enthusiast Andrew G. Haley, Washington communications attorney, now attending Sixth International Astronautical Congress in Copenhagen, Denmark, has asked International Telecommunications Union to allocate frequencies for use with satellites.

TV cuts drinking, so pubs in Norfolk, England have petitioned for later closing hours. They say customers used to show up at 7 p.m., but since TV reached area don't venture out until 9. Authorities sympathized, now permit beer to flow half hour longer to 10:30.

How TV newscasting is handled on 11 stations is subject of U of Missouri bulletin (*Journalism Series No. 135*) by Samuel Brownstein, titled *Television News Practices in Missouri*, available on request.

TV network service now reaches 364 stations in 241 U. S. cities, AT&T Long Lines announced this week. KRNT-TV, Des Moines, hooked up last week end, was latest to join Bell System facilities.

Fire virtually demolished plant of WCOV-TV, Montgomery, Ala. (Ch. 20) on Aug. 5, forcing it off air indefinitely. Radio WCOV was also badly damaged.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS — August 13, 1955

EXPANSION INTO ELECTRONICS eyed by many big companies in nearly every industry. Survey shows mergers and diversification in last 12 months (pp. 1 & 14).

DuMONT SPINS OFF stations, plans separate corporation, seeks new president (possibly via merger) for manufacturing operations, Dr. DuMont to be chairman (p. 1).

COLOR SET SALES in 1956 will run 600,000-1,000,000 if properly handled, RETMA pres. H. L. Hoffman believes; sees price dropping only with mass sales (p. 3).

NEWEST STOCK OFFERING involving TV-radio stations due from Dolph-Petty Broadcasting Co., which proposes initially to buy into Honolulu, Denver stations (p. 6).

NEW STATIONS in Ft. Worth (Ch. 11), Richmond area (Ch. 8), Scottsbluff, Neb. (Ch. 10, satellite). Texas outlet starting with \$1,000,000 local business (p. 8).

HIGH JULY-AUGUST TV SALES indicate fall buying by consumers has begun in earnest; price hikes by Emerson & Trav-Ler; labor signs with GE (pp. 9-10).

WESTINGHOUSE SELLS 1000 TVs to new Hilton-Statler Hotel in Dallas; shipment comprises specially-designed 17 & 21-in. receivers (p. 11).

CBS INC. GROSSES \$202,173,713 for first half, profit up 22% to \$6,327,672. Financial reports on Raytheon, et al; officer-director stock transactions (p. 12).

DuMONT'S VITASCAN live color equipment to get first public showing as Gimbels N. Y. invites customers to "see yourself on color TV" (p. 13).

MOVIEMAKERS' ENTRY INTO TV assailed by Ziv as "by-product activity" using second-class talent and "loaded with free ads at expense of sponsors & stations" (p. 5).

'ELECTRONICS' IS STILL THE MAGIC WORD: If further proof were needed that the future of virtually all industry is tied up with the ever-expanding applications of electronics, it's contained in the growing list of old-line companies expanding into the fields of electronics -- through mergers or establishment of electronics divisions.

While considered an industry in itself, electronics actually is also a part of every other industry -- either through electronic production techniques or the integration of electronics into the end product. The most exciting scientific and industrial frontiers now before us are the harnessing of the atom and the conquest of outer space -- both of which will be made possible through extensive application of new advanced electronic techniques and systems.

It's only natural, then, that companies in nearly every field have plans for expansion into electronics, either to supplement their principal product, or in search of a new "principal product" to replace one which is becoming "outdated."

Principal electronics mergers and expansions of last 12 months are detailed in story on p. 14, which brings up-to-date the analysis of industrial diversification into electronics which appeared in our May 15, 1954 issue (Vol. 10:20).

THE DuMONT SPINOFF—PLANS AND PURPOSES: Changes in the DuMont capital and operating structures, both manufacturing and telecasting, will be wrought before year's end pretty much along lines predicted (Vol. 11:19-20,32) -- with these plans and purposes agreed upon at board meeting this week, subject to approval of stockholders in Oct.:

(1) Dr. Allen B. DuMont will relinquish presidency of Allen B. DuMont Laboratories Inc. in favor of a new operating head, yet to be chosen, possibly coming into the firm by way of a merger with or acquisition of another electronics company. Dr. DuMont will become chairman of board under long-term contract, with stock options.

(2) DuMont Broadcasting Corp. will be set up to own and operate TV stations WABD, New York and WITG, Washington (both Ch. 5), along with big 67th St. Tele-Centre in N.Y. In spinoff of telecasting operations, stock in new corporation will be distributed to DuMont stockholders on basis of one share for each 2½ now held, and some new stock will be sold in order to raise working capital.

(3) There will be no network operation, and Electronicam system of filming TV shows will be retained by the manufacturing concern and be made available to all

comers on lease basis. New DuMont Broadcasting Corp. may acquire more stations, possibly including KTLA (also Ch. 5), owned by major stockholder Paramount Pictures.

(4) One class of stock will replace present DuMont A & B, and stockholders will be asked to authorize 5,000,000 shares of \$1 par. Of these, 1,801,054 will be issued to replace the A, 560,000 to replace the B. Besides 124,343 shares of \$20 par 5% cumulative preferred stock, there are presently authorized 2,440,000 shares of A, with some 12,000 stockholders holding the 1,801,054 outstanding, and 560,000 of B all held by Paramount Pictures Corp. There are 494,169 shares of A unissued and unreserved; 136,777 A reserved for conversion of the preferred; 8000 A optioned (at \$10.22) to Wm. H. Kelley, v.p. & gen. mgr., when he joined company in 1953.

(5) New broadcasting corporation will have 2,500,000 shares of common, of which approximately 1,000,000 will be distributed to present stockholders and additional shares offered by underwriters to provide additional capital. Officerships & directorships remain to be worked out, with presumably some overlap planned.

(6) Directors of the manufacturing concern will be increased to 10, with all officers elected by board. One of the 2 new directors will be the new president of Allen B. DuMont Laboratories Inc., the other possibly a banker. Dr. DuMont, as the chairman, would secure options to buy 35,000 shares of common stock; 90,000 more will be reserved for purchase options by other company executives.

* * * *

That's the basic plan, as worked out largely by Armand G. Erpf, partner of Carl M. Loeb, Rhoades & Co., who displaced Dr. DuMont's brother Bruce T. last May as member of DuMont board. Other banker member of present board is Percy M. Stewart, partner of Kuhn-Loeb & Co. Plan presumably also had collaboration of "Gov. Dewey" law firm of Dewey, Ballantine, Busby, Palmer & Wood, who have represented Erpf.

Reorganization was entirely amicable, it's understood, despite long-prevailing friction between DuMont majority directors (Dr. DuMont, T.T. Goldsmith Jr., Stanley F. Patten, Mr. Stewart) and Paramount minority (Barney Balaban, Paul Raibourn, Edwin L. Weisl). Respective classes of stocks were different only in voting power.

Paramount got into DuMont through advances amounting to some \$164,000 in mid-30s, has since bought more A shares in the open market to bring its cumulative A & B total to 628,000 shares. Loeb, Rhoades owns or controls some 400,000, so that the 2 could vote well over 1,000,000 shares -- reason for the Erpf influence.

* * * *

Dr. DuMont was shown in last proxy statement (March 24, 1955) to own 39,800 shares of common, 200 preferred, and to hold 8000 common and 2000 preferred in trust for his son. He has sold off some of his holdings since, was shown in a recent SEC report to hold 37,600 common. His 1954 salary was \$68,339. Directors Goldsmith, Patten & Stewart hold 1900, 400 & 1000 shares, respectively.

Firm's 1954 annual report showed assets of \$32,954,000, common stock's book value \$12.28. Gross sales last year were \$99,570,000, net earnings \$7,597,000, but profit figure included \$6,727,000 realized after capital gains from sale of Pittsburgh station to Westinghouse (now KDKA-TV) for record \$9,750,000 (Vol. 10:49). In 1953, sales were \$91,829,000, profit \$1,544,000; 1952, \$76,367,000 & \$1,425,000; 1951, \$50,742,000 & \$583,000 loss; 1950, \$76,096,000 & \$6,901,000.

Last year's report blamed telecasting network operations for low net earning power, and it was estimated DuMont Network operation losses from inception amounted to \$16,000,000. Last year it ran \$5,000,000, forcing curtailment of network to mere skeleton hookups (Vol. 11:1, 13). Today it's a network in name only.

TV set, tube and electronics manufacture have been reasonably profitable, the telecasting business dragging down earnings consistently. Dr. DuMont noted that in 1954 manufacturing earned 3% on sales after taxes whereas average of 7 major competitors was 3.3%; in 1953, manufacturing earned 3%; in 1952, 3.2%.

So far this year, two 12-week reports have been issued. First, to March 25, showed \$27,000 loss on sales of \$15,989,000; second, for 24 weeks to June 19, showed \$1,249,000 loss on \$29,741,000 sales. The 24-week report compared with profit of \$479,000 on sales of \$41,590,000 in corresponding 1954 period.

The TV stations are said to be building up gradually, apace with the upsurge of telecasting; Washington outlet is "about breaking even." At all events, they're definitely not for sale, now that the spinoff has been decided upon. Paramount's KTLA, which may be brought into the fold, is reputedly a money maker. There's no disposition whatsoever to get back into networking, we're told; in fact, main reason for spinoff is "to take us out of showmanship into electronics."

UP TO 1,000,000 COLOR SALES IN 1956—HOFFMAN: Big color programming push begins just about a month from now (Vol. 11:31), sooner than most people realize, and virtually everyone is willing to take a crack at predicting what will happen to demand.

One of the most thoughtful analyses we've seen comes from RETMA president H. Leslie Hoffman, the energetic west coast manufacturer. He states flatly, in response to our inquiry: "I believe that if we can handle the industry publicity properly there should be a minimum of 600,000 and a maximum of 1,000,000 sets sold next year." He arrives at that conclusion via the following reasoning:

"Technically, NBC and CBS are now properly equipped facility-wise, manpower-wise & know-how-wise to do a good job of color broadcasting and do it on a national network basis. Based on our own experience, receivers are still complicated to build but once they are properly checked out they are simple to operate by the consumer and require no abnormal service.

"Sponsors have indicated their willingness to support color programming. As a matter of fact, so far they are ahead of the manufacturers, dealers and public.

"What then is making the distributor and dealer hesitant to push color, and the consumer hesitant to buy and ask for it? From the distributor and dealer viewpoint, he is worried about the potential drop in the price of the sets and has been exposed to the propaganda that the present price structure is too high. He is also afraid that if he pushes color it will hurt his healthy black-&-white sales. He also is out of the habit of home demonstrations, TV parties etc., that prevailed in the early days of black-&-white, and these must be reactivated for color.

"The consumer feels that color is still some time off and that he will wait until the prices come down. The only answer to this is to expose him to the color broadcasts and romance sufficiently what he is missing. My own opinion is that the price is not too high if it is properly sold.

"There is a certain segment of the industry that feels that we can go no place with color until the price comes down. The only way to get the price down is to get the thing going so that we can effect mass production and thereby reduce the price.

"I think the key words in getting color launched are exposure and excitement -- and if the two are properly handled I believe the price will fall in line.

"Speaking for ourselves, we have kept our engineering know-how up-to-date and have gone beyond that. As a matter of fact, we were the first in the country to introduce the 21-in. simplified chassis in Jan. 1955. We have since produced approximately 300 units. We have them in the field, they are operating satisfactorily, and the people who own them are satisfied customers.

"We have a limited production schedule for this fall, and we are going to produce them ourselves because we want the experience and are willing to pay for it. We think that color is going to get started this fall and will continue to pick up momentum until color TV becomes the topic of conversation in the average home.

"I think there is one factor which needs to be taken into consideration in both the programming and the selling of color TV, and that is the fact that the women in the home have the greatest color sense and appreciation, and that they will be the key person on the color decision in the average American home."

NARTB's schedule of 8 regional conferences this fall, which replace the 17 district meetings held in past years: Region 1 (replacing Districts 1 & 2), Sept. 21-23, Saranac Inn, Saranac, N. Y.; Region 2 (Districts 3 & 4), Oct. 12-14, Roanoke Hotel, Roanoke, Va.; Region 3 (Districts 5 & 6), Sept. 28-30, Jung Hotel, New Orleans; Region 4 (Districts 7-9), Sept. 19-21, Edgewater Beach Hotel, Chicago; Region 5 (Districts 10 & 11), Nov. 7-9, Ft. Des Moines Hotel, Des Moines; Region 6 (Districts 12 & 13), Nov. 15-17, Baker

Hotel, Dallas; Region 7 (District 14), Nov. 1-3, Broadmoor Hotel, Colorado Springs; Region 8 (Districts 15-17), Oct. 24-26, St. Francis Hotel, San Francisco. Opening day of each conference will be devoted to radio, second to assn. business, final day to TV. The TV sessions will include talks by TV v.p. Thad Brown, code review affairs director Edward H. Bronson and Television Bureau of Advertising pres. Oliver Treyz. An FCC commissioner will address the banquet of each conference.

Station Accounts: Commercial success of General Tele-radio's *Million Dollar Movie*, which is repeated up to 16 times a week (Vol. 10:37), is assured on WOR-TV for coming season starting Sept. 19, reports v.p.-gen. mgr. Gordon Gray. He said show is virtually sold out for new season, with 7 sponsors already in line (4 renewals). New-comers are Philip Morris, thru Biow-Beirn-Toigo; Mueller Macaroni, thru Scheideler, Beck & Warner; Lee Ltd. (Soft-Set shampoo), thru Foote, Cone & Belding. Renewals came from Sterling Drug, Piel's Beer, N. Y. Telephone Co., Rival Dog Food. Of the 39 films scheduled for coming season, 10 are 1955 releases, 21 were released between 1950-54 . . . Carnation Milk buys alt. week sponsorship of *Annie Oakley* in 90 additional markets, bringing total to 130, thru Erwin, Wasey & Co., Los Angeles; Continental Baking Co. is alt. sponsor in 75 markets starting Jan. 1 . . . Sears, Roebuck, an infrequent TV sponsor, buys filmed drama series, *Dr. Hudson's Secret Journal*, on KTTV, Los Angeles, thru Roche, Williams & Cleary, Chicago . . . Wine Advisory Board to spend more than \$500,000 in campaign during National Wine Week Oct. 15-22, thru Roy S. Durstine Inc., San Francisco . . . Mennen Co., entering women's cosmetic field with Mennen Skin Magic, plans all-media campaign this fall, thru Grey Adv. . . Toy Guidance Council, on behalf of leading toy manufacturers, to sponsor series of 15-min. film programs featuring ventriloquist Paul Winchell in 75 markets starting Nov. 1, thru Friend-Reiss Adv. . . Buitoni Foods Corp. plans all-media campaign with theme "Close Your Eyes and You're Eating in Italy," thru J. Walter Thompson . . . duPont to conduct annual fall spot campaign on behalf of Zerone and Zerex anti-freeze, thru BBDO, N. Y. . . Among advertisers currently reported using or preparing to use TV station time: Boyle-Midway Inc., Chicago (Aerowax), thru Geyer Adv.; W. T. Young Foods Inc., Lexington, Ky. (Big Top peanut butter), thru Rutledge & Lilienfeld, St. Louis; Bostwick Lab Inc., Bridgeport, Conn. (Hep Aerosol insect killer), thru Ovesey, Berlow & Strauss, N. Y.; Continental Baking Co. (Daffodil Farm bread), thru Ted Bates; Endicott-Johnson Corp., Endicott, N. Y. (Johnsonian men's shoes), thru Charles L. Rumrill & Co., Rochester; Mangels, Herold Co., Baltimore (King syrup), thru Buddemeier Co., Baltimore; Dusorb Co., Shenandoah, Ia. (Dusorb cleaner), thru Ayres & Assoc., Lincoln, Neb.; Griffin Grocery Co., Muskegoe (Griffin's coffee & tea), thru R. J. Potts-Calkins & Holden, Kansas City; Sunnyvale Packing Co., Sunnyvale, Cal. (Aunt Penny's White Sauce), thru Young & Rubicam, San Francisco; L. Sonneborn Sons, N. Y. (Amalie oil), thru Humbert & Jones, N. Y.; Brown Shoe Co., Robin Hood div., St. Louis, thru Leo Burnett Co., Chicago; Maryland Pharmaceutical Co., Baltimore (Rem cough medicine), thru Joseph Katz Co., Baltimore; Peter Hand Brewing Co., Chicago, thru BBDO; Wyler & Co., Chicago (packaged soups), thru Schwimmer & Scott, Chicago; Fradelis Frozen Food Corp., Los Angeles, thru Mogge Privett Inc., Los Angeles.

CBS-TV's "Six Plan," announced this week, gives advertisers a 25% volume discount for each 6 announcements a week in time classifications other than AA or A on any of its 4 owned stations (WCBS-TV, WBBM-TV, WXIX, KNXT). First advertisers to use plan are Florida Citrus Commission, thru Benton & Bowles, and Toni Co., thru Weiss & Geller, Chicago.

Chicago's radio WMAQ (NBC-owned) to use special closed-circuit telecast at noon Aug. 17 for sales presentation to key agencies & prospective clients in Chicago & N. Y. on its round-the-clock program schedule. Kine will be made and will be available for subsequent use by agency & client representatives in other cities.

Network Accounts: NBC-TV will cancel one regularly-scheduled commercial program per month in prime evening time starting this fall in order to present series of hour-long filmed public affairs programs depicting outstanding events of recent history. Network says new series, to be presented monthly at irregular times, is open to commercial sponsorship, but will go on sustaining if necessary. Cost of each show is estimated at about \$125,000. First will be *Nightmare in Red*, depicting rise of Communism, tentatively scheduled Thu. Nov. 3, 8-9 p.m. Other films include *Rise and Fall of a Dictator*, story of Adolf Hitler; *The Jazz Age*, covering period from end of World War I to Wall St. crash in 1929; *Rebirth of Freedom*, story about Austria pegged to reopening of Vienna State Opera in Nov.; repeat of prize-winning *Three, Two, One—Zero*, documentary on atomic energy. Henry Salomon, who produced *Victory at Sea*, heads project . . . General Motors buys Tue. 10:30-11 p.m. time period on CBS-TV relinquished by Alcoa, for undisclosed program, thru Kudner . . . Procter & Gamble to sponsor *It's Always Jan* on CBS-TV starting Sept. 10, Sat. 9:30-10 p.m., thru Compton Adv. . . General Foods (Post cereals) to sponsor *Fury*, new TPA film series derived from classic "Black Beauty," on NBC-TV starting Oct. 15, Sat. 11-11:30 a.m., thru Benton & Bowles . . . Chesterfields to sponsor TV version of its CBS Radio series, *Gunsmoke*, on CBS-TV starting Sept. 10, Sat. 10-10:30 p.m., thru Cunningham & Walsh . . . Revlon to sponsor its highly-popular *\$64,000 Question* on CBS Radio as well, simulcasts to start in fall . . . General Mills to sponsor *Tales of the Texas Rangers* on CBS-TV starting Sept. 3, Sat. 11:30-noon, thru Tatham-Laird, Chicago . . . Old Golds to sponsor *Truth or Consequences* on NBC-TV starting Aug. 16, Tue. 10-10:30 p.m., moving to Fri. 8-8:30 p.m. starting Sept. 30, thru Lennen & Newell . . . Swift & Co. to sponsor *White Mane* as replacement for *Horace Heidt Show* on NBC-TV starting in fall, Sat. 7:30-8 p.m., thru J. Walter Thompson . . . S.O.S. Cleanser & Mattel Inc. (toys) to share Wed. 5:30-5:45 p.m. segment weekly on *Mickey Mouse Club* on ABC-TV starting in fall, Mon.-thru-Fri. 5-6 p.m., thru McCann-Erickson . . . Chrysler buys half of Canadian football schedule on CBC-TV this fall, thru BBDO . . . Arlene Francis to conduct new interview program, *The World at Home*, on NBC-TV starting Aug. 22, Mon.-thru-Fri. 10:45-11 a.m., immediately preceding her *Home* show.

NBC-TV released results of survey, conducted for it by Psychological Corp., showing that housewives ranked Arlene Francis' *Home* (Mon.-thru-Fri. 11 a.m.-noon) second only to the magazine *Better Homes & Gardens* as a source of homemaking information. Nationwide study of 5000 women, titled "Home on the Brain," showed they ranked information sources in this order: *Better Homes & Gardens*, *Home*, *Good Housekeeping*, *Ladies' Home Journal*, *McCall's*, *Woman's Home Companion*, *American Home*, *Arthur Godfrey Time* (CBS-TV), *The Big Payoff* (NBC-TV), *Woman's Day*. NBC research & planning director Hugh M. Beville Jr. said results were especially gratifying as *Home* had been on air less than year when survey was conducted in Feb.

WDSM-TV, Duluth-Superior (Ch. 6), controlled by Ridder publishing interests, who also control WCCO-TV, Minneapolis (Ch. 4), will switch basic affiliation from CBS to NBC "in the near future," according to Harry Bannister, NBC station relations v.p. Present NBC affiliate, KDAL-TV (Ch. 3), will join CBS. WDSM-TV contract with CBS-TV runs to Jan. 31, 1956. Minneapolis station presumably remains with CBS, which once owned 47% interest that was purchased last year for \$3,950,000 by Cowles' Minneapolis Star & Tribune Co. (Vol. 10:45).

Telecasting Notes: Movie majors' entry into TV drew bitter blast this week from chairman Frederick W. Ziv of leading TV film producer-syndicator Ziv Television Programs Inc.—in marked contrast to the “sweetness & light” with which other TV film outfits have “welcomed” the movie moguls into TV. “The production of TV film,” said Ziv, “can only be a by-product activity of these great theatrical motion picture producers—by-product loaded with free advertising for their movies at the expense of sponsors and TV stations” . . . “Who are these men,” asked Ziv, “who now talk of embracing this exciting new medium which has already learned to make most effective use of their basic product—film—without their help? They are the men who a few short years ago were consumed with fear and confusion as they sought to meet the competitive challenge when TV's home audience impact began to be felt at their theatre boxoffices. What new ideas emerged from their crisis? Meet the decreasing boxoffice grosses with lower and lower budgets. Depreciate quality to get costs down. Reduce staff” . . . Movie industry's recovery, Ziv said, came only with the realization that top quality product was the answer, using “budgets running into the millions; with boxoffice star names, writers and directors. Yet these are not the stars, writers and directors they plan to use in their TV programs. These people must be reserved for feature picture production” . . . Ziv will spend \$650,000 this year for advertising, promotion, research & merchandising, 37% increase over last year . . . Network interest in feature films (Vol. 11:32) intensified by availability of General Teleradio's RKO backlog; all 3 networks reported bidding for some of the oldies. Teleradio says its first RKO features will be released to TV “within the next few months” . . . Out to acquire still more films, General Teleradio is negotiating for huge library of J. Arthur Rank's British short subjects, including 30-40 color cartoons . . . “Million Peso Movie”: Teleradio's 26-film Bank of America package now in foreign syndication—Goar Mestre's CMQ, Havana, acquiring rights for Cuba

Television Bureau of Advertising hit back this week at claims of Hearst Advertising Service that 174 advertisers have dropped out of network TV since 1953. Gordon A. Hellman, TvB station relations director, commented to us that as long as the grand total of network advertisers showed increase each year, TV industry would stand on its record. Quoting PIB figures, he said network TV had 52 advertisers in first quarter of 1949, 102 in first quarter of 1950, 169 in 1951, 177 in 1952, 168 in 1953, 214 in 1954 & 236 in first quarter of 1955. The Hearst compilation, as published with gleeful editorial comment in Aug. 6 *Editor & Publisher*, was accompanied by some biting comments from Hearst research director Frank LaRose, who said: “These advertisers tried TV to the tune of \$42,676,117 in time costs alone. A conservative estimate of 80% of time costs for talent and production would boost this investment to a whopping \$76,817,000—an investment which apparently was a faulty one, one without satisfactory return . . . We have shown in previous *TV Facts* bulletins [published by Hearst] that TV is not the perfect infallible medium; that it does not deliver a captive audience; and that many advertisers have tried TV and found it wanting . . . TV guarantees nothing per se. TV is possibly the most speculative medium in the advertising world.” Note: Hearst interests own WBAL-TV, Baltimore & WISN-TV, Milwaukee.

Prodigious volume: *Radio-Television Daily's* 188-p. “Shows” edition Aug. 10, listing some 1800 TV-radio program ideas with guide to producers-distributors. There's also symposium on TV programming by agency topkicks, a survey of telecasters ideas, with summaries of shows reported by various stations.

and Puerto Rico . . . First sale of ABC Film Syndication's 15 J. Arthur Rank films (Vol. 11:31) was to New York's WCBS-TV, which reportedly outbid WOR-TV & WPIX with offer of \$100,000 for unlimited runs over 3 years, beginning in Nov. . . . **Ambitious TV film project:** Independent movie producer Joseph Kaufman has acquired world TV rights to 104 top French plays of all time from Societe des Auteurs et Compositeurs Dramatiques, says he'll produce at least 26 color film shows per year, 60 & 90-min. in length, shooting in Paris, New York & Hollywood, first group to be ready for distribution by winter. He plans to produce all 104 in 4 years . . . Eddie Cantor seeking release from his contract with Ziv which provides for 39 more half-hour films besides 39 already completed; though he owns 50% of his Ziv TV & radio shows, he says the activity is “just too much for me” . . . “The announcer, once thought of as the lowest of the low in broadcasting,” writes Leon Morse in Aug. 13 *Billboard*, “has risen to a position of eminence and financial security in TV second only to the top stars. In most cases, top video announcers make more money than most of the men who employ them”; “the class group” among announcers grosses \$150,000-\$200,000 a year, and “the day is not far away when they will be earning \$250,000 each year.” In top category are Rex Marshall, Nelson Case, Bob Dixon, Ed Herlihy, Dick Stark. Betty Furness' income from her Westinghouse shows is estimated at \$100,000 yearly . . . First spectacular to spawn a hit song may be NBC-TV's upcoming *The King & Mrs. Candle* Aug. 22; RCA released recordings considerably in advance of the show, and one song, *Young Ideas*, is getting heavy play by disc jockeys . . . Irving Mansfield, producer of *This Is Show Business* and *Jane Froman Show*, among others, has returned to CBS-TV as a producer . . . NBC Hollywood staff orchestra increased from 25 to 45, will be used on transcontinental shows for first time; new salary scale hikes musicians from \$145.48 to \$200.76 per 4-hour, 5-day work week, from \$145.48 to \$242 for 5-hour, 5-day week.

Network radio in transition: NBC topkicks are considering plan to adapt format of commercially successful weekend radio series *Monitor* to weekdays 10 a.m.-5 p.m. Decision won't be reached until fall, when it will be submitted to affiliates, but there's lots of sentiment for give-weekday radio the same commercial shot in arm that the segmented *Monitor*, with its partic. sponsors, gives weekend radio. Possibility is that a modification, with perhaps 2 hours a day of *Monitor*-type programs as a start, might be worked out by fall. Meanwhile, ABC Radio comes up with its own weekend radio service. Called *It's Time*, program will comprise 18 five-min. dramatic news programs each weekend, to be produced by *Time Magazine* & ABC Radio starting Aug. 20. ABC said “the new program will deal only rarely with top headline news but will often provide background anecdotes on major news stories and personalities.”

“Formula” for ending week-long strike by Screen Actors Guild against TV film producers (Vol. 11:32) was announced jointly Aug. 12 by SAG and employer groups, Assn. of Motion Picture Producers and Alliance of TV Film Producers. Terms of settlement weren't disclosed, pending approval by producers' boards and SAG membership, but it was generally agreed that producers had yielded to a certain extent to actors' demands for extra payments for each re-run of film, plus increase in salary minimums. About 200 producers were closed down by strike.

NBC pres. Sylvester L. (Pat) Weaver Jr. appears on *Home* Aug. 19 (11 a.m.-noon) to discuss fall program schedule, especially new dramatic series, *NBC Matinee Theatre*, Mon.-thru-Fri. 3-4 p.m. (formerly *Matinee*).

Personal Notes: Charles L. Glett, who quit as CBS v.p. to take charge of RKO studio operation after sale to General Teleradio, elected exec. v.p. of the producing company as well as board member under pres. Daniel T. O'Shea, who also resigned as CBS v.p. recently . . . Emanuel Sacks, RCA corporate v.p., and Albert S. Waters, v.p. & operations mgr., RCA International, left Sept. 11 on business tour of Europe . . . Glenn Marshall Jr., pres. and gen. mgr. of WMBR-TV & WMBR, Jacksonville, elected a director of Washington Post Co., parent company . . . Fred N. Dodge, ex-NBC merchandising director, opens own market consultant office, 115 Central Park West, N. Y. (Trafalgar 4-1907) . . . Albert G. Hartigan promoted to program mgr. of WPIX, N. Y. . . Arthur C. Schofield, Storer director of adv. & promotion, transferred from N. Y. office to Miami Beach headquarters; Mrs. Vonne Monsell, editor of *Storer Story*, house organ, also transferred to Miami Beach . . . George Diefenderfer Jr. has been named director of national sales service, WISH-TV & WISH, Indianapolis, and not sales mgr., as erroneously reported last week; Robert F. Ohleyer is stations' sales mgr. . . Morris Novik, consultant specializing in labor radio problems, elected pres. of radio WOV, N. Y., whose controlling interest he recently purchased from Richard O'Dea; Ralph N. Weil re-elected exec. v.p., Arnold Hartley program v.p. . . Larry Stevens resigns as local sales mgr., KGMB-TV, Honolulu, to open own ad agency at 835 Keeamoku St. . . Newell T. Schwin named sales development mgr., CBS Radio spot sales . . . Tom Myers promoted to program mgr., KPTV, Portland, Ore. . . Frank A. Tessin, ex-Headley-Reed, joins San Francisco office of rep Free & Peters . . . Clifford M. Kirtland Jr. named business mgr., WGR-TV & WGR, Buffalo . . . Roger D. Rice named Seattle mgr., Wm. Rambo Tacoma mgr. of KTVW, Tacoma . . . Tom P. Hawley, ex-CBS & WATV, Newark, named sales mgr. of Princeton Film Center Inc., headquartering in N. Y. . . Walter L. Dennis, ex-gen. mgr. of WJNO-TV, Palm Beach, named sales director of management consultants Telerad Inc., Pueblo, Colo. . . H. Quenton Cox, KQFM, Portland, Ore., named chairman of NARTB's FM committee, succeeding Ben Strouse, WWDC-FM, Washington . . . Jon E. Arden named merchandising director, WTVJ, Miami . . . Myron P. Kirk, TV-radio v.p., elected a senior v.p. of Kudner Agency . . . Dr. Gerhart D. Wiebe, CBS Radio research psychologist since 1946, named asst. to Frank Stanton, pres. of CBS Inc. . . Robt. Grebe, ex-MBS, named ABC trade news editor, succeeding Al Seton, now asst. mgr. of publicity . . . Stuart Novins relinquishes duties as CBS associate director of public affairs to become moderator of *Face the Nation* on TV and *The Leading Question* on radio.

Week's junket to England to see how *The Adventures of Robin Hood* series is produced has invitation list of 66 editors from as many newspapers in as many cities where the CBS-TV & CBC-TV show will be carried starting Sept. 19 under co-sponsorship of Wildroot (BBDO) and Johnson & Johnson (Young & Rubicam). They leave on chartered plane Aug. 30, headquartering at London's new American-owned Westbury Hotel. Sapphire Films Ltd. is shooting the series at Nettlefold Studios, Walton-on-Thames, with Official Films as U. S. distributor. Sapphire is controlled by Prince Litler, a principal in Incorporated TV Programs Co. Ltd., London.

George Frey, NBC-TV sales v.p. and one of the industry's top golfers, scored a 32 on back 9 of Greenbrier course during recent drug convention there, beating score of Sam Snead, who was in foursome just ahead and carded 33—on his own course. Frey's score for the 18 holes was 67.

George Angus Burns, 58, editor of CBC house organ *Radio* and an ex-CBC news editor, died in Ottawa Aug. 7.

SUCCESS of the Storer, Consolidated (Bitner) and Gross stock issues has led to organization of Dolph-Petty Broadcasting Co. as "a vehicle for acquisition of radio and TV stations and application of management in such a manner as to increase their value after which they may be sold or traded for other stations with greater potentials."

Public offering of stock & debentures is due shortly after Labor Day, through Cruttenden & Co. and Saunders, Stiver & Co. They will underwrite sale of \$300,000 in twelve-year 6% debentures together with 30,000 shares of 10¢ par common stock to be sold as units, each unit consisting of a \$1000 bond and 100 shares of common, to be sold at \$1000 per unit. After expenses and underwriting discounts, net proceeds to the company would be about \$266,000.

In addition, \$127,500 of 5½% preferred stock (\$100 par), 12,750 shares of common stock and \$19,125 cash will be exchanged for 42½% of the common stock of Pacific Frontier Bestg. Co., Honolulu, owner of KULA-TV (Ch. 4) and radio KULA. Also, 95,500 shares of Class B common will be sold for cash at 10¢ per share, of which 70,000 will go to directors William Dolph and Herbert Petty, 8500 shares each to the 2 underwriters, 8500 also to Reynolds & Co., which will also be represented on the board.

Besides acquiring the interest in the Honolulu stations, whose holding company is 40% owned by KJBS, San Francisco, in which Dolph & Petty have one-third interest, and 42% by American Broadcasting Stations Inc. (WMT-TV & WMT, Cedar Rapids, Ia.), of which Dolph is pres. and 29% stockholder), company also will acquire radio KMYR, Denver (250 watts, 1420 kc, holding CP for 5 kw, 710 kc) for which \$155,000 purchase contract has been signed.

Honolulu company's net worth was \$97,733 at end of 1954, earned profit of \$35,328 after taxes and depreciation in 1953; in April 1954 its TV station began operating, showing loss in first 6 months of \$41,111. In Jan. 1955 the TV lost \$16,000, but by May showed profit of \$1000 after depreciation at rate of \$5000 a month; Dolph & Petty, according to preliminary prospectus, believe the station can be expected to show a net profit of about \$100,000 a year after taxes "within a reasonable period of time." They also expect to sell KULA eventually.

KMYR would be operated as a "sweet music station" along lines of KJBS, San Francisco (average earnings: \$180,000 a year for last 10 years) with Alfred V. Crapsey, ex-KOA, Denver, recently with NBC, San Francisco, as mgr. KMYR lost \$11,374 in 1954, earned \$4409 in 1953, earned \$14,641 in 1952. With expenses of present ownership removed—amounting to \$32,000 in 1954, \$48,000 in 1953, \$41,000 in 1952—prospectus says these earnings can be built up to approximately \$100,000 per year before taxes or \$50,000 after taxes.

Dolph started in radio as mgr. of WOL, Washington, which was later swapped for WMT, Cedar Rapids; he developed the radio program *Double or Nothing*, has agented other programs, is still agent for Fulton Lewis Jr. Petty, his brother-in-law, was original secy. in 1934 of the Federal Communications Commission, later was radio director for MGM, managing its WHN, New York (now WMGM). In 1944, Dolph & Petty formed syndicate to buy KJBS; in 1941 they bought into WEMP, Milwaukee.

Executives Radio-TV Service, Larchmont, N. Y. (James M. Boerst) has published new edition of its semi-annual *Time Buyers Register*, listing more than 2000 of them and 6000 accounts.

FARM TV SET counts for Colorado and Minnesota were tabulated this week by Census Bureau as part of its Oct.-Nov. 1954 Census of Agriculture. Based on 20% sample, Minnesota was shown to have TVs on 55,045 of its 165,225 farms, or one-third. In Colorado, 11,101 of 40,749 farms—or slightly over 27%—are TV-equipped. Minnesota has stations in Minneapolis-St. Paul, Austin, Rochester & Duluth-Superior, also views out-of-state TV stations from Fargo, N. D., and Sioux, S. D. Colorado's stations are in Denver, Colorado Springs, Pueblo & Grand Junction, with Cheyenne, Wyo. also receivable across border.

COLORADO

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	1,286	843	La Plata	833	24
Alamosa	398	19	Larimer	1,521	913
Arapahoe	674	390	Las Animas	818	49
Archuleta	225	1	Lincoln	656	160
Baca	934	41	Logan	1,327	206
Bent	575	66	Mesa	2,443	414
Boulder	990	625	Mineral	20	—
Chaffee	199	34	Moffat	329	1
Cheyenne	434	16	Montezuma	941	20
Clear Creek	14	6	Montrose	1,316	90
Conejos	732	53	Morgan	1,370	745
Costilla	380	12	Otero	955	293
Crowley	442	155	Ouray	118	1
Custer	171	33	Park	159	12
Delta	1,416	94	Phillips	560	35
Denver	107	66	Pitkin	82	—
Dolores	203	—	Prowers	904	21
Douglas	350	152	Pueblo	1,037	564
Eagle	179	3	Rio Blanco	228	—
Elbert	733	300	Rio Grande	534	—
El Paso	897	328	Routt	531	13
Fremont	883	245	Saguache	302	9
Garfield	677	7	San Juan	0	—
Gilpin	17	7	San Miguel	112	10
Grand	191	20	Sedgwick	417	16
Gunnison	221	—	Summit	36	1
Hinsdale	40	—	Teller	95	11
Huerfano	353	34	Washington	1,162	262
Jackson	112	18	Weld	4,087	2,773
Jefferson	1,171	752	Yuma	1,307	63
Kiowa	443	57			
Kit Carson	1,085	16			
Lake	17	2			
			State Total	40,749	11,101

MINNESOTA

Aitkin	1,805	332	Martin	2,504	856
Anoka	1,194	783	Meeker	2,263	1,131
Becker	2,613	453	Millie Lacs	1,725	678
Beltrami	1,676	80	Morrison	2,845	558
Benton	1,395	461	Mower	2,585	1,249
Big Stone	983	91	Murray	2,003	451
Blue Earth	2,784	1,552	Nicolet	1,483	786
Brown	1,976	844	Nobles	2,206	667
Carlton	1,630	610	Norman	1,711	585
Carver	1,875	1,156	Olmsted	2,264	958
Cass	1,487	176	Otter Tail	5,894	931
Chippewa	1,629	326	Pennington	1,152	56
Chisago	1,618	965	Pine	2,452	792
Clay	1,938	979	Pipestone	1,307	414
Clearwater	1,305	46	Poik	3,660	554
Cook	34	—	Pope	1,731	282
Cottonwood	1,959	536	Ramsey	454	390
Crow Wing	1,283	245	Red Lake	851	65
Dakota	1,839	1,427	Redwood	2,597	840
Dodge	1,691	996	Renville	3,040	1,285
Douglas	2,283	300	Rice	2,197	1,365
Faribault	2,388	863	Rock	1,494	617
Fillmore	2,779	854	Roseau	2,132	53
Freeborn	2,910	1,300	St. Louis	3,568	900
Goodhue	2,698	1,491	Scott	1,471	991
Grant	1,286	146	Sherburne	1,009	548
Hennepin	2,534	1,793	Sibley	2,142	1,250
Houston	1,619	220	Stearns	4,308	1,442
Hubbard	1,095	60	Steele	1,837	987
Isanti	1,470	721	Stevens	1,233	110
Itasca	1,714	165	Swift	1,723	366
Jackson	2,254	516	Todd	3,293	505
Kanabec	1,381	661	Traverse	1,012	149
Kandiyohi	2,540	866	Wabasha	1,545	651
Kittson	1,290	42	Wadena	1,333	140
Koochiching	903	30	Waseca	1,625	784
Lac qui Parle	1,970	281	Washington	1,514	1,070
Lake	152	46	Watsonwan	1,421	503
Lake of the Woods	632	5	Wilkin	1,183	477
Le Sueur	1,863	1,095	Winona	1,787	520
Lincoln	1,514	197	Wright	3,177	1,910
Lyon	1,911	373	Yellow		
McLeod	2,299	1,317	Medicine	2,103	374
Mahnomen	850	175			
Marshall	2,382	230	State Total	165,225	55,045

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32).

ORLANDO'S Ch. 9 should go to WORZ, over WLOF, examiner Basil P. Cooper recommended in week's sole initial decision. He found that WORZ had better local ownership-management integration, superior broadcast history, more adequate technical facilities. In addition, he held that principals of WLOF sought to deceive FCC in connection with a letter calling Commission's attention to disbarment proceedings against onetime WORZ principal Wm. O. Murrell Sr.

Favored applicant is controlled by Naomi Murrell, her son, daughter & son-in-law. WLOF is controlled by Joseph L. Brechner and John W. Kluge, principals of WGAY, Silver Spring, Md. Kluge is also majority owner of AMs KXLW, Clayton, Mo.; WILY, Pittsburgh; WKDA, Nashville. He's selling WTRX, Bellaire, O.

Seeking to forestall shutting down WVET-TV & WHEC-TV, Rochester, N. Y., FCC asked Court of Appeals for "stay of mandate" pending consideration of appeal to Supreme Court. Court of Appeals decision on protest of WSAY, Rochester (Vol. 11:31) forces FCC to take stations off air unless court grants stay.

In allocations, WLBE, Leesburg, Fla. asks shift of Ch. 7 from Jacksonville, while Video Independent Theatres, Oklahoma City, seeks to get Ch. 8 moved from Woodward to Elk City, Okla., substituting Ch. 35 for it.

Also related to allocations, Richmond's WTVR asked FCC to issue cease-&-desist order to stop WXEX-TV, Petersburg, from identifying itself primarily with Richmond.

Power hikes for 18 stations in Zone I, permitted by new rules effective Aug. 31 (Vol. 11:30), will take varying degrees of time to accomplish. Some involve only a few kw, will require little more than twist of knobs after FCC approval. Others may require new transmitters and/or antennas. Consulting engineer Dr. Frank Kear, coordinating New York's 7 stations for Empire State Bldg. management, estimates it will take up to 2 years for some to achieve increases. CBS & NBC have additional problems because their purchases of WGTH-TV, Hartford (Ch. 18) and WKNB-TV, New Britain (Ch. 30), respectively, are already being challenged because of alleged overlap with N. Y. stations. Some stations aren't in any hurry to increase power, feeling that additional coverage is insufficient to warrant equipment expenditures.

Arguing community antennas vs. boosters, Jerrold pres. Milton Shapp wrote Senate Commerce Committee Chairman Magnuson (D-Wash.) and FCC Chairman McConaughy, comparing the 2 methods. Magnuson has been pressuring FCC to legalize clandestine boosters still operating in Washington and neighboring states (Vol. 11:24). CATV systems, Shapp said, offer superior pictures, choice of programs, present no interference problems. Some \$4,000,000 is invested in CATV in Northwest, he stated. He added that booster operators are seeking to mislead Commission as to cost of boosters; they run \$5-\$25,000 per channel, he said, as against \$1000 claimed by booster proponents.

Very low-powered vhf co-channel boosters are sufficient to serve small towns, KXLV-TV, Butte, Mont. (Ch. 6) told FCC this week. Reporting results of experiments in Anaconda, owner E. B. Craney stated that booster is "adequate to re-direct and boost a fully usable TV signal from a favorable location to an entire town the size of Anaconda, i.e., 12,000 population, located in an unfavorable location." Equipment used: two T372 transformers, one Jerrold 401A-6 pre-amplifier with 404P remote power supply, one Ampli-Vision AGC 300-6 amplifier with regulated power supply, 250 ft. of RG57U cable.

Licensed TV sets in Britain increased 52,505 in June to total of 4,676,422.

FT. WORTH & RICHMOND areas got their second vhf stations this week, and vhf satellite began testing in Scottsbluff, Neb.—bringing to 441 the on-air total, 106 of them uhf. New Petersburg-Richmond outlet becomes basic NBC; one in Ft. Worth will be independent.

WXEX-TV (Ch. 8), authorized for Petersburg, Va., but with offices in nearby Richmond, started test patterns at midnight Aug. 11, goes on full schedule with NBC interconnection Aug. 15. It has 50-kw RCA transmitter, 978-ft. Stainless tower at site about 12 mi. south of Richmond. President is Tom Tinsley Jr., who operates radios WLEE, Richmond & WITH, Baltimore, holding CP for WITH-TV (Ch. 72). Irving Abeloff, from WLEE, is v.p., managing director & national sales mgr.; George Oliviere, ex-WTAR-TV, Norfolk, local sales mgr.; Charles E. Seward, ex-WBTW, Charlotte, operations mgr.; James L. Dodd Jr., ex-WLWA, Atlanta, program director; John Costello, ex-DuMont, NBC & WPIX, chief engineer. Base rate is \$750. Rep is Forjoe.

New Ft. Worth station is KFJZ-TV (Ch. 11), which started testing Aug. 9, goes on commercial schedule Sept. 11. According to v.p.-gen. mgr. Charles B. Jordan, \$750,000 in local business is already on the books and \$1,000,000 expected by commercial target date. Veteran broadcaster Jordan, ex-aide to grantee Texas State Network's pres. Gene L. Cagle, has been succeeded at TSN by Stan H. Wilson, will devote full time to TV.

KFJZ-TV uses 20-kw GE transmitter with 12-bay antenna on 1074-ft. tower, is radiating 210-kw ERP. Executive staff comprises Dale Drake, from radio KFJZ, national sales mgr.; John Hopkins, also ex-KFJZ, commercial mgr.; Buck Long, ex-KFDA-TV, Amarillo, onetime WFAA-TV, Dallas, program & operations mgr.; Joseph B. Haigh, chief engineer. Base rate is \$600. Rep is H-R Television Inc. Same interests (noted oilman Sid W. Richardson is 62% owner of TSN) also operate KFDA-TV, Amarillo (Ch. 10) and have various radio station interests.

Third newcomer is long-delayed KSTF, Scottsbluff, Neb. (Ch. 10) which ends current test patterns with programming starting Aug. 21 as satellite of KFBC-TV, Cheyenne, Wyo. (Ch. 5). It has 2-kw RCA transmitter, 6-bay antenna on 120-ft. tower on Abrupt Peak, 10 mi. north of Scottsbluff, 79 mi. northeast of Cheyenne. It's second such satellite to get under way, first having been KEPR-TV, Pasco, Wash. (Ch. 19), operated in conjunction with KIMA-TV, Yakima (Ch. 29). KSTF & KFBC-TV will be sold in combination at \$150 rate. Rep for both is Hollingbery.

Equipment shipments: From RCA—25-kw transmitter Aug. 10 to KARD-TV, Wichita (Ch. 3), due on air Aug. 25; 10-kw Aug. 11 to KONA, Honolulu, due to shift to Ch. 2 from Ch. 11; 1-kw Aug. 6 to WCOV-TV, Montgomery, Ala. (Ch. 20) to replace equipment damaged by fire last week (Vol. 11:32). From GE—5-bay antenna to WCTV, Thomasville, Ga. (Ch. 6), with Sept. 1 target. From DuMont—50-kw amplifier to KDUB-TV, Lubbock, Tex. (Ch. 13). DuMont reports order from WITI-TV, Milwaukee (Ch. 6), due on air next winter, for 25-kw transmitter, 6-bay antenna, studio terminal and complete color equipment, for delivery by Sept. 1; also, order from WTVD, Durham, N. C. (Ch. 11) for 50-kw amplifier, delivery by Aug. 15.

WNAO-TV, Raleigh, N. C. (Ch. 28) now completing new large modern TV-radio center at 2128 Western Blvd., which includes studio seating nearly 1000. It plans to install live color equipment late this fall.

In our continuing survey of upcoming stations, these are latest reports from principals:

WAGE-TV, Marquette, Mich. (Ch. 6) is aiming for Dec. 1 start, reports new owner Frank J. Russell, publisher of *Marquette Mining Journal* (WDMJ), which recently acquired CP for \$20,000 from Jerome Sill & Herbert R. Herzberg (Vol. 11:31). RCA equipment has been ordered for delivery in 90 days. Microwave connection with WBAY-TV, Green Bay, Wis. CBS affiliate, is proposed—stations to be sold in combination, but WAGE-TV won't be a satellite, according to Russell. Bids are now out for buildings, including microwave houses. Rep will be Weed.

WITI-TV, Glendale, Wis. (Ch. 6), planned as Milwaukee area outlet, hopes to be on air by next Feb. 1, reports pres. Jack Kahn. DuMont transmitter and 963-ft. Kimco tower have been ordered. Architects are now working on building plans and bids will be asked in about two weeks. Soren Munkhof, ex-WISN-TV, Milwaukee, WREX-TV, Rockford, Ill. & WOW-TV, Omaha, has been named gen. mgr., with Milwaukee engineering consultant Daniel Gellerup as chief engineer. H-R Television will be rep.

WITN, Washington, N. C. (Ch. 7) had 350-ft. of 821-ft. Stainless tower built when hurricane Connie stopped work, reports pres.-gen. mgr. W. R. Roberson Jr. However, construction is far enough along so that station plans Sept. 1 test patterns, expects to meet Sept. 26 target for NBC affiliation. Nearest other TV is WNCT, Greenville (Ch. 9), 18-mi. away, other outlets are 90 or more mi. Transmitter house near Grifton is ready for 20-kw GE unit due next week and Alford 100-ft. antenna also is en route. This week, Roberson family filed application to take over control (see below). WITN ownership interlocks with local radio WRRF and WELS, Kinston, N. C. T. H. Patterson, WRRF gen. mgr., is being promoted to commercial mgr. of WITN; radio's chief engineer, L. E. Hiland will be WITN chief engineer; Hal Wilson, production mgr. Base hour will be \$325. Rep will be Headley-Reed.

KRBB, El Dorado, Ark. (Ch. 10) plans fall start, having signed NBC affiliation, reports 1/3 owner-gen. mgr. Wm. M. Bigley. It has transmitter house ready for installation of 5-kw RCA unit purchased from Terre Haute's WTHI-TV (Ch. 10), already has installed 6-bay RCA antenna on 600-ft. Skyline tower, 5 mi. south of town. KRBB owners control radio KVMA, Magnolia, Ark., have appointed Carroll Blewster chief engineer for TV. El Dorado is near southern border, over 100 mi. from Little Rock, nearest TV stations being KNOE-TV, Monroe, La. (Ch. 8), 59-mi., and KSLA, Shreveport (Ch. 12), 81 mi. Base hour will be \$200. Rep will be Pearson.

Control of upcoming WITN, Washington, N. C. (Ch. 7), due in Sept., is being acquired by W. R. Roberson family through purchase of 12,184 shares held by W. H. Anderson and R. M. Fountain (25.38% each). Each is being paid \$60,920 plus \$5,000 for expenses. Anderson controls WVOT, Wilson, N. C., has 20% of WGTC, Greenville. Fountain owns 37% of WCPS, Tarboro, N. C. After sale is approved, W. R. Roberson Sr. will hold 11.72%; W. R. Roberson Jr., 17.45%; J. P. Roberson, 15.84%; Hannah R. Bagwell (daughter), 15.84%—to bring family holdings to 67.82%, when minority interests by other family members are included. Also increasing holdings (from 17% to 25.31%) is Wm. S. Page (not related), who also controls radio WELS, Kinston, N. C.

Slowly catching up, Govt. Printing Office now offers Vol. 13 of FCC Reports covering Commission decisions and reports July 1, 1948-June 30, 1949. It's 1329-p., costs \$4.25. Vol. 12 came out Feb. 1951.

JULY'S OOMPH ACCELERATES INTO AUGUST: Though it's been characterized as a "deal" market, in which liquidations and close-out sales abound, current TV unit sales pace is astonishingly high. Official Aug. sales data is not yet available, but almost all manufacturers report a sales upbeat continuing into this month which indicates that fall buying by consumers has already begun in earnest.

July was an extremely good month in unit sales, perhaps best July in TV's history. Preliminary reports indicate the amazing total of about 400,000 TVs sold at retail in a month which normally sees retail sales at their lowest point. That means retail sales were at a going rate of 7,500,000 a year, adjusted for seasonal differences. Last year's 7,300,000 retail sales set a record.

Sharp production cutbacks accompanied high retail sales, largely as result of plant shutdowns. TV output was estimated at mere 335,000, lowest of year, and happy result was that excessive inventories were worked off smoothly. As of Aug. 1, inventories were down to 2,400,000 at all levels, characterized by one trade expert as "higher than a year ago but not too high in proportion to going rate of sales."

* * * *

Emerson and Trav-Ler raised TV prices by \$10 this week, joining Admiral in announcing increases -- and there seems little doubt now there will be industry-wide price hikes by fall. Increased costs appear to make it imperative for manufacturers to raise prices, though competitive factors might make it difficult in some cases.

"Metal components, especially those made of copper and steel, have increased as much as 10% to 20% in recent days," explained Emerson's Benj. Abrams. And this week American Metal Co. Ltd. raised price of selenium to domestic consumers from \$7 to \$10 per pound as result of higher prices being paid overseas, as well as because of stronger demand here and in Europe. The shortage of selenium rectifiers is already starting to pinch many TV manufacturers (Vol. 11:31-32).

Prospect of early end to copper strike, which has contributed greatly to the rise in cost of components, brightened with agreement Aug. 12 between Kennecott Copper Corp., one of the biggest producers, and 8 unions. The Kennecott strike alone was estimated to have cut off about 130,000,000 lbs., or one-third of the domestic copper supply, since strike began July 1.

Brief highlights of other major trade developments this week:

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Regional TV Lines? Idea of designing some TV sets for exclusive marketing in certain geographic areas is beginning to catch on. Motorola, Capehart-Farnsworth & Westinghouse have announced they're now designing and marketing special "California-style" TV sets exclusively on west coast. RCA and Admiral spokesmen say they do not plan to do so in foreseeable future; former says "we have a TV line with universal appeal," latter says Admiral had a few "California-style" models on market 2 years ago but didn't make much impression. Philco has a light-furniture line which can be adapted to any geographic area, said spokesman. The California models have cabinets designed on west coast in motif peculiar to local tastes. Westinghouse's Dan Halpin says company probably will have some "Texas-style" sets to meet demand in southwest area for local designs at some future date.

Labor: It now appears that there's no threat of guaranteed annual wage in TV industry for at least 3 years -- result of GE's settlement with IUE this week on a 5-year contract. Pact calls for average 3% wage increase, omits mention of guaranteed wage for 80-100,000 workers at GE's far flung plants. Contract cannot be re-opened for guaranteed wage talks until 1958. Since union has regarded GE as entering wedge for guaranteed wage in electronics industry, it's highly improbable it will launch another concerted drive for the clause until 1958. Meanwhile, an ad

placed by union this week in Retailing Daily, prior to signing of agreement, stirred considerable comment. It showed picture of an appliance deliveryman taking TV set away from disconsolate family with headline: "No More Howdy Doody for Johnny," -- explaining "This TV set got laid off because his dad doesn't have guaranteed employment." According to IUE pres. James B. Carey, ad was one of series intended to show that guaranteed wage would be "good for the workers, good for the company and good for the community, including thousands of appliance dealers."

Profit Picture: Wall Street Journal reports, as typical of American industry, that 4 selected TV-radio companies showed 19% increase in profits in second quarter over same period year ago, with 10 electrical equipment manufacturing concerns up an average 8.1%. First National City Bank of N.Y. reports profits of 24 electrical equipment makers, including TV-radio, dropped average 1% in first half from same 1954 period, despite a 5% increase in second quarter. National Credit Office Inc. reports first-quarter profit of TV-radio-electronics manufacturers up average 21% over first 3 months year ago, with sales up average 4%.

Whirlpool Merger: Though it's contrary to Justice Dept. policy to comment on such matters, anti-trust chief Judge Stanley N. Barnes explained this week, in reply to query by wire services, why he approved projected merger of Whirlpool and Seeger into a single corporation to be owned about 20% each by RCA and Sears (Vol. 11:29-30). He said an extensive study proved that the transaction would have no major impact on competitors in the markets involved. He said Dept. considered, but rejected, prospect that new corporation "might develop into something like the duPont and General Motors combine in the white goods line." RCA gave assurances, he said, that it would not use its position to supply Sears with TV-radio-phonos. He concluded: "We found the RCA stove line is in poor health and that both companies [RCA & Sears] are comparatively small in this field. The move will have little impact on the 11 other major producers who certainly are strong and healthy enough to buck the competition." He said there are 1648 distributors handling white goods lines and 2250 handling either white goods or TV products.

Installment Credit: Too much or too little? There's a poser that divides govt. experts down the middle. Federal Reserve Board conferred with representatives of sales finance companies and banks on rise of consumer credit, amid recurring reports that govt. planned new restrictions. One report, authoritative but lacking confirmation, had President Eisenhower indicating he may ask Congress for new credit controls next Jan. or earlier if a special session is called. Meanwhile, General Motors Acceptance Corp., world's largest auto finance company, urged GM dealers to tighten up on "easy credit" for car buyers. On the other side of coin, another big credit firm, C.I.T. Credit Corp., said level of installment credit isn't too high, added: "American consumers have illustrated by their outstanding record of payment on installment obligations that they are excellent credit managers and make a major contribution to our vigorous economy."

Production: TV output totaled 134,959 week ended Aug. 5, compared to 113,864 preceding week & 90,072 week ended July 22. It was year's 31st week and brought TV output for year to date to about 4,385,000 vs. 3,350,000 in same 1954 period. Radio production totaled 209,689 (86,356 auto) week ended Aug. 5, compared to 203,343 in preceding week and 224,866 week before. For 31 weeks, radio production was placed at 8,000,000 vs. 6,000,000 in corresponding period year ago.

Retail Sales: RETMA report stated, as expected, that retail TV sales in first 6 months set all-time record for period at 3,202,995, compared to 2,410,893 sold in first half of 1954. Retail sales of radios, excluding auto sets, were 2,429,018, compared to 2,410,893 sold in first half of 1954.

Philco launched campaign to smash what it calls "the multi-million dollar racket in TV and radio tubes," by which "worn-out and discarded receiving tubes are being resold by unscrupulous concerns to the public, servicemen and dealers at tremendous profits." Racket is estimated to cost TV-radio users \$100,000,000 annually.

Company is offering, through its distributors, a 5¢ credit to all technicians & servicemen for each old tube turned in, and said "the old tube will be smashed in the presence of the serviceman." It said industry-wide adoption of its program would keep up to 30,000,000 old tubes a year out of the hands of racketeers.

Trade Personals: Louis Martin, ex-Standard Coil & RCA, named gen. sales mgr., Westinghouse tube div., Elmira, N. Y. . . Raymond McClintock, from Waltham headquarters, named sales mgr. of Sylvania's microwave tube lab, Mountain View, Cal. . . Edward C. Madden named Admiral director of traffic, succeeding Wm. C. Curtis, resigned; he's replaced as traffic mgr. by Thomas A. Gaudette . . . Wm. F. Hafstrom, ex-GE light military electronic equipment dept., appointed asst. to Sid Curtis, Stromberg Carlson v.p. for govt. contracts . . . Howard L. Foote named staff asst. to A. H. Bergeson, Stromberg-Carlson engineering v.p. . . Charles Robbins, ex-pres. of Emerson Chicago factory branch, named v.p. of Sonora Radio & TV Corp., Chicago, currently setting up distributor sales program . . . Ernest Kohler, ex-chief commercial engineer for GE's Ken-Rad div., ex-sales mgr. of Raytheon tube div., recently Washington rep. for Hallicrafters, now operating own sales & engineering service in Cleveland, has opened additional office at 40 Greenhouse Dr., Dayton, O., where he will headquarter . . . Donald W. Tait, ex-Raytheon, joins Bendix Aviation as supervisor of adv. & public relations for Pacific div. . . Burley T. Cram promoted to Sylvania west coast distribution service mgr., Los Angeles . . . P. Newton Cook promoted to gen. sales mgr., Chicago Standard Transformer Corp., subsidiary of Essex Wire Corp. . . Maxwell H. Sroge promoted to director of district mgr. sales, Bell & Howell (phonos), succeeding A. H. Bolt, now asst. to v.p. for western operations; Robert D. Lipson named sales promotion mgr. . . Eugene B. Lucas, ex-Jewel Radio, named eastern regional sales mgr., Wilcox-Gay Corp. & its Majestic International subsidiary . . . Noel K. Mackay, from N. Y. office, named gen. mgr. of new Webcor (Great Britain) Ltd. . . Walter J. Fitzpatrick, ex-GE, named mgr. of CBS-Hytron's So. Cal. sales district, Los Angeles; Albert J. Hatcher named tube plant mgr. at Kalamazoo, replacing Leonard A. Freeman, resigned.

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DISTRIBUTOR NOTES: Admiral appoints Southern Bearings & Parts Co. Inc., 500 N. College Ave., Charlotte (Fred N. Hall Jr., mgr.), replacing Major Appliance Distributors Inc. . . Raytheon appoints Birch Distributing Co., Columbus, O. . . Olympic Radio establishes factory branch, Olympic Television of Northern California Inc., 715 Bryant St., San Francisco (Dore Schwab Jr., gen. mgr.) . . . Philco Distributors Inc., N. Y., promotes Wallace Meyer to TV-radio sales mgr., assisted by Leonard Kanter; Irving Small promoted to major appliances sales mgr.—both reporting to gen. sales mgr. Robert Kelly . . . Admiral Denver factory branch appoints Harris Hesketh, from Los Angeles branch, as gen. mgr., succeeding Carl Lantz, now asst. to Clarence Tay, gen. mgr. of all branches; Admiral Distributors, Boston, names John R. Hodgens, from Albany branch, as gen. sales mgr.—his brother, Thomas J. Hodgens, takes extended leave of absence as gen. mgr. . . American Elite Inc., N. Y., agent for German Telefunken radios in U. S., appoints Thurow Distributors, Tampa; Mutual Distributors Inc., Boston; Gem Electronics Distributors Inc., Hicksville, L. I. . . Dorn's Inc., big 13-store Los Angeles TV-appliance chain, promotes merchandise mgr. Jack Pokard to v.p.

Recommended Reading: *Retailing Daily's* 4-article series this week on multifarious problems of distributors, based on 11-city survey.

David Kaye, 40, ex-Kaye-Halbert v.p., died Aug. 7 of heart attack. He is survived by his widow, son & 3 brothers: Harry, pres. of Kaye-Halbert; Ted, v.p. of Kaye-Halbert; Herman, ex-pres. of Caltech Electronics.

Julien M. Tuteur, 29, sales mgr. of Canadian Westinghouse TV-radio div., was killed Aug. 7 when his auto was struck by train at a crossing near Guelph, Ont.

Topics & Trends of TV Trade: Westinghouse sold more than 1000 TVs this week to new Hilton-Statler Hotel, opening in Dallas in Oct., in big single hotel-installation deal, amounting to more than \$200,000. Negotiated by gen. sales mgr. Dan D. Halpin, transaction is further evidence of the mushrooming market for TVs among nation's hotels and motels on which we reported fully last week (Vol. 11:32).

Of the sets sold, 802 are 21-in. table models in "Statler walnut," equipped with swivel base and called "Marseilles" model; 167 are 17-in. table models in custom-colored black, with gold trim, also on swivel base, called "Beverly"; 27 are 21-in. open-face consoles, in "Statler walnut," called "Turin"; 14 de luxe 21-in. 3-way combinations in white birch and other "antique" finishes.

All sets have Westinghouse's "Tip Top Front Tuning" and "Silver Safeguard Deep-Etched Printed Circuit" and are equipped with special silver nameplate in center bearing legend "Hilton-Statler." The Westinghouse label is printed, as usual, on lower part of mask. Seven trailers will transport the sets from Metuchen, N. J. plant to Dallas.

For Halpin, deal brings to about 6000 the number of sets he's sold to hotels, starting with 18 RCA receivers in 1946 to New York's Hotel Pennsylvania (now Statler). Subsequently he sold 3800 DuMont sets to Statler chain.

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Picture tube sales in first 6 months totaled 4,914,024, valued at \$94,893,559, compared to 3,957,238 worth \$82,985,981 in first half of 1954, reports RETMA. June sales were 706,890 worth \$13,244,499, compared to 779,329 at \$14,572,518 in May and 681,937 at \$13,933,845 in June 1954. Receiving tube sales in first 6 months totaled 226,502,544, valued at \$168,675,903, compared to 165,709,060 worth \$120,720,391 in first half of 1954. June sales were 40,819,961 at \$31,254,324 vs. 32,920,310 at \$25,914,821 in May and 31,031,315 at \$21,694,500 in June 1954.

Trade Promotions: Motorola to launch multi-million dollar campaign this fall in all media, starting with 4-p. spread in *Life Magazine*, thru Leo Burnett; Admiral starts ad drive in late Aug. to back reduction on 24-in. table model from \$240 to \$200 and "king-size" trade-in allowance on 24-in. console; DuMont ties up with Gimbels, N. Y. dept. store, in 2-week display of new line starting Aug. 15, coinciding with N. Y. Summer Festival, in which complete color studio will be set up (see p. 13).

Federal Trade Commission this week ordered Recoton Corp., Long Island City, to stop representing itself in ads as the world's largest manufacturer of phonograph needles or that its needles have sapphire, ruby or other jewel tips without stating they are synthetic. Company agreed to order, without admitting or denying guilt.

Prices of Crosley's new line, introduced last week (Vol. 11:32): Super V, 17-in. tables, \$130 & \$160; Advance V, 17-in. tables \$150 & \$210, 21-in. tables \$170 & \$180; Custom V, 21-in. tables \$200, \$210, \$215 & \$225, 21-in. consoles \$250, \$260 & \$290, 21-in. combinations \$360 & \$370. Optional uhf tuners are \$20 extra.

CBS-Columbia to introduce new line at series of regional distributor meetings starting Aug. 18 at Essex House, N. Y. Other meetings are scheduled Aug. 22 at Chicago's Drake Hotel, Aug. 24 at New Orleans' Hotel Roosevelt, Aug. 29 at Los Angeles' Ambassador Hotel.

Senate Judiciary subcommittee, headed by Sen. Kilgore (D-W. Va.), will start hearings Aug. 23 on distribution practices in various industries, including probe of discount house operations. It's uncertain whether, or to what extent, TV will be directly involved.

International Resistance Co. to open branch plant, its 5th, at Burlington, Ia. about Dec. 1 for resistor output.

Financial & Trade Notes: CBS Inc. revenues in first 6 months of 1955 soared to record \$202,173,713, its consolidated net profits to \$6,327,672, or 87¢ per share based on average shares outstanding during the period, adjusted to reflect 3-for-1 stock splitup of April 1955. Profit went up 22% from the \$5,177,449 (74¢) on revenues of \$176,016,777 for first half of 1954. There were 7,339,123 shares outstanding as of last July 2 and 2,340,904 a year earlier. Most of first half's profit was recorded in first quarter, when it amounted to \$3,892,677 (53¢) vs. \$2,866,365 (41¢) in first quarter 1954. For whole of 1954, CBS Inc.'s gross was \$373,290,731, net \$11,414,645 (\$4.85 per share, before splitup) vs. \$313,908,771 & \$8,894,642 (\$3.80) in 1953.

Raytheon reports new record for year ending May 31 with sales of \$182,305,000 & earnings of \$4,532,000 (\$1.72 a share on 2,628,781 shares) vs. \$177,100,000 & \$3,523,000 (\$1.53 on 2,176,942 shares) in fiscal 1954. Total current assets are \$68,717,754, about \$12,000,000 below last year; total current liabilities \$36,185,243, \$14,000,000 under 1954; net working capital \$32,533,000, up \$2,000,000. V-Loan obligations are down to \$10,000,000 from \$20,000,000; backlog of unfilled govt. orders down to \$96,000,000 from \$150,000,000. All preferred stock has been retired and company declared 5% stock dividend last July 7 in lieu of cash (Vol. 11:29). Proxy statement calling for stockholders meeting Sept. 15 shows that Adams holds 12,800 shares, received \$75,650 remuneration for year; v.p. David Schultz (8354 shares) drew \$55,650; v.p. Percy Spencer drew \$45,000. All directors were renominated.

Admiral sales were \$94,018,923 and earnings \$1,946,192 (82¢ a share) for the first half of 1955 vs. \$105,201,498 & \$2,558,850 (\$1.08) for same 1954 period. Second quarter earnings were \$708,016 (30¢) on sales of \$43,984,527 vs. \$1,054,806 (45¢) & \$49,223,936. John B. Huarisa, exec. v.p., stated that a 66% drop in govt. billing in the first 6 months more than offset higher civilian business. "The movement of TV receivers to dealers was 21% higher in first 6 months than last year," he said. Outlook for the 2nd half is brighter, but any additional govt. restriction on credit might change the picture, he added.

Sears, Roebuck & Co., like RCA a 20% owner of projected new Whirlpool-Seeger Corp. (Vol. 11:29-30), owned 536,756 shares of Whirlpool Corp. as of July 1—158,956 directly, 108,800 thru Sears' Allstate Insurance Co., 269,000 thru Sears-Roebuck Foundation, according to SEC's July summary of security transactions & holdings. In June, Allstate sold 1200 Whirlpool, Sears-Roebuck Foundation sold 1000.

Stewart-Warner Co. electronics div. sales in first half of 1955 were 29% ahead of same 1954 period despite discontinuance of TV-radio business, and company may double its net income this year (to \$4-\$4.50 per share) over 1954, according to study by Glore, Forgan & Co.

Texas Instruments reports profits for first half 1955 of \$696,010 (22¢ a share) on sales of \$12,991,191 vs. \$591,596 (20¢) & \$11,616,810 for same 1954 period. Second quarter profits were \$305,934 (9¢) & sales \$6,680,331 vs. \$220,766 (7¢) & \$4,891,806.

Sparks-Withington Co. has increased its no par value common stock from 2,000,000 shares (900,666 shares outstanding) to 3,000,000 at \$2.50 par—with intention "to make some acquisitions."

Indiana Steel Products Co. reports sales for first half of 1955 were highest in its history, with net income before taxes of \$736,525 and earnings per share of \$1.24 vs. \$653,343 & \$1.10 in same 1954 period.

Aerovox earned \$320,090 (35¢ a share) on sales of \$12,336,835 in first 6 months of 1955, compared to \$346,747 (41¢) on \$11,830,760 in corresponding period year ago.

AMONG OFFICERS' and directors' stock transactions reported by SEC for June, in addition to those previously reported (Vol. 11:30-31): W. J. Conaty bought 100 ACF Industries, holds 100; Chester H. Gifford bought 1000 Avco, holds 1000; John A. McDougald bought 1000 Avco, holds 1000; Joseph H. McConnell, ex-NBC pres., sold 6500 Colgate-Palmolive, holds 3525; J. L. Van Volkenburg exercised option to buy 4650 CBS "A", holds 4956 personally and 3000 jointly with wife; John L. Hanigan sold 200 Corning Glass, holds none; O. Pomeroy Robinson Jr. sold 700 General Dynamics, holds 4448; Carleton Shugg bought 4750 General Dynamics, holds 7150; Gilbert W. Humphrey bought 100 GE, holds 100; Roy W. Johnson bought 3225 GE, holds 6726; Ray H. Luebke bought 2070 GE, holds 2250; Donald L. Millham bought 1600 GE, holds 2609; W. V. O'Brien bought 1000 GE, sold 500, holds 801; Gerald L. Phillippe bought 600 GE, holds 1622; Willard H. Sahlhoff sold 1545 GE, holds 465; Harold F. Smiddy bought 1875 GE, holds 3750; Arthur F. Vinson bought 1185 GE, holds 3019; Carl DiMartino bought 100 Hazeltine, holds 300; Frank M. Freimann bought 200 Magnavox, sold 4000 thru trusts, holds 49,385 personally and 25,484 thru trusts; Paul V. Galvin sold 300 Motorola, holds 101,503 personally and 186,696 thru trusts; Edward R. Taylor bought 300 Motorola, holds 2160; Edwin C. Wolf bought 100 Oak Mfg. Co., holds 600; James T. Buckley sold 2500 Philco, holds 13,252; Philco employes profit-sharing plan bought 3000 Philco, sold 198, holds 525,659; David Sarnoff sold 15,000 RCA, holds 15,000; Lawrence Hoguet sold 150 Skiatron, holds none; John J. Smith bought 300 Sparks-Withington, holds 7441; Bernard E. Finucane, thru T. W. Finucane Corp. & trust, bought 420 Stromberg-Carlson, sold 210, holds 1000 personally and 1215 thru T. W. Finucane Corp.; George C. Gordon III bought 142 Stromberg-Carlson, holds 342; Anthony G. Schifino bought 100 Stromberg-Carlson, holds 923; John M. McKibbin bought 500 Westinghouse, owns 3536.

ABC has "definitely emerged from the fledging stage" and its TV operations offer "exciting possibilities," says July 20 report on American Broadcast-Paramount stock by J. R. Williston & Co., N. Y., which concludes: "With the amount spent on TV advertising expected to increase from \$1 to \$2 billion a year in the next 5 years, with the movie exhibition field apparently having turned the corner, and with the possibility that ancillary enterprises [notably the Disneyland Park project] may provide an additional boost to earnings, American Broadcasting-Paramount promises to be a rewarding investment over the longer term." Similarly upbeat is July 21 follow-up report on AB-PT by Eastman, Dillon & Co., which calls Disneyland Park "perhaps the most exciting development affecting this company" and expresses belief AB-PT "offers considerable promise of future growth because it appears to be in a better position to expand its broadcasting activities at this time and at a faster rate than [CBS and NBC]."

Cornell-Dubilier earned \$1,381,448 (\$2.61 per share) after taxes of \$1,497,000 on sales of \$27,120,078 in 9 months ended June 30, compared to \$1,012,280 (\$1.88) after taxes of \$1,237,000 on sales of \$29,824,401 in corresponding 1954 period.

Electronics Corp. of America reports profit of \$161,427 (21¢ a share on 707,428 shares) on sales of \$2,851,250 for first 6 months of 1955 vs. \$99,992 (14¢ on 700,001 shares) & \$2,647,114 for same 1954 period.

Dividends: CBS "A" & "B," 20¢ payable Sept. 9 to stockholders of record Aug. 26; Cornell-Dubilier, 30¢ regular and 20¢ extra Sept. 22 to holders Sept. 12.

Add ABC-Paramount stock options (Vol. 11:31): Robert H. O'Brien, v.p., bought 12,500 common, increasing direct holdings to 12,600.

Color Trends & Briefs: Clever merchandising tieup between Gimbels N. Y. and DuMont is Aug. 15-27 closed-circuit colorcasts in Gimbels using DuMont's new Vitascan live color setup (Vol. 11:21).

Program has 2 phases—"see yourself on color TV" and display of goods. Color monitors will be spotted in windows and around store, and customers will parade before dolly-mounted scanner 50 min. each hour; other 10 min. will be devoted to showing merchandise. In addition, new DuMont black-&-white TV receiver line will be featured in store, while WABD will originate some black-&-white programs there. There will be no color broadcasts. New lighting equipment, giving normal illumination, will be employed.

Promotion is being kicked off with full-page ads in Sun. Aug. 14 *Times* and *News*. After Aug. 27, equipment will be moved to WABD.

DuMont announced, meanwhile, that its first complete color equipment package, including Vitascan, will be shipped Sept. 1 to new WITI-TV, Milwaukee-Glendale (Ch. 6), due on air Dec. 1.

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"Color is the magic word for 1955," says NARDA chairman Mort Farr in his Aug. *Electrical Merchandising* column. Predicting minimum of 30,000 set sales this fall, he calls this more profitable than sale of 180,000 black-&-white 17-in. table models, describes current product as technically sound, claiming that today's color chassis will be recognized as finest ever built, comparing it to record established by famed 630-TS black-&-white chassis. He suggests that "keeping up with the Jones" spirit might be fostered by adopting distinctive antenna "so that public would recognize a color set owner by glancing at his antenna." Some manufacturers are now offering colored antennas; last year, CBS-Columbia included yellow one with each color set.

Burden of pushing color is up to retailers, now that networks have announced plenty of color for their fall-winter schedules (Vol. 11:31)—opines columnist Harry Martin in Aug. 3 *Retailing Daily*. "If this isn't the moment for us to stop apologizing about the price," he says, "if this isn't the moment for us to stop talking about exaggerated comparative price, if this isn't the time for us to get into creative selling, we'll never have the moment. Let's show the networks that the biggest show is going to be in retail selling."

Hugh H. Eby Co., Philadelphia components maker, has filed SEC registration to sell 360,000 shares of 10¢ par stock to raise approximately \$1,750,000 in order to acquire \$124,000 in preferred stock, purchase real estate, pay up certain obligations. Offering will be through Hallowell, Sulzberger & Co., Philadelphia; Weill, Blauner & Co. and Baruch Bros., N. Y.

Paramount Pictures 6-mo. earnings were \$5,165,000 (\$2.36 a share on 2,188,916 shares) vs. \$3,962,000 (\$1.79 on 2,217,036 shares) in same 1954 period. Second quarter earnings were \$2,307,000 (\$1.05) in 1955 vs. \$1,726,000 (78¢) in 1954. Figure for 1954 includes \$832,000 (38¢) from non-recurring profit on sale of investments.

National Theatres reports income of \$1,768,490, or 64¢ a share on 2,769,486 shares, in 39-week period ending June 25 vs. \$1,884,636 (68¢) in same 1954 period. Third fiscal quarter 1955 showed profit of \$487,941 (18¢) vs. \$577,586 (21¢) for same 1954 quarter.

Warner Bros. reports net profit of \$3,312,800, or \$1.33 a share on 2,474,275 shares, for 9 months ending May 28 vs. \$2,536,707 (\$1.02) for same 1954 period.

Decca Records reports first half 1955 earnings of \$1,610,691, or \$1 a share vs. \$1,204,288 (75¢) in 1954 period.

Network color schedules for next 2 weeks: NBC-TV—Aug. 17, 19, 24, 26, *Matt Dennis*, 7:30-7:45 p.m.; Aug. 16, 18, 23, 25, *Vaughn Monroe*, 7:30-7:45 p.m.; Aug. 15-19 & 22-26, segments of *Home*, 11:45-noon; Aug. 22, *Producers' Showcase*, "The King & Mrs. Candle," starring Cyril Ritchard, Joan Greenwood, Richard Haydn & Irene Manning, 8-9:30 p.m.; Aug. 26 & 27, segments of Davis Cup tennis matches, 2-5 p.m. Fri. & 2:30-5 p.m. Sat. NBC has renamed its upcoming daily 3-4 p.m. color drama *Matinee*, calling it *The NBC Matinee Theatre*. CBS's radio KNX, Los Angeles, has show called *Matinee*.

"Conversion" of station-break sponsors to color at NBC's WRCA-TV, N. Y. (Vol. 11:26) has gone very well, according to v.p.-mgr. Hamilton Shea. He reports that all except one sponsor of breaks adjacent to or within regular color shows have agreed to use color. Total cost, based on color facilities charge, comes to slightly over 10% more than black-&-white charges. Rate card provides that if sponsor doesn't elect to use color, spot will be offered to others.

"British NTSC" color system to be tested in London this fall, tailored to U. S. system, is described in technical detail in Aug. *Wireless World*. Tests are preliminary to adoption of final color system, will run 2-3 unspecified days on BBC this month. A compatible system has been recommended to Postmaster-General by his Television Advisory Committee.

Color can change the apparent size of surfaces as much as 13.5%, plus or minus, according to a study completed recently by Johns Hopkins U for Pittsburgh Plate Glass Co. Hue alone can cause 9.5% change, brightness 8.5%, saturation 6%. Summary is available from Pittsburgh Plate's public relations dept., 632 Ft. Duquesne Blvd., Pittsburgh.

Color will cost 25% more to sponsors, in opinion of TV industry cross-section polled by *Billboard Magazine*; consensus was that extra cost would be worth it, and that color would attract more advertisers to TV.

Arthur S. Matthews, 52, pres. of Color TV Inc., San Carlos, Cal., died last week. CTI was one of 3 color system proponents, with CBS and RCA, during FCC color hearings, unsuccessfully championing line-sequential system. In recent years, CTI concentrated on govt. business, though its engineers still did some color work, outlining principles of a one-tube color camera (Vol. 10:7, 36).

Gabriel Co. reports first-half 1955 sales of \$6,759,792 and profit of \$1654 vs. \$10,032,940 & \$150,785 (26¢ per share) in same 1954 period. Second quarter sales were \$3,713,023, profits \$129,045 (23¢ a share on 507,753 shares) vs. \$5,012,853 & \$87,437 (15¢ on 505,960 shares) in same 1954 period.

Beckman Instruments Inc. sales for year to June 30 were \$21,000,000, net income \$1,300,000, or \$1.05 per share on 1,249,735 common shares outstanding, compared with \$18,652,870 & \$920,280 (85¢ on 1,079,730 shares) in preceding year.

Lear Inc. reports sales of \$29,023,044 and income of \$876,866 (39¢ a share) for 6 months ending June 30 vs. \$27,248,706 & \$1,397,558 (66¢) same 1954 period.

Globe-Union Inc. reports 1955 first half net of \$489,000 (68¢ a share) on sales of \$19,664,000 vs. \$208,000 (29¢) & \$17,097,170 for same 1954 period.

Arvin Industries reports profits of \$913,233 (\$1.02 a share) for quarter ending July 3 vs. \$461,873 (52¢) for similar 1954 period.

Frederick H. Schroeder, v.p. of Lee Higginson Corp., N. Y. bankers which underwrote recent \$1,250,000 debenture issue, elected a director of Trav-Ler Radio Corp.

Electronics Reports: Importance of guided missiles and electronics in nation's military aviation plans was strikingly underscored this week by President Eisenhower's appointment of an electronics engineer—Donald A. Quarles—as Secretary of the Air Force, succeeding Harold E. Talbott.

Appointment was generally applauded by electronics industry, which has closely followed Quarles' work as Asst. Defense Secy. for research & development, in which capacity he has been a prime mover in guided missile development program. At 61, Quarles is former pres. of Western Electric's Sandia Corp. (guided missiles), former v.p. of Western Electric, a fellow and former pres. of AIEE, onetime mayor of Englewood, N. J. He started working for Bell Labs in 1919.

Anticipating close scrutiny from Democratic Congressmen, Quarles announced he is now reviewing his "rather modest list of security holdings" and will divest himself of any that "imply a conflict of interest." Meanwhile, Sen. Morse (D-Ore.) said he would ask Senate Armed Services Committee to explore any possible conflicts. "This is particularly important in view of reports of Administration plans to turn over the air-raid warning system to AT&T," he said.

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Industrial electronics conference, sponsored by IRE & AIEE, at Detroit's Rackham Memorial Auditorium Sept. 28-29, will feature paper on "How Can Industry Use Television?" by H. F. Schneider, RCA. Automation session speakers will be Dr. Cleo Brunetti, General Mills; J. J. Graham, RCA; E. C. Johnson, Bendix Aviation; A. J. Carr Jr., Raytheon. Further information from Guido Ferrara, 8106 W. Nine Mile Rd., Oak Park 37, Mich.

Worth reading: "Automatic Manufacture of Electronic Equipment," in Aug. *Scientific American*, traces history and status of art, with emphasis on Project Tinkertoy (modular design of components); "The Two-Plus-Two of Sperry Rand," in Aug. *Fortune*, good summary of "conglomerate" merger, a union of 2 non-competitive electronic companies with nothing in common except a desire to face the future together.

Underwater TV, using RCA closed-circuit system, is being employed by U. S. Fish & Wildlife Service to test performance of experimental fishery methods and equipment under actual oceanic conditions.

DIVERSIFICATION into electronics has become a keyword in nearly every "non-electronic" industry (see p. 1)—and even electronics companies themselves continue to diversify and expand into related electronics fields. Aircraft industry is the classic and oft-cited example of the new emphasis on electronics—every airframe manufacturer now being in electronics research & development, many of them in electronics production of one form or another.

Our roundup of diversification into electronics 15 months ago (Vol. 10:20), which was widely quoted, cited some outstanding examples of companies which originally weren't even remotely connected with electronics and which now are heavily in the new field. Since that time, trend has continued, even intensified. Some examples:

General Dynamics, a leader in atomic and aircraft field, needed electronics know-how, so it bought Stromberg-Carlson (Vol. 11:18), and incidentally got itself involved in TV-radio broadcasting field.

The American watch industry, which has been in a

Panel on future of automation will be highspot of RETMA symposium at U of Pennsylvania, Sept. 26-27. With GE's Dr. W. R. G. Baker, in chair, panel includes Maj. Gen. J. D. O'Connell, Army Chief Signal Officer; James Bright, Harvard Business School; Seymour Sherman, U of Pa.; John Diebold, editor of *Automatic Controls*. Other sessions will cover high volume assembly methods (Dr. J. Harrington Jr., U. S. Shoe Machinery Corp., chairman), data sensing & utilization (D. Griffin, McGraw-Hill), low volume production methods (D. Cottle, GE), redesign for automation (W. H. Hannahs, Automatic Production Research Co.).

Bellanca Aircraft Corp. is being sued for \$420,000 in Washington district court by National Electronics Labs., Washington, for alleged breach of a merger contract. Stock payment had been arranged for June 30, but NEL pres. Frank Mallinson claimed that Bellanca withdrew when its stock went up from \$17.50 when pact was signed to about \$30 on effective date of exchange. Bellanca just recently acquired the controlling interest in Waltham Watch Co., Waltham, Mass., which will dispose of watch inventory but retain other divisions, including instrument div., which produces electronic, electromechanical and servomechanical instrumentation.

North Carolina's fastest growing industry, according to Aug. 6 *Journal of Commerce*, is electronics, which will distribute \$75,000,000 annual payroll to 25,000 employes when current construction is completed. At present, 44 electronics and electrical products plants are in operation or construction in the state.

Tax inducement for electronics plant expansion will continue, despite fact that rapid writeoff program has been suspended in 38 other fields. Office of Defense Mobilization says tax-aided expansion of electronics facilities will continue as in past "for military requirements when the Defense Dept. recommends and supports the project."

"Revolutionary guided missile" contract has been awarded to Magnavox by Defense Dept., pres. Frank M. Freimann announced this week. No details were disclosed. He said company also has contracts for 3 different airborne radar systems.

An "instrumentation reference service" has been set up by Bureau of Standards as aid to scientists of govt. agencies and their contractors. It employs new type of "multidimensional" indexing system said to be unusually effective. It's described in report No. 1925.

perpetual depression for many years due to Swiss competition, recently discovered its talents were especially suited for manufacture of some electronic gear, notably miniature precision parts and relays. Every American watch company is now in electronics. One firm, Elgin National Watch Co., this year purchased Advance Electric & Relay Co., American Microphone Co. and Neomatic Inc. (relays)—and Waltham was recently bought by Bellanca Aircraft, which will keep its electronics business, liquidate watch inventories.

While some TV manufacturers are diversifying into white goods, the white goods makers are diversifying into electronics—the RCA-Seeger-Whirlpool combine being good example of how some companies are pooling their products and distributive structures for mutual benefit. Easy Washing Machine Corp. recently invested \$2,000,000 in National Co. (communications, military radio, hi-fi), and Thor Corp. (washing machines) has sold its Cicero, Ill. automatic washer plant to raise money for expansion into electronics.

Textron American Inc., once a textile firm, is now deeply in electronics, having bought Ryan Industries, Detroit (airborne electronics), after purchasing Dalmo Victor Co., San Francisco (radar), now is going into com-

munications field through proposed purchase of Western Union's international cable system. Western Union goes deeper into electronics manufacture through its recently acquired 1/3 interest in Microwave Associates Inc., Boston, which is also 1/3 owned by American Broadcasting-Paramount Theatres.

Fairchild Camera has acquired Freed Electronics & Control Corp., offshoot of old Freed-Eisemann, TV-radio manufacturer. International Silver Corp. bought Times Wire & Cable Co. (electronic coaxial). Link-Belt Co., maker of industrial conveyors, is buying Syntron Co., electronics manufacturer. Pump maker Bell & Gossett Co. has set up electronics div., has military orders. Carrier Corp. (air conditioners) is now in electronics production through subsidiary Cambridge Corp.

Automotive industry is going heavily into electronics. The extent to which GM is in the field is little known (except for its Delco Radio subsidiary), but it has a number of prime military contracts involving electronic items. Willys Motors once produced TV cameras at Toledo and had planned to turn out TV station equipment including transmitters, but bowed out of the field and later opened electronics lab at Palo Alto, Cal., where Dr. Wm. Ross Aiken developed his flat TV picture tube. Studebaker-Packard bought Aerophysics Development Corp., Los Angeles (guided missiles). Mack Trucks bought White Industries and Radio Sonic Corp., both in aviation & military electronics. Reynolds Spring Corp., taken over by North American Philips, sold its automotive business, changed its name to Consolidated Electronics Industries and purchased other electronics properties. Detroit auto parts maker F. L. Jacobs Co. bought Eicor Inc., maker of electronic items.

Telautograph Corp., old-line manufacturer of non-electronic handwritten message transmission system, has "electronified" its equipment, and purchased Walsco Electronics Corp., maker of printed-circuit TV chassis, TV antennas, etc. Hupp Corp., onetime auto manufacturer, turned into holding company, bought the electronics business of Brown-Allen Chemicals Inc. (crystals, phototubes, transistors, TV components).

Last few months have also seen these combinations and diversifications of companies already in electronics: Hoffman Electronics (TVs) bought Analyzer Corp. (computers) and National Fabricated Products Inc. (TV-electronic parts, semi-conductors). Norden Laboratories, after merging with Ketay Instrument, has acquired several other electronic properties, notably Vari-Ohm Corp. and Scientific Specialties Corp. Electronics Corp. of America bought W. S. MacDonald Co., makers of electronic business machines. Olympic Radio and Victoreen Instrument merged into new diversified firm, Nuclear Electronics Corp.

Westinghouse Air Brake's electronics subsidiary, Melpar Inc., has steadily been acquiring smaller electronics companies, latest one being Corvey Engineering Co., Alexandria, Va. Resistor manufacturer International Resistance Corp. purchased EMEC Inc., maker of magnetic clutches for electronic applications. IT&T bought Kethe Laboratories (tubes). Raytheon & Minneapolis-Honeywell jointly set up new Datamatic Corp. (computers). Hycon Mfg. Corp. helped to finance Hycon-Eastern Inc., research firm jointly owned with 2 leading MIT scientists.

V. Charles Schorlemmer, ex-Consolidated Vultee, named administrative v.p., and Leslie E. Neville, ex-director of Armed Services Technical Information Agency, named director of public relations & adv., American Bosch Arma Corp.

Datamatic Corp., computer firm owned jointly by Minneapolis-Honeywell and Raytheon, has bought new 40,000-sq. ft. factory building in Newton Highlands, Mass., near Boston, plans all operations there by Oct. 1.

RCA was ordered to produce, in London by Aug. 16, papers that Zenith Radio wants to examine in connection with its counterclaim patent suit against RCA, GE & Western Electric. Chicago Federal Judge Igoe signed order directing RCA to deliver to the U. S. consulate in London papers it removed from its London office when it shifted European headquarters to Zurich in April. Zenith wants the documents to take depositions, a practice forbidden by Swiss law when trial is to be held outside Switzerland. Judge Igoe signed order after RCA attorney Albert E. Jenner Jr. told court "there is not a scintilla of truth" in any assumption that transfer of RCA's office from London to Zurich had any connection with Zenith litigation, and accused Zenith of misrepresentation in its claims.

Western meeting of National Community TV Assn. Oct. 25-26 has been shifted from Denver to Antlers Hotel, Colorado Springs, Colo. Conference will include equipment exhibits, and all sessions will be of "open forum" type. Latest western community systems reported are Price Trading Co., Sunnyside, Utah, due to start within 30 days, according to mgr. Oscar Carlson Jr., and Rawlins Community TV Co., which has asked Wyoming Public Service Commission for authority to build \$105,000 system in Rawlins.

Intriguing reminiscences about early days of radio, comprising interviews developed with aid of Radio Pioneers Club, are featured in Aug. *American Heritage Magazine*. Particularly interesting are Herbert Hoover's account of early govt. regulation when he was Secy. of Commerce and Arthur Judson's report on start of CBS. Others interviewed: H. V. Kaltenborn, Wm. S. Hedges, Lyman L. Bryson, E. L. Bragdon, Dorothy Gordon, Laurence A. Hawkins, Donald G. Little, Chester H. Lang, Thomas H. Cowan, Walter C. Evans, Orestes H. Caldwell.

Comments on space satellites by Andrew G. Haley, Washington TV-radio attorney and former pres. of American Rocket Society, received considerable attention in the press this week when he returned from International Astronautical Congress in Copenhagen. He said that after talking to Russian representatives he's "absolutely convinced" that U. S. has lead over Soviets in satellite program.

Competition, it's wonderful: To CBS's claim that its Wm. Worthy was first to send an uncensored broadcast to U. S. over facilities of Radio Moscow (Aug. 4), NBC publicity dept. retorts this week that its Irving R. Levine, now touring Russia with the American agricultural delegation, was first to broadcast, uncensored, from Moscow to its *Monitor* program for 5 minutes on July 16.

TV served as FBI "wanted" circular on CBS-TV's *What's My Line* Aug. 7. While panel was guessing correctly that contestant was an elephant trainer, viewers in Royal Oak, Mich. guessed that he was also the man alleged to have stolen roommate's car a year ago, whereupon he was arrested and held on \$1500 bail.

Sir Gordon Radley is new director general, British Postoffice Dept.; he recently had title of director of radio and accommodation. Sir Ben Barnett remains in charge of broadcasting.

Britain's Independent TV Authority has moved to permanent headquarters at 14 Princes Gate, London SW-7; telephone, Knightsbridge 5341.

Four \$2500 scholarships have been awarded to high school students by antenna maker Technical Appliance Corp. (Taco), Sherburne, N. Y.

U of Missouri holds 3-day national agricultural TV Clinic, Sept. 2-4.

Power increase: KTBC-TV, Austin (Ch. 7) Aug. 7 to 316-kw ERP.

CRITICAL REPORT on children's programming on NBC-TV was issued this week by its recently-organized Children's Program Review Committee, along with recommendations for improvement. Committee members are Dr. Frances Horwich, who is "Miss Frances" of NBC-TV's *Ding Dong School*; Mrs. Douglas Horton, wartime WAVES commander and an NBC director; Dr. Robert Goldenson, psychologist and expert on family relations. Committee listed 13 points of weakness but commended NBC for "trying to maintain a common standard of excellence" in children's programming. Among points criticized were sequences showing destruction of public property, shooting seltzer water or throwing things, bad grammar and poor pronunciation, frequent use of slapstick of questionable taste, over-excitement of solid hour of disjointed action, over-emphasis on money, misuse of commercials. Its recommendations called for better balance in children's programs, elimination of some westerns on o-&o stations, using 5-6 p.m. segment for 6-12 year group and 9-11 a.m. for nursery age, more how-to-do-it shows, more music & story-telling programs, improved standards for commercials. Richard A. R. Pinkham, NBC v.p. in charge of network programs, sent copy of report to all producers, along with letter urging prompt attention to its critical aspects. On a related front, NBC's WRCA-TV & WRCA has joined N. Y. Youth Board in attack on juvenile delinquency in city, using its facilities & personalities to acquaint public with conditions in a test neighborhood designated as "Area 4." Stations' participation include regularly scheduled progress broadcasts, counseling of delinquent youths by station personalities, and information to citizens on how they can help.

Two radio station sales this week, with TV overtones: R. H. Drury, Oklahoma auto finance man who controls KSWO-TV, Lawton, KMID-TV, Midland, Tex. & radio KRHD, Norman, heads group buying radio KGWA, Enid (1-kw daytime, 960 kc, MBS) for \$62,500. He holds 74.5% of purchasing firm, Ted Warkenton owning 15.5%, Allan Page 10%. KBAK, Bakersfield, Cal. (1-kw on 550 kc, MBS) has been sold for \$85,000 by *San Francisco Chronicle* interests, who retain KBAK-TV (Ch. 29). Purchasers are partnership comprising John Hearne, one-time FCC attorney now practicing in Los Angeles, and Benjamin Pasacal & Howard Tullis, L. A. admen. Radio call letters will be changed. Deal was handled by Jack Stoll, L. A. broker. Note: Rumor was abroad this week that Cantrell & Cochrane, Englewood, N. J. (Super-Coola canned soft drinks), whose mainspring is ex-Pepsi-Cola pres. Walter S. Mack, was seeking to buy up a string of western radio stations—but there was no confirmation.

On eve of "subversion" hearings on New York entertainment industry, AFRTA members overwhelmingly approved resolution calling for severe disciplinary measures, up to expulsion from the union, for members who refuse to tell Congressional committees whether they are or have been Communists (Vol. 11:30). Some 27 entertainers have been subpoenaed for the hearings by Rep. Walter (D-Pa.) and his House Un-American Activities Committee. Most witnesses are from legitimate stage, with no big TV names announced. Scripps-Howard newspapers, in 4-part series this week by Frederick Woltman, timed as curtain-raiser to the hearings, explored subject of TV "black-listing," came to conclusion there's no formal blacklist.

Suspension of operators charged with disabling KPIX, San Francisco and radio KEAR, San Mateo, Cal. during labor-management trouble (Vol. 11:8) was recommended by FCC staff in proposed findings. Staff said evidence shows operators deliberately disabled stations, recommended 90-day suspension for 3 operators involved at KPIX, 30-day for 2 involved at KEAR.

Week's toll-TV developments: (1) Dealers will be helped rather than harmed by pay-TV, Zenith v.p. Leonard Truesdell argues in Aug. *Electrical Merchandising*, challenging NARDA chairman Mort Farr's opposing views. Truesdell claims that subscription TV will mean better programs, hence more sales. (2) Pro-toll results of recent *Saturday Review* poll tell more about magazine's readers than about general public opinion on the subject, researcher Elmo Roper says in Aug. 13 issue of the magazine. He notes that magazine's poll showed 74% favoring subscription TV while his survey of Columbus, O. indicated people are 67% against (Vol. 11:25). His conclusions: "SR's readers are an unusual segment of society." One piece of evidence, he said, is that SR readers rank nation's No. 1 program, *I Love Lucy*, as 26th. (3) George Sidney, Screen Directors Guild pres., opines that public is willing to pay for good movies on TV; that "good TV shows are becoming too expensive to give away." (4) Skiatron pres. Arthur Levey states: "The networks are attempting to cloud the real issues with irresponsible statements that are in a very real sense a betrayal of the public interest."

Walter Annenberg's Triangle Publications Inc., publisher of *Philadelphia Inquirer*, operator of pioneer WFIL-TV & WFIL and owner of other publishing & TV-radio properties, is seeking a satellite for WNBF-TV, Binghamton, N. Y. (Ch. 12), which was recently acquired with WNBF for \$2,700,000 (Vol. 11:11, 19), in application filed this week for uhf Ch. 18 in Elmira, N. Y., 48 mi. away. Previously, it made deal to purchase now-silent WLBR-TV, Lebanon, Pa. (Ch. 15) for \$235,000 with intention of reviving it but transfer has been stymied by objections from Harrisburg uhf operators. Elmira previously had 2 uhf stations, on Ch. 18 & 24, but both went off air last year (Vol. 10:22, 45), unable to make a go of it. Triangle's pending purchase of WFBG-TV, Altoona, Pa. (Ch. 10) with WFBG (Vol. 11:32) was finalized this week, subject to certain adjustments; it will pay \$2,900,000 cash to the Gable dept. store interests and give them an additional \$750,000 advertising credit. Howard Stark was broker.

Recently purchased WPFH, Wilmington, Del. (Ch. 12) and radio WIBG & WIBG-FM are being brought under one parent corporation, WPFH Bcstg. Co., according to application filed with FCC this week by owner Paul F. Harron. Corporation would take over some \$2,000,000 in obligations for TV from Harron who retains control of Class B stock which will have power to elect 10 of 15 directors. Being brought in is Wanamaker dept. store, to hold 5.3%. Others who will hold 3.1% or more: auto dealer John P. Crisconi, 4.7%; Dr. Patrick J. Kennedy, 3.1%; Robert M. Brown, Esslinger Brewery v.p., 3.1%; Charles E. Compton, mgr. of Brown & Bigelow (calendars, etc.), St. Paul, 3.1%; Boardman Smith Corp., 3.1%. Some 60 others will hold smaller percentages, among them John Morgan Davis, judge of Philadelphia common pleas court.

WCOV-TV, Montgomery, Ala. (Ch. 20), whose technical equipment was destroyed by fire Aug. 5 in the transmitter room (Vol. 11:32), apparently caused by a short circuit in the master clock, unloaded new RCA equipment Aug. 9 and expects to have test pattern on air within 10 days and to resume regular program service Aug. 25. Gen. mgr. Hugh M. Smith reports entire control room as well as transmitter destroyed, large studio severely damaged, 2 cameras in bad shape.

High-tower grant to KSWs-TV, Roswell, N. M., was finalized this week by FCC after Pentagon dropped its opposition—though first voting against the new 1610-ft. structure as member of Washington Airspace Subcommittee (Vol. 11:27, 31).

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS — August 20, 1955

COLOR PREDICTIONS of top set makers still have wide bullish-to-bearish range on eve of color program splurge; price remains biggest question (pp. 1 & 10).

TV IN 67% OF U. S. HOMES, or total of 32,000,000 reports Census Bureau on basis of June survey requested by Advertising Research Foundation (p. 1).

NEW DuMONT PLANS exclude networking; legal aspects of spinoff of stations now occupying bankers & lawyers. Paramount's position in new setup (p. 2).

PROFITABLE STATION operation assured if station has CBS or NBC affiliation, with \$30,000 monthly revenues apparent break-even point, FCC finds (p. 3).

TV DOESN'T HURT BASEBALL attendance nearly as much as poor stadium facilities and slow games, according to survey of fans and writers (p. 3).

ADVERTISERS SPENT \$803,600,000 on TV in 1954, ranking it second to newspapers; advertising bill, all media, totaled \$8,164,100,000, up 5.3% in year (p. 4).

DISCOUNT HOUSE DECLINE seen by dealers as stabilizing TV trade, causing little anxiety over price increases and high inventories (p. 9).

PHILADELPHIA UHF sought by Herbert Mayer as 2 uhf grantees cancel; commissioners ponder allocations solutions; court refuses Pittsburgh CP stay (p. 6).

SATELLITE KTRE-TV, Lufkin, Tex. (Ch. 9), linked to Houston's KPRC-TV, starts as 441st station. Notes on upcoming stations (p. 8).

NARDA MANAGEMENT conference in Washington, 47 dealers attending, big success and expansion urged (p. 12). Joyce upholds the distributor (Special Report).

TELEVISION-ELECTRONICS FUND assets rise to \$104,639,-370 (9,132,272 shares) as of July 31; reports on portfolio changes in quarter (p. 14).

AVCO-HYCON AGREEMENT is diversification move for both, for exchange of scientific know-how & facilities and acquisition of defense contracts (p. 15).

TOP SET MAKERS SIZE UP COLOR PROSPECTS: Standing by to evaluate impact of color programming when it breaks in a few weeks, industry leaders differ as vigorously as ever in their predictions of public reaction and set sales. Conducting our own survey of top set producers on eve of major network programming start, we find them generally feeling that there will be sufficient sales this fall-winter to be labeled an authentic "start" on color -- but relatively few see the industry really rolling in the proverbial "house afire" fashion in less than 1-2 years.

It's agreed there were 3 principal barriers to movement of color last year -- picture size, programs & price. With the emergence of 21-in. tube, none doubts that size is adequate. With 12-15 hours of color shows weekly, most feel that programming will probably be sufficient to stimulate public. Big controversy remains over price -- \$695 up -- and only performance on dealers' floors will settle it.

Attitude of top color proponent RCA needs no reiteration; it's all-out. Of replies from others received to date, there's wide range from optimism to bearishness. H.L. Hoffman, quoted last week (Vol. 11:33), is one of most bullish. The responses are highly quotable -- and they're excerpted on pp. 10-11.

67% OF ALL U. S. HOUSEHOLDS HAVE TV SETS: Two out of every 3 American households, or total of 32,000,000, owned a TV set as of last June, according to preliminary report by U.S. Census Bureau released this week. It states these represent 67% of all U.S. households. That means very nearly one-third of all homes remain to be sold, if you accept recent estimate by CBS that 97% of all the 47,500,000 families in the nation are within reception range of existing stations (Vol. 11:26).

Census Bureau survey should not be confused with sets-in-use count because it does not purport to include sets in public places and second sets in homes -- though it did ask how many sets were owned, on which a report will be made later. Figures appear to substantiate Sylvania sales research director Frank Mansfield's estimate of 34,549,000 sets-in-use as of last July 1, as tabulated in our TV Factbook No. 21 (p. 19). Present figure is probably well over 35,000,000, considering that more than

6 weeks have elapsed. NBC Research estimated 36,447,000 sets-in-use on July 1.

This question was asked of a 25,000-family sample as part of Census Bureau's continuing Current Population Survey: "Do you own a TV set?" From that sampling the 32,000,000 figure was projected -- Census Bureau noting that it represents more than 6-fold increase over April 1950 estimate of 5,000,000 TV households. That was only previous time it conducted TV count. Additional information, covering distribution of sets by 4 geographic areas and by size of TV households, will be released soon.

Advertising Research Foundation contracted for survey, with cost defrayed by networks, NARTB and Television Bureau of Advertising. Each has its own use for the data, NARTB planning to use it in connection with its long-awaited sets-in-use count (Vol. 11:21) on which field work on "methodology" is still being conducted. There's no assurance, however, that such a continuing market-by-market census will ever get under way, despite urgent need for regular industry-approved counts. Main effort in that direction, currently, is Television Magazine's monthly market-by-market set estimates (changed from county-by-county) which gives total of 36,288,500 for July 1.

Note: Market Research Corp. of America, day after Census release, came up with own estimate of 68% of households equipped with TVs as of July. Based on the continuing reports of its 5800-family panel, survey showed most increases in small towns and rural communities during last year. (For percentage breakdowns of MRCA findings on TV ownership by regions, city size, family income, education of family head, size of families, age of housewife, number of children, see p. 16.)

NO NETWORK IN THE NEW PLANS FOR DuMONT: DuMont Network will not be revived as such -- that much can be stated positively on authority of those now arranging the legal details of spinning off the DuMont stations from manufacturing, incorporating new DuMont Broadcasting Co., securing transfers of station licenses, and performing the multitudinous other tasks implicit in last week's board action (Vol. 11:33).

Nor is it likely Paramount Pictures will gain control of the new company, even though its 26% ownership of present DuMont stock will make it the largest single stockholder, initially at least, after distribution of 1-for-2½ shares is completed. Moreover, neither the president nor other officers of the new DBC has been decided upon as yet; at outset, they will be same as present parent company, then new names will appear -- most likely including a new president as operating head.

Vice president Ted Cott, who joined DuMont recently after quitting his NBC v.p. job, is definitely slated "to continue running the stations."

Foregoing are the facts, despite all rumors you may hear and dope stories you may read. The network having lost some \$16,000,000 in its nearly 10 years of existence, there's no disposition on the part of the bankers to pour more into attempt to perpetuate it. Instead, we're told, "We'll first get the stations [WABD & WTTG] and Telecentre running well at a profit. They must stand on their own feet."

Of the 2,500,000 shares of common stock in the new DBC, 1,000,000 will go to present stockholders. At least \$1,000,000 in working capital will be raised by selling some of the other shares. No price has been fixed yet; it depends on "unraveling" the bookkeeping of stations from network, determining their worth, assessing their earning potential. There's apparently little doubt in the bankers' minds that the stations can be made to earn reasonable profits as independents.

Paramount may relinquish its KTLA, Los Angeles, to the new company, taking payment in stock -- but that's indefinite. In that event, and if it goes into the open market to buy up new stock, Paramount might gain control of DBC. Its motivation might be to have own outlets for subscription TV, which Paramount pres. Barney Balaban is convinced is inevitable -- despite the thorny paths of Washington.

Network is a mere skeleton of its former self now, loses the Heinz-sponsored "Studio 57" film series and Swift's "All About Baby" in next few weeks. That leaves only Mon. night boxing from St. Nicholas Arena, which continues on special hookup. Also booked are N.Y. Giants pro grid games to 32 stations next autumn, half on co-op basis, other half under sponsorship of Atlantic Refining Co.

Note: It can be disclosed now that General Teleradio's Tom O'Neil made firm offer of \$4,000,000 for WABD, with idea of retaining its Ch. 5 for his WOR-TV in N.Y. and asking FCC to move WOR-TV's Ch. 9 into one-station Binghamton, N.Y.

CBS OR NBC AFFILIATION VITAL TO PROFIT: A strong NBC or CBS affiliation and revenues of at least \$30,000 monthly were virtual guarantees of profitable operation for post-freeze TV stations last year. Stations could make a go of it without the networks -- but their chances were much slimmer.

That's essence of FCC's third study of post-freeze TV stations released this week. Study doesn't reflect upsurge of ABC-TV, which has accelerated tremendously since survey was conducted; it's plain, though, that if the Commission authorizes similar survey for coming year, ABC will play much more significant role.

Results of study aren't surprising, but they do document industry's general understanding and make it possible for each operator to determine how he's doing, compared with others in similar situation.

Study of 144 vhf and 122 uhf stations operating Jan.-Oct. 1954 shows 52 (36%) of the vhf's with overall profitable operation during the period, another 50 (35%) with profit at least during Oct. (and presumably out of the woods), remaining 42 with continuing losses throughout period.

Only 18 (15%) of the 122 uhf had overall profit during the period, while 15 (12%) had at least a profitable Oct. Remaining 89 had continuing losses.

A "strong" CBS or NBC affiliation, according to Commission's calculations, seems to be one that supplies 7½ or more hours weekly. Of the 101 post-freeze vhf's carrying NBC or CBS, 83 (82%) were profitable, compared with 19 (45%) of those with fewer than 7½ hours of either network. Of the 42 uhf's with CBS or NBC, 26 (62%) were profitable, vs. 7 (14%) of those without as much as 7½ hours from NBC or CBS.

The \$30,000 figure seems to be the break-even point. Half the vhf stations took in \$30,000 or more monthly -- and 90% of these were profitable by Oct. About one-fourth of the uhf's received \$30,000 or more -- and 75% of these were profitable.

Vhf competition hit uhf's harder than it did vhf's -- to no one's surprise. Of uhf's with no competition, 12 out of 18 were profitable; with one vhf competitor, 11 of 39 were profitable; with 2 or more vhf competitors, 10 of 34 were in black.

Of the vhf's, 33 of 44 were profitable where they had no competition; 39 of 55 were in black when facing one vhf competitor; when bucking 2 or more vhf competitors, 30 out of 44 were profitable. "Competitor" is defined as station whose signal is received by 50% or more of homes in area -- according to ARB survey.

FCC study comprises 15 tables, breaking down statistics many ways -- by vhf and uhf, monthly revenues, CBS or NBC affiliation, competition, population. Survey is FCC Notice 23055 -- copies available from Commission or from us.

BASEBALL ON TV--MOSTLY HITS, FEW ERRORS: TV isn't hurting baseball nearly as much as baseball is hurting itself. That's central conclusion of recent survey by research-public relations firm Stephen Fitzgerald & Co., N.Y., initiated at request of Baseball Commissioner Ford Frick to determine causes of lagging attendance at games. In general, its findings support thesis of earlier studies by N.W. Ayer's Jerry Jordan -- that sports must look to its own shortcomings, not TV, for boxoffice declines (Vol. 10:9). Survey, conducted among management, sports writers & fans, finds:

(1) Difficulty in getting to ball parks, parking troubles, high prices and poor service on tickets & slow games were chief complaints of fans, far outweighing any apprehensions about TV.

(2) Fans generally like TV commercials of baseball games, about 50% of those surveyed declaring them "just about right," about 25% contending they're too long or too frequent. Three times as many find them interesting as find them offensive.

(3) TV has increased interest in baseball, in opinion of 77% of the 763 sports writers and editors surveyed, but 60% felt TV had hurt attendance somewhat. Still, they rated TV far behind such deficiencies as long games, poor seating, bad parking facilities as biggest factors affecting attendance. Some 83% of the sportscasters felt TV had increased interest in baseball, though only 36% contended it hurt attendance. Some 95% thought radio built up interest in game.

Note: Recent Associated Press poll of fans came to much the same findings. About 45% said TV had increased their interest. Some 63% opined that if telecasts seriously hurt baseball attendance, they would favor blacking out the games.

Personal Notes: Joseph M. Bryan, 1st v.p. of Jefferson Standard Life Insurance Co. & pres. of its WBTW, Charlotte and WBTW, Florence, S. C., nominated for pres. of American Insurance Convention meeting in Oct. . . . Wm. C. Gittinger retires Sept. 5 as CBS v.p. . . . Wm. Balaban has resigned as head of ABC-TV closed circuit operations to join Lou Edelman, producer of *Danny Thomas* and new *Wyatt Earp* shows . . . Robert Purcell, ex-operations director, KTTV, Los Angeles, recently a consultant working for NATS on KTVQ, Oklahoma City (Ch. 25), joins KEYD-TV & KEYD, Minneapolis, as managing director under v.p. Lee Whiting . . . Wm. Brennan, ex-program director of KNXT, Los Angeles, resigns to package own shows . . . Walter Jacobs promoted to production mgr., WLWT, Cincinnati, replacing Robert Roberts, now with Biow, N. Y. . . . Eugene Tanner, commercial mgr. of WSIX-TV, Nashville, elected a v.p. . . . Andrew G. Hubbell, TV sales mgr., promoted to gen. sales mgr., WNBF-TV & WNBF, Binghamton, succeeding Stanley N. Heslop, retired . . . Col. Lester W. Lindow reports Aug. 22 to Pentagon for reserve duty with Army public information div., in which he served during war; he's gen. mgr. of Bitner's WFDF, Flint, Mich. . . . Paul C. Brines, ex-WGN-TV & WGN, Chicago, recently with WIRL, Peoria, named director of *Elkhart* (Ind.) *Truth's* WSJV (Ch. 52) & radio WTRC . . . Beryl L. Reubens promoted to CBS-TV trade press editor, succeeding James Kane, now director of press information, CBS Hollywood . . . Edward J. McKernan, asst. to Ben Ludy, gen. mgr. of WIBW-TV, Topeka, has returned home from hospital, and is recovering from heart attack . . . John Courcier, ex-KOOL-TV, Phoenix, named operations director of KTVW, Tacoma; Don Wood promoted to program director; Wm. Rambo, ex-KOVR, Stockton, Cal., is Tacoma mgr. . . . Verne W. Behnke, ex-MPTV eastern sales mgr., joins Petry; John W. Carter, ex-Adam Young Inc., now in Petry promotion dept. . . . M. D. Morris, ex-WATV & WAAT, Newark, now mgr. of radio WORC, Worcester, Mass. . . . W. Hugh Clark promoted to sales supervisor for CBC-TV's Ontario province; Donald J. Macdonald promoted to news mgr.; Charles Fouriezios named legal asst. to Ontario director Ira Dilworth . . . Glenn Boundy Jr., son of Storer chief engineer, appointed operations mgr., WGBS-TV, Miami . . . Jack Wormser, ex-ABC Hollywood, joins TV-radio dept., Erwin, Wasey & Co., Los Angeles . . . Allen McGinnis, from BBDO's TV dept., N. Y., transferred to Los Angeles as copy chief, succeeding Harry Bell, who returns to N. Y. as copy group head . . . Charles B. Bellante, ex-Soundmasters Inc., named technical director of TV films, Sullivan, Stauffer, Colwell & Bayles.

Donn B. Tatum, ex-NBC & ABC, and Donald A. Norman, ex-KRCA, Los Angeles, have formed Tatum-Norman & Co., consultants, with offices in Los Angeles & Oakland, Norman continuing his work with Television East Bay, 717 N. Highland Ave., Los Angeles, the Ch. 2 applicant for San Francisco backed by oilman Edwin M. Pauley.

Robert D. Swezey, WDSU-TV, New Orleans, appointed chairman of NARTB freedom of information committee, succeeding Edgar Kobak, radio WTWA, Thomson, Ga.; Grover Cobb, KVGB, Great Bend, Kan., named chairman of AM committee, succeeding James L. Howe, WIRA, Ft. Pierce, Fla.

Frank Stanton, CBS pres., disclosed by Defense Dept. as one of group of distinguished citizens acting as consultants with Defense Advisory Committee on Prisoners of War in framing the Code of Conduct released this week.

Frederick S. Siebert, director of U of Illinois School of Journalism, named acting director of the Graduate School's Institute for Communications Research for one year while Prof. Wilbur Schramm is at Leland Stanford.

PRINTERS' INK finalizes its preliminary estimates of 1954 advertising volume (*TV Factbook No. 21*, p. 22), as compiled for it by McCann-Erickson research dept. (Robert J. Coen), by reporting total was \$8,164,100,000—of which TV, now third among all media, accounted for \$803,600,000, or 9.8%. Figures represent what advertiser actually spends, which means, in case of TV, aggregate cost of time, talent & production. Talent & production factors for TV are stated as 1.75 times net time cost in case of network, 1.17 spot, 1.5 local.

The grand total for all media represents a 5.3% increase over 1953, comparing with \$7,755,300,000 for that year. That it's still going up, is evidenced in *Printers' Ink* advertising index for June, showing all advertising as whole running 10% ahead of year ago and 3% ahead of month previous, with network TV up 26% from June 1954 and 4% from May 1954.

Network TV accounted for \$417,900,000 of the 1954 national total, or 5.1% as against \$319,900,000 (4.1%) in 1953. Spot TV ran \$205,200,000 (2.5%) vs. \$145,500,000 (1.9%). Local TV ran \$180,500,000 (2.2%) vs. \$140,700,000 (1.8%).

Radio totaled \$564,900,000, or 7% of the 1954 national total, down from \$611,200,000 (7.9%). It broke down thus: network radio, \$114,500,000 (1.4%) vs. \$141,200,000 (1.8%) in 1953; spot radio, \$135,400,000 (1.7%) vs. \$145,600,000 (1.9%); local radio, \$315,000,000 (3.9%) vs. \$324,400,000 (4.2%).

Newspapers led the list, of course, accounting for \$2,695,300,000 of total or 33%, up 1.9% from preceding year. Direct mail was second, totaling \$1,202,400,000, or 14.7%, up 9.4%. Magazines represented \$667,900,000, or 8.2%, up .1%; business papers, \$407,500,000, or 5%, up 3.2%; outdoor, \$186,900,000, or 2.3%, up 6%.

Complete table is published in Aug. 19 *Printers' Ink* and should be used in lieu of the preliminary table as published in TV Factbook No. 21.

“Foundation of a big new TV network” is foreseen by *Forbes Magazine* in Aug. 15 article titled “Crack in the Curtain,” covering fiscal aspects of General Teleradio's purchase of Howard Hughes' RKO Radio Pictures Inc. (Vol. 11:30). “By renting the films to independent TV stations,” says *Forbes*, “General could compete with star-packed movies against the top attractions of the CBS and NBC networks without spending the heavy cash required for live shows and expensive coaxial cable fees. “It cites how General bought 30 oldies from Bank of America, and in barely a year has crossed \$2,100,000 on them, or almost double their cost, via its *Million Dollar Movie* syndication. It quotes Tom O'Neil: “I hope to make money with RKO very quickly. I'm a very nervous man.”

McKee & Albright, Philadelphia agency handling Breyers Ice Cream, Keebler Biscuit & Reading Coal accounts, planning to dissolve at end of year, partners Roy McKee and David Albright retiring.

Television Bureau of Advertising (TvB) reports 156 members as of Aug. 17, most recent being Washington Post Co.'s WTOP-TV, Washington & WMBR-TV, Jacksonville, and Cowles' KRNT-TV, Des Moines & KVTW, Sioux City.

Vice President Nixon to address Radio & TV Executives Society at first fall luncheon at Roosevelt Hotel, N. Y. Sept. 14; subsequent meetings will have FCC members as speakers.

Fortune Magazine raises onetime black-&-white page rate in Jan. to \$3670, up about 5%.

Station Accounts: Low budgets can mean high sales if used to maximum advantage—and 3 case histories of successful use of spot TV-radio, as reported in Aug. 15 *Sales Management Magazine* article by Victor Seydel, TV-radio v.p. of Anderson & Cairns, show how it can be done. The 3 companies are Brooklyn Paint & Varnish Co., which introduced a new product, Drem flat enamel, in 8-week spot campaign in N. Y. market at cost of \$16,000, resulting in busiest reorder season in its history from more than 160 dealers; Du Maurier Co., which promoted its filter-tip cigarettes in 13-week campaign in major markets at cost of \$40,000, and sharply reduced gap separating it from its competition; Associated Bulb Growers of Holland, whose spot campaign in 8 major markets to convince consumers to buy bulbs year-round cost \$80,000, resulted in big sales increase . . . Bowling bonanza for stations and sponsors is cropping up in several sections of nation as result of smash success of bowling shows on Chicago stations, reports Aug. 17 *Variety*; in addition to live shows on Chicago stations, it's estimated that series of bowling films, produced by Chicago auto dealer Pete DeMet (original sponsor of first live bowling show on WNBQ in 1953) and distributed by Walter Schwimmer Co., will be in 100-150 markets this winter. Griesedieck & Genesee Brewing Co. are among biggest multi-market sponsors . . . Bulova Watch Co. starts biggest spot campaign in its history Oct. 19 with barrage of 20-sec. announcements on 275 TV-radio stations on behalf of its "La Petite" series of ladies' diamond watches, thru McCann-Erickson . . . Kraft Foods using TV spot campaign to test-market new orange juice product packaged in paper cartons, thru J. Walter Thompson, Chicago . . . Monsanto Chemical to divert ad budget for "All" detergent from newspapers to daytime TV spot campaign in about one-third of all markets, thru Needham, Louis & Brorby, Chicago . . . Food sponsors are gravitating to

NBC-TV's *Great Gildersleeve*, which Kraft sponsored for 13 years on NBC Radio; 26 regional and local food advertisers have signed thus far as spot sponsors, led by Colonial Stores with 11 markets . . . Among advertisers currently reported using or preparing to use TV station time: Alkaid Corp., N. Y. (Alkaid's antacid tablets), thru Emil Mogul Co., N. Y.; B. & M. Corp., Houma, La. (Aluminum lawn umbrellas), thru Sewell, Carie & Radlauer, New Orleans; C-Johns Mfg. Co., Detroit (Cera-Lux car wax, Cinch shampoo for car interiors), thru Dick Frederick Agency, Detroit; Min-Sun Trading Co., Chicago (Chinese Maid food products and Canton Combo-Pack), thru Sherwin Robert Rogers & Assoc., Chicago; Oz Greeting Card Co., Los Angeles, thru Francis D. Gonda Co., L. A.; Leslie Salt Co., San Francisco, thru Honig-Cooper Co., San Francisco; Pacific Telephone Co., San Francisco, thru BBDO, San Francisco; Pen-Jel Corp., Kansas City (Pen-Jel fruit pectin), thru R. J. Potts-Calkins & Holden, Kansas City; Commercial Solvents Corp., N. Y. (Peak anti-freeze), thru Fuller & Smith & Ross, N. Y.; Clark-Cleveland Inc., Binghamton, N. Y. (Fasteeth, Motol, Thyoquent for the skin), thru Ralph D. Allum Co., N. Y.; J. Strickland & Co., Memphis (Hoyts cologne), thru Greenshaw & Rush, Memphis; Fisher-Price Toys Inc., E. Aurora, N. Y., thru Lloyd Mansfield Co., Buffalo; Silex Co., Chicago Electric div., thru Robertson Potter Co., Chicago; Vitality Mills Inc., Chicago (feeds), thru Standart & O'Hern Adv., Kansas City; Nenette Inc., Chicago (dust absorbing polisher), thru Marthens, Galloway & Simms, Chicago; W. E. Stephens Mfg. Co., Nashville (Stephens & Year's Work brand work shirts & pants), thru McDonald & Haggard, Nashville; Wasatch Chemical Co., Salt Lake City (Morgro garden products, All-in-One insecticide), thru Robert B. Ward Co., Salt Lake City; Deering, Milliken & Co., N. Y. ("Agilon" nylon yarn), thru Amos Parrish Co., N. Y.

Network Accounts: Philco drops alt. sponsorship of *Television Playhouse* on NBC-TV, which it has sponsored since 1948; Alcoa promptly picked up period (alternating with Goodyear) to start Oct. 2, Sun. 9-10 p.m., thru Fuller & Smith & Ross. Philco meanwhile is negotiating with NBC-TV on coverage of 1956 national political conventions, though spokesman says "asking price is very high." It has first option by virtue of sponsorship on NBC-TV in 1952. Westinghouse will sponsor on CBS, as in 1952 . . . Frigidaire to place *My Favorite Husband* in Tue. 10:30-11 p.m. time period it purchased last week on CBS-TV, starting in fall, thru Foote, Cone & Belding . . . Campbell Soups to sponsor *Lassie* on CBS-TV starting Sept. 11, Sun. 7-7:30 p.m., thru BBDO . . . Revlon drops alt. sponsorship of *Johnny Carson Show* on CBS-TV Thu. 9-9:30 p.m.; General Foods reportedly will fill in . . . Ralston Purina buys Wed. 10:30-11 p.m. on NBC-TV starting Oct. 12 for undetermined show, thru Guild, Bascom & Bonfigli . . . Beech-Nut to be alt. sponsor of *Dr. Spock Show* on NBC-TV starting Oct. 9, Sun. 3-3:30 p.m., thru Kenyon & Eckhardt . . . Procter & Gamble (Ivory) to sponsor *Fire-side Theatre* on NBC-TV starting Aug. 30, Tue. 9-9:30 p.m., thru Compton Adv. . . Mogen David Wines to sponsor Jan Murray's *Dollar a Second* on ABC-TV starting Sept. 2, Fri. 9-9:30 p.m., thru Weiss & Geller . . . CBS-TV discloses change in format of General Foods' *Our Miss Brooks* starting Oct. 14, Fri. 8:30-9 p.m.; it will feature "Mrs. Nestor's Private School for Girls" as story line . . . NBC-TV offers to affiliates for local sales the one-fourth sponsorship remaining open on NCAA football schedule and regional games, which have 3 network sponsors (General Cigar, Schick, Avco); Gulf Oil bought southwest regional games on 59 stations, thru Young & Rubicam . . . Morgan Beatty starts new series, *People*, on NBC-TV Aug. 21, Sun. 5-5:30 p.m..

Rate increases: WSB-TV, Atlanta, adds new Class AA hour (7:30-10 p. m., daily) at \$1000, min. \$200; WAGA-TV, Atlanta, adds Class AA hour (7:30-10 p. m. daily) at \$1000, min. \$200, Class A hour going from \$850 to \$900; KFSD-TV, San Diego, adds Class BB hour (7-7:30 p.m., 10-10:30 p.m., daily) at \$370, min. \$75; KHSL-TV, Chico, Sept. 1 adds Class AA hour (7:30-9:30 p. m., daily) at \$250, min. \$42.50, Class A hour remaining \$225; KEYT, Santa Barbara, Oct. 1 adds Class AA hour (7:29-9:59 p. m., daily) at \$450, min. \$90, Class A hour remaining \$400; KPIX, San Francisco, raises base hour from \$1250 to \$1500, min. \$260 to \$300; WDAF-TV, Kansas City, hour from \$860 to \$960, min. \$172 to \$192; WBZ-TV, Boston, from \$2000 to \$2250 & \$400 to \$450; KSTP-TV, St. Paul, from \$1200 to \$1450 & \$280 to \$320; KFYY-TV, Bismarck, N. D., from \$150 to \$200 & \$30 to \$40; KIEM-TV, Eureka, Cal., from \$150 to \$200 & \$30 to \$40; KBES-TV, Medford, Ore., from \$150 to \$200 & \$30 to \$40; KFBB-TV, Great Falls, Mont., raises Class B hour from \$112 to \$120.

Two new community antenna systems reported by NCTA: Lincoln TV System Inc., Wecoma Beach, Ore.; Abar TV Cable Co., Eugene, Ore. I. W. Brayer, owner of Whitey's TV & Cable Co., Douglas, Ariz., reports he's starting system in Williams, Ariz.

Reps: Storer reappoints Katz under long-term contract to represent 6 TV stations, 6 radio, continuing 16-year association; WPFA-TV, Pensacola, Fla., to McGillvra; KOMO-TV, Seattle, to NBC Spot Sales (from Hollingbery).

Jack Benny ends 23-year radio career this fall, will devote full time to *Jack Benny Show* on CBS-TV alt. Sun. 7:30-8 p.m. (Lucky Strikes), plus 6 productions in *Shower of Stars* series on CBS-TV every 4th Thu. 8:30-9:30 p.m.

NBC-TV leased famed Ziegfeld Theatre at 6th Ave. & 54th St., N.Y. for use as studio, mainly for color shows, takes over in Oct. for 7 years with 5-year renewal option.

Telecasting Notes: Boycott of sponsor products is clearly indicated in sharp resolution adopted by this week's San Diego convention of California State Theatrical Federation, comprising AFL unions and guilds with 67,000 membership, condemning Sterling Products Inc. for "evasion of American labor standards" in filming commercials in England "at rates of compensation for the English craftsmen and actions employed thereon that are below the standards established by American unions and guilds"—thus giving Sterling "an unfair competitive advantage" over those producing their filmed ads in U. S. . . . Pat Somerset, CSTF pres. and delegate from Screen Actors Guild, introduced resolution, which mentions particularly the British-produced commercials for Bayer Aspirin, Phillips Milk of Magnesia, Phillips Tablets, Dr. Lyons' Tooth Powder, Haley's M-O, Energine. Resolution is similar to one passed by N. Y. State Federation of Labor recently—may be forerunner of concerted effort by labor to fight shooting of film shows abroad . . . Britain & Mexico are chief locations for U. S. filming, though Germany gets its share of TV and theatrical films. This week, Valley Forge Beer's agency, Alvin Epstein Adv., Washington, was reported having ceramic and wooden dolls for its stop-action TV commercials made in Germany, the filming being done in Munich . . . Shortage of TV production personnel—cameramen, film editors, sound editors, sound technicians, etc.—is beginning to be felt in Hollywood, reports *Billboard*, and may become chronic. Employment has ranged from about 40% in late spring to 98%-100% in Aug. & Sept. . . . IATSE, which trains own people, claims there's no real shortage, responds to charges of being closed corporation, almost impossible to get into, by noting it's merely protecting its own—though unions' unpreparedness for

TV boom is manifest from fact that cameramen's local had 850 members in 1946, now has 1050, mostly cartoon filmers . . . Y. Frank Freeman, Paramount Pictures production v.p., tells *Film Daily* his company has no plans to follow example of other majors in going into TV film production, will rent new \$2,000,000 TV plant (5 stages, with entirely separate producing facilities) to other producers, including own KTLA . . . National Society of TV Producers, Hollywood (Max Gilford, gen. counsel) plans Sept. meeting to consider code for TV similar to theatrical movie code . . . Walt Disney expected to produce one of *Screen Directors Playhouse* series starting on NBC-TV Oct. 5 (Wed. 8-8:30 p.m.), which means show would be directly competing with his *Disneyland* on ABC-TV, Wed. 7:30-8:30 . . . Another live repeat: *Goodyear TV Playhouse* to do over again Robert Alan Aurthur's "Spring Reunion" Aug. 28, first seen in April 1954 . . . Another TV star wins Hollywood stardom: James Daly, who did *Foreign Intrigue* series in Europe, plays attorney role in "The Court Martial of Billy Mitchell," with Gary Cooper . . . Edinburgh Film Festival has selected ABC-TV cameraman Leroy Stone's documentary on the Fulton Fish Market for showing.

Surprising finding in Trendex survey of live vs. film TV preferences of the audience: 51.8% preferred live shows, 6% preferred film—and 42.2% expressed indifference! Telephone survey first asked what program was being viewed at time of call and whether it was live or film; 70.8% correctly identified production as live or film, 9.7% were wrong, 19.5% didn't know. Those favoring live shows said it was because pictures are clearer, more realistic; those favoring film said it was because scenery is better, production more finished, more action.

WITH UHF CPs being cancelled left and right, including 2 more this week—WTBO-TV Cumberland, Md. (Ch. 17) and KCTL, Seattle (Ch. 20)—comes now Herbert Mayer and applies for Philadelphia's Ch. 23, prompting speculation he'll also apply for uhf elsewhere.

Mayer's TV experience in both uhf & vhf is one of the sagas of the industry, but he gives no indication in his application just how he expects to put uhf over in all-vhf Philadelphia. But after his fabulous success in TV, starting when most broadcasters considered TV a will-o'-the-wisp, then selling his WXEL, Cleveland (Ch. 8), KPTV, Portland, Ore. (Ch. 27) and Empire Coil Co. to Storer for \$10,000,000 (Vol. 10:44), everyone feels he must have something unusual up his sleeve.

He proposes to build 266-kw station for \$414,100, operate it first year for \$500,000, taking in \$200,000—operating with staff of 34. He lists funds available as "in excess of \$3,500,000." Currently, he's on a round-the-world trip with his family, had his onetime partner Martin W. Kramer, of New York, file the application.

* * * *

FCC commissioners are still wracking their brains about allocations problems. Comr. Hyde is planning to give his analysis of situation at Washington Lions Club luncheon at Mayflower Hotel, Aug. 31. Comr. Lee, ex-FBI chief clerk who likes to do his own on-the-spot checking, is out examining station operations. Recently, he breezed through New York ad agencies and came back with opinion there's nothing "mysterious" about reluctance to use uhf; that sponsors are interested solely in circulation.

Allocations shifts continue to be sought, meanwhile: (1) Jacksonville, Fla. educators asked FCC to reserve Ch. 36 for them instead of Ch. 7. They noted that WJHP-TV,

now using Ch. 36, has offered them its facilities, said they could never afford to build Ch. 7 station themselves; they asked that Ch. 7 be given to WJHP-TV. (2) Video Independent Theatres, which last week asked shift of Ch. 8 from Woodward, Okla. to Elk City, this week requested that Ch. 9 be moved from Monahans, Tex. to Hobbs, N. M., to be replaced by Ch. 35.

One of cutest documents filed with FCC in many a moon was request for oral argument and list of exceptions submitted by WWL, New Orleans, contesting examiner's initial decision favoring WTPS for Ch. 4. WWL's puckish counsel Paul Segal had document printed on half-dozen colors of paper, in inks of several colors, drawing attention to examiner Elizabeth Smith's preference of WTPS on basis of what she considered were superior color plans.

In Court of Appeals, WENS, Pittsburgh (Ch. 16) was turned down in its request that CP of merged WWSW-WJAS be stayed. It was 2-1 vote, Judge Fahy dissenting from Judges Miller & Bastian. Another decision was appealed, meanwhile—KXOA, Sacramento (Lincoln Dellar) contesting grant of Ch. 3 to KCRA (Ewing C. Kelly).

Low-power TV rules should be relaxed more, RETMA told FCC this week, stating: "The initial installation cost of a TV station is incurred only once by a station operator; it is the daily operating cost of small stations which will undoubtedly prevent the early widespread use of low-power TV broadcasting. Therefore, further attention should be given by the Commission to those rules governing daily operation which will permit savings in daily operations. The use of remote control and directional antennas, for example, will permit the low-power station to function at reduced cost. It may also be appropriate to consider that the 100-watt minimum power rule could be waived in certain cases upon proper showing."

FARM TV SET counts for Kansas and Wisconsin were released this week by Census Bureau as part of its Oct.-Nov. 1954 Census of Agriculture. Based on 20% sample, Wisconsin was shown to have TVs on 60,333 of its 153,558 farms, or about 40%. In Kansas, 34,004 of 120,167 farms—or nearly 30%—are TV-equipped. Wisconsin has stations in Milwaukee, Madison, Eau Claire, Green Bay, La Crosse, Marinette & Wausau, also receives stations in Minnesota and Illinois. Kansas stations are in Great Bend, Hutchinson, Pittsburg, Topeka & Wichita, with out-of-state viewing possible from stations in Missouri, Nebraska & Oklahoma.

WISCONSIN

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	989	144	Marathon	5,691	1,153
Ashland	846	120	Marinette	2,014	949
Barron	3,540	1,405	Marquette	1,048	254
Bayfield	1,257	343	Milwaukee	1,065	796
Brown	2,672	1,792	Monroe	2,784	395
Buffalo	1,682	457	Oconto	2,529	1,276
Burnett	1,179	407	Oneida	416	46
Calumet	1,772	895	Outagamie	3,188	1,902
Chippewa	3,157	1,011	Ozaukee	1,234	902
Clark	4,274	876	Peplin	735	276
Columbia	2,615	963	Pierce	2,393	1,548
Crawford	1,674	256	Polk	3,258	1,791
Dane	5,094	2,347	Portage	2,415	590
Dodge	3,954	2,178	Price	1,619	200
Door	2,024	980	Racine	1,704	1,362
Douglas	1,152	505	Richland	2,150	235
Dunn	2,870	1,388	Rock	3,138	1,345
Eau Claire	1,857	578	Rusk	1,865	470
Florence	316	90	St. Croix	2,665	1,878
Fond du Lac	3,479	1,906	Sauk	2,913	473
Forest	467	111	Sawyer	739	126
Grant	3,533	1,068	Shawano	3,197	1,285
Green	2,189	782	Sheboygan	2,900	1,806
Green Lake	1,247	494	Taylor	2,566	456
Iowa	2,268	517	Trempealeau	2,698	345
Iron	276	70	Vernon	3,485	465
Jackson	1,787	286	Vilas	168	30
Jefferson	2,782	1,628	Walworth	2,113	1,373
Juneau	1,740	202	Washburn	999	350
Kenosha	1,385	1,032	Washington	2,245	1,505
Kewaunee	1,829	1,035	Waukesha	2,669	1,988
La Crosse	1,454	310	Waupaca	2,931	1,127
Lafayette	2,025	691	Waushara	1,762	495
Lanlade	1,356	552	Winnebago	2,152	1,091
Lincoln	1,512	248	Wood	2,536	482
Manitowoc	3,321	1,901			
			State Total	153,558	60,333

KANSAS

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Allen	1,499	243	Linn	1,377	616
Anderson	1,273	376	Logan	345	5
Atchison	1,408	767	Lyon	1,835	290
Barber	732	260	McPherson	2,123	684
Barton	1,510	525	Marion	1,928	457
Bourbon	1,622	382	Marshall	2,083	348
Brown	1,703	754	Meade	638	45
Butler	1,935	630	Miami	1,845	872
Chase	548	161	Mitchell	1,057	157
Chautauqua	796	149	Montgomery	2,045	714
Cherokee	1,551	593	Morris	1,067	216
Cherokee	787	19	Morton	347	6
Clark	502	37	Nemaha	1,800	436
Clay	1,335	266	Neosho	1,759	498
Cloud	1,338	224	Norton	993	200
Coffey	1,438	299	Ness	885	141
Comanche	418	97	Osage	1,691	661
Cowley	1,993	675	Osborne	1,011	107
Crawford	1,873	484	Ottawa	1,042	348
Decatur	870	124	Pawnee	814	287
Dickinson	1,866	432	Phillips	1,196	200
Doniphan	1,289	563	Pottawatomie	1,520	413
Douglas	1,435	831	Pratt	860	425
Edwards	583	174	Rawlins	813	21
Elk	848	140	Reno	2,712	1,072
Ellis	1,065	131	Republic	1,705	192
Ellsworth	858	248	Rice	1,155	594
Finney	726	33	Riley	1,044	189
Ford	1,299	167	Rooks	965	197
Franklin	1,696	789	Rush	972	216
Geary	552	82	Russell	941	194
Gove	644	34	Saline	1,212	437
Graham	741	51	Scott	479	24
Grant	248	5	Sedgwick	2,158	1,036
Gray	672	50	Seward	380	12
Greeley	267	8	Shawnee	1,720	900
Greenwood	1,148	133	Sheridan	770	54
Hamilton	406	7	Sherman	573	6
Harper	1,217	491	Smith	1,372	151
Harvey	1,368	450	Stafford	1,050	444
Haskell	306	16	Stanton	282	14
Hodgeman	587	98	Stevens	436	25
Jackson	1,727	737	Sumner	2,190	977
Jefferson	1,585	817	Thomas	731	47
Jewell	1,553	170	Trego	796	117
Johnson	1,342	949	Wabaunsee	1,114	325
Kearny	318	20	Wallace	327	4
Kingman	1,320	497	Washington	2,026	304
Kiowa	506	71	Wichita	366	11
LaBette	2,048	734	Wilson	1,317	278
Lane	362	53	Woodson	815	121
Leavenworth	1,748	992	Wyandotte	1,009	715
Lincoln	1,015	163			
			State Total	120,167	34,004

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33).

Reaction at FCC to illegal boosters in Northwest, which continue operating despite pending Commission action against them, has two phases: (1) Operations are against the law, must stop. (2) Demand for service, indicated by the boosters, should be met by Commission action. One plan getting some consideration at FCC is to establish a new class of service—tiny uhf “translators,” operating in band set aside for them, perhaps to 10 uhf channels. They’d use as little as one watt, operate unattended, free from compliance with many technical standards which make regular stations so expensive, financed by municipalities, clubs, etc.

Screen Actors Guild members went back to work this week, ending 12-day strike against TV film producers (Vol. 11:33) followed ratification of 5-year contract providing for increases in minimum rates, residual payments from second to sixth runs of films and other fringe benefits. New contracts call for payments of not less than 35% of minima for second runs, 30% for third re-runs, 25% for fourth. Minimum daily wages for actors was increased from \$70 to \$80. Strike idled estimated 10,000 actors and tied up about 400 producers.

Rocky Marciano-Archie Moore fight via theatre TV Sept. 20 will have at least 100 theatres hooked up, as against peak of 83 for Marciano-Cockell bout in May, reports TNT pres. Nate Halpern. It’s blacked-out in 50-mi. radius of Yankee Stadium, nearest to carry it being a drive-in on Long Island.

TV consulting service to builders, architects & contractors, designed to help them plan construction of hotels and other gathering places with TV originations in mind, is being offered by Miami’s WTVJ, whose gen. mgr. Lee Ruwitch sent letter to prospects this week. Service will be handled by Jack Shay, operations v.p., who has supervised technical installations of TV equipment for some 90 network originations by WTVJ. Station itself is expanding equipment, has ordered new 35-ft. trailer capable of handling color which it says will be “the largest remote unit in the world.”

What Britain’s commercial TV is offering the public will be subject of half-hour film on CBS-TV, Sept. 25, or immediately after new ITA services begin Sept. 22. Planning to go to London for commercial debut, among other U. S. notables, is NBC pres. Pat Weaver. It’s estimated, by London research firm known as Political & Economic Planning, that TV will account for \$56,000,000 worth of ad billings in first year, about 10% of England’s ad budget, going to \$84,000,000 in 1957, \$100,000,000 in 1958.

NBC-TV awarded first 2 scholarships this week in program to help raise standards of drama shows. The Presidents’ award went to Robert E. Dierbeck, 27, TV coordinator of Milwaukee Public Museum, who gets \$6000 cash prize to work for one year at NBC-TV on documentary dramas. The employes award went to Frank M. Skinner Jr., 24, NBC page who gets \$2700 cash prize and year’s scholarship to Yale for study of scenic design.

KTRE-TV, LUFKIN, TEX. (Ch. 9), opens up new TV area in heart of rich timber country which v.p.-gen.-mgr. Richman Lewin says has "the thirstiest-for-TV population in Texas," being 83 mi. from nearest other station—in Tyler, Tex. It aired first test patterns Aug. 17 but had to go off for adjustments and expected to be on test schedule by week's end. It's 441st on-air station, plans big inaugural Aug. 31 with Mrs. Oveta Culp Hobby, recently in President Eisenhower's cabinet, as guest of honor, and goes on regular commercial schedule Sept. 1 as satellite to Mrs. Hobby's KPRC-TV, Houston (Ch. 2).

Though it will get full NBC schedule via own 124-mi., 2-hop microwave link with Houston, reported "working perfectly," KTRE-TV will also program locally and has \$110,000 worth of business already signed, reports Lewin. It has 5-kw GE transmitter with 6-bay antenna on 540-ft. Andrews tower. It's owned mainly by local business group headed by R. W. Worthman Jr., but has *Shreveport Times'* Henry B. Clay, who heads upcoming KTVH, Little Rock (Ch. 11), as 11% stockholder. Danny Kirk, ex-WCHS-TV, Charleston, W. Va., is program mgr.; Harold Riley, ex-KTRK-TV, Houston, production mgr.; Murphy Martin, sales mgr.; Fred C. Hill, chief engineer—latter 2 from radio KTRE.

KTRE-TV will have one local & national rate \$150 an hour, which will be discounted 25% if time is purchased for simultaneous telecasts with KPRC-TV. Rep is Venard, Rintoul & McConnell.

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Chicago's educational WTTW (Ch. 11) got its antenna up Aug. 14 but didn't meet test target this week because of recent storms, reports exec. director John W. Taylor. It may start testing week of Aug. 22, plans to put on city-wide faculty meeting with city's board of education Sept. 6, first day of new school term, and to start regular programming Sept. 19.

Only new equipment shipment reported this week was 10-kw RCA to WTOK-TV, Meridian, Miss. (Ch. 11). KPTV, Portland, Ore. (Ch. 27), reported its high-power uhf antenna as on hand and it expects to increase shortly to a megawatt, making it third 1,000,000-watt uhf station. Hike was originally scheduled for July 1, but antenna was dropped during fabrication at RCA plant (Vol. 11:22). Other megawatt stations are Wilkes-Barre's WILK-TV (Ch. 34) and WBRV-TV (Ch. 28).

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In our continuing survey of upcoming stations, these are latest reports from principals:

KFJI-TV, Klamath Falls, Ore. (Ch. 2), has delayed anticipated summer or fall start, despite delivery of 5-kw GE transmitter, pending FCC action on application of KBES-TV, Medford, Ore. (Ch. 5), for new site on Soda Mt., 25½ mi. to east, which KFJI gen mgr. Alan K. Abner says "would mean [if granted] the elimination of any national business for the station [KFJI-TV] that could deliver only one market [and which] would mean that the Klamath Falls and surrounding market would no longer be a reasonable risk to the TV investor." Studio-transmitter house, he reports, is half built. Plan is to use 120-ft. tower on 6000-ft. peak. Base rate would be \$150.

WAIQ, Andalusia, Ala. (Ch. 2), third educational outlet granted Alabama Educational Television Commission, now has Jan. 1, 1956 test target and will program by Jan. 15, reports pres. R. D. Hulbert. It has ordered 35-kw GE transmitter with 4-bay antenna, plans 500-ft. tower,

begins construction about Nov. 15. It's to be hooked up with WTIQ, Munford (Ch. 7) and WBIQ, Birmingham (Ch. 10), now operating, to form state network. Thad Holt is consultant for the state commission; James Evans, chief engineer.

WORA-TV, Mayaguez, Puerto Rico (Ch. 5), owned by sugar grower Alfredo R. deArellano Jr., reports its GE transmitter is on hand, studio-transmitter building ready, 100-ft. tower planned—and tests should begin Sept. 25. It will be affiliated with George Mayoral's WJMR-TV, New Orleans. Base rate will be \$120. Rep is Adam Young.

WCTV, Thomasville, Ga. (Ch. 6), is still aiming for Sept. 1 tests, Sept. 15 program schedule, with CBS & NBC affiliations, reports gen. mgr. Herschel Graves, promoted from radio WTAL, Tallahassee, 37½ mi. distant. WTAL owner John H. Phipps, of the noted Fla. financial family, acquired CP recently from ex-Gov. E. D. Rivers Sr., along with radio WKTG, Thomasville (Vol. 11:20). Phipps also owns WTYS, Marianna, Fla. GE 35-kw transmitter has been installed, 669-ft. tower by Tower Structure Inc. is being readied for 5-bay antenna due to go up Aug. 22. Base hourly rate will be \$200. Rep is Meeker.

WDBJ-TV, Roanoke, Va. (Ch. 7), is now installing 5-kw DuMont transmitter, has taken delivery of RCA 6-bay antenna, but awaits steel for new top for tower to be delivered in latter Aug. Accordingly, reports gen. mgr. Ray P. Jordon, it has pushed test target forward to Sept. 22, expects to begin CBS programming about Oct. 1. Network rate will be \$500. Rep is Free & Peters.

WDAM-TV, Hattiesburg, Miss. (Ch. 9), headed by Dave A. Matison Jr., operator of 3 Miss. radio stations, now plans "early 1956" starting date. Equipment has not yet been reported, nor rep chosen.

KTHV, Little Rock, Ark. (Ch. 11) has Oct. 15 test target date, will start programming early in Nov., joins CBS as of April 1, 1956, meanwhile will carry CBS & ABC programs not cleared by present affiliate KATV, Pine Bluff-Little Rock (Ch. 7), reports Henry B. Clay, exec. v.p. *Shreveport Times* interests (KWKH) owns 42%, *Arkansas Democrat* 32% of grantee company. It has ordered 50-kw RCA transmitter for Sept. 6 delivery, 12-bay antenna for Oct. 1, will transmit from 1175-ft. Ideco tower, which will also support antenna of KARK-TV, Little Rock (Ch. 4) and on which construction has begun. Transmitter building is about 40% complete, and work on studio building started this week. Also being constructed is 150-ft. tower with 6-bay RCA antenna for auxiliary purposes, rising about 800 ft. above average terrain, also to be ready by early Oct. Gen. mgr. will be B. G. Robertson, gen. mgr. of 50-kw radio KTHS. Rep will be Branham.

WHTN-TV, Huntington, W. Va. (Ch. 13) should make Sept. 15 test target, Sept. 25 ABC network interconnection, if RCA equipment is delivered on time, reports Fred Weber, v.p.-gen. mgr., ex-WFPG and now-silent WFPG-TV, Atlantic City (Ch. 46). It has 5-kw RCA driver & 20-kw GE amplifier on order, along with custom-built RCA antenna. Control is held by A. B. Hyman, pres., head of local theatre group. Base rate will be \$450. Rep is Petry.

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CKVR-TV, Barrie, Ont. (Ch. 3) is due to get delivery of 5-kw GE transmitter Aug. 16, will have studio-transmitter house completed shortly, begins erection of 393-ft. Stainless tower Aug. 25. Test target is now Sept. 10, reports Pres. Ralph T. Snelgrove, with programming Sept. 15. Newly added to executive staff are Charles Tierney, ex-CJFX, Antigonish, N. S., as sales mgr. and Claude Baikie, ex-CHCH-TV, Hamilton, Ont. as production mgr. Base rate will be \$240. Rep is Paul Mulvihill.

DEALERS BUOYED BY RISING TV STABILITY: Price increases and high inventories are factors that normally might worry TV dealers as they prepare for fall season. But they aren't worrying in the least now; in fact, they generally feel that both price hikes and inventories can be used to their advantage.

Some 47 top TV-appliance dealers attended NARDA-sponsored First Institute of Management at Washington's American U this week (see p. 12). In talking to many of them, we got the distinct impression that they're far more encouraged by stabilizing factors in TV trade than they're concerned with ominous portents.

One of most stabilizing influences, they generally feel, is slow but steady decline of discount house competition. Many feel they have the most flagrant discounters on the run -- driving them out of business or forcing them to compete on equal terms -- and were heartened when one of the biggest manufacturers, Philco exec. v.p. John M. Otter, agreed. He told them at luncheon session:

"The discounter has learned his lesson -- he has to earn a profit to stay in business, and as a result he's getting a higher price for his merchandise today than ever before. Those who are still left in business are assuming the normal overhead of hiring salesmen and giving service."

Price increases already announced, and the certain prospect of more to come, seem to hold no fears for the dealers now. Two major reasons are given for their apparent lack of concern: (1) Many are rather heavily stocked in old merchandise at lower prices, feel it will take them until perhaps early Nov. to work off excess inventories of old models. (2) Their markets generally are proving more robust than they expected -- as witness record retail sales of 3,202,995 in first half 1955 -- and view is that they can pass increases to consumers with little effect on sales.

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More details on Whirlpool-Seeger-RCA merger and how the new white goods giant will operate came out this week in press conference with Elisha Gray II, pres. of Whirlpool, and in his letter to stockholders of both Whirlpool and Seeger. It's set for ratification by stockholders Sept. 12, and Mr. Gray said he anticipated that new company, Whirlpool-Seeger Corp., would be a reality Sept. 16. Officers of new corporation are: chairman, Walter G. Seeger, chairman of Seeger; pres., Mr. Gray; v.p., John S. Holl, pres. of Seeger; v.p.-treas., Mason Smith, Whirlpool financial v.p.; secy., Edward C. Cudmore, Whirlpool comptroller. In addition, directors who will serve until first annual meeting of shareholders are Sears Roebuck's R. E. Brooker & Edward Gudeman, RCA's Frank M. Folsom & Charles M. Odorizzi, investment banker Maynard H. Murch & ex-Whirlpool v.p.-treas. Frederick S. Upton.

First appliances under RCA-Whirlpool brand, laundry equipment, will hit the market in Jan. 1956, said Mr. Gray. Eventually there will probably be a full line, including kitchen cabinets, dishwashers, food disposers, sinks, water heaters and vacuum cleaners. He reiterated that there are no immediate plans for distribution changes -- but said distributors will "want to rearrange their lines" so they can handle both RCA's TV line and new RCA-Whirlpool appliances. Company does not plan to utilize RCA Service Co., he declared.

Proxy notice places combined sales of Whirlpool, Seeger & RCA stove and air conditioner depts. last year at \$307,600,000, earnings nearly \$14,000,000. RCA stove-air conditioner operations showed net loss of \$2,400,000 prior to adjustments for income taxes. Pro forma balance sheet, assuming merger in effect, indicates total assets of \$123,700,000 for new company. Whirlpool's present long-term indebtedness of \$10,200,000 will be paid off, according to proxy statement. Whirlpool-Seeger will pay RCA \$86,667 per month in exchange for 5-year agreement covering advice & assistance on manufacture, on research & development, economic planning, etc.

Brief highlights of other major trade developments this week:

Copper Price Up: Prospect of further TV price increases heightened as three domestic producers -- Anaconda, Phelps Dodge and American Smelting & Refining -- boosted copper prices from 36¢ to 40¢ per lb. They attributed increase to higher labor costs resulting from recent strike, higher prices in European markets, plus pressure from Chile to make its prices competitive with domestic producers. The 40¢ price was said to be highest since 1872.

Used Tubes: Philco's plan to smash what it calls "the multi-million dollar racket" in resale of used TV-radio tubes, by giving 5¢ credit to servicemen for each old tube turned in (Vol. 11:33), got rather chilly reception from other set makers. No manufacturer announced immediate plan to join Philco in offering credit, though service groups generally endorsed idea. National Alliance of TV & Electronic Service Assns. was to discuss subject at its convention in Chicago, Aug. 20-21.

Economic Outlook: Is the current record prosperity based on real money or merely easy credit? President's Council of Economic Advisers wrestled with problem at meeting this week -- and was said to be divided on whether to ask for economic controls more stringent than such financial manipulations as recent Federal Reserve Board increase in banks' interest rate. The top-level advisers were apprehensive about possible new inflationary spiral resulting from recent wage-price increases. Administration, however, was said to be firmly committed to avoid use of any but indirect controls except in national emergency. Meanwhile, consumer installment credit outstanding rose to all-time high of more than \$33 billion in July.

Production: TV output totaled 154,798 week ended Aug. 12, compared to 134,959 preceding week and 113,864 week ended July 29. It was year's 32nd week and brought TV production for year to date to about 4,540,000 vs. 3,500,000 in same 1954 period. Radio production totaled 240,148 (109,334 auto) week ended Aug. 12, up from 209,689 preceding week and 203,343 week before. For 32 weeks, radio output was estimated at 8,250,000 vs. 6,220,000 in corresponding period of 1954.

COMMENTS ON COLOR set sales prospects, obtained from manufacturers in our current survey (p. 1), shows that they all look hopefully to color as a great new phase of the business-- though they differ markedly on when they think color will reach that stage.

Interesting aspect of survey is that the manufacturers can have strong opinions on color, yet disagree so substantially in their analyses and predictions--content to let events prove them right or wrong. Most are quite willing to be identified though a few chose not to be at this time. Following are excerpts from replies received to date:

James H. Carmine, Philco pres.: "We are consistent in our opinion that production of color TV receivers will progress slowly. The industry is only just entering the real training period on all phases of color TV--service and field training, manufacturing experience, production of color tubes, to mention only a few. Further, industry has taken only the first steps toward gaining necessary experience in programming, camera techniques and broadcasting . . . All of the factors involved are of major importance. From a short range point of view, I want to point out that it has taken several years to build even the first color receivers which we all hope will give stable, satisfactory service in the field. We are now almost in Sept. and only a very few color TV receivers have been manufactured. As a consequence, it is inevitable that the quantity of color receivers available this fall must be very limited. All these considerations have entered into our opinion that it will be summer and fall of 1956 before manufacturers can achieve even minimum volume production of color receivers that can be safely sold to consumers . . . There have already been too many false starts in color TV. The industry cannot

afford any more. That is why Philco will move forward carefully and very cautiously during the fall season this year."

Robert W. Galvin, Motorola exec. v.p.: "NBC and CBS are to be commended for their ambitious color programming schedules this fall. NBC's program is particularly noteworthy. The quantity, quality and diversity of these shows have already re-enthused our distributors for the color market and will awaken increased interest on the part of the dealers. The combination of these programs and increased enthusiasm at the marketplace will improve the market prospects substantially over last year. We anticipate a steady, though moderate, sale of color receivers this fall."

A. L. Chapman, Sylvania v.p.-operations: "It is my opinion that the increased amount of programming and telecasting in color which is planned for this fall and for next year will stimulate consumer interest in color TV sets. It appears now that there will be some 25,000 sets sold in 1955, and it is very possible that the industry will sell from 200,000 to 250,000 sets in 1956. This fall could very likely be the starting point for color, with color then having a slow but steady growth in the coming years."

E. W. Gaughan, Capehart-Farnsworth v.p.-gen. sales mgr.: "Color TV could be sold in a fairly large volume beginning the middle of Sept. this year and the balance of the season if the dealers will take an interest in displaying, promoting and demonstrating color TV sets. However, I am fearful that the average merchant or dealer will place a color set on their floor and expect the public to break down their doors in an effort to make a purchase . . . As far as Capehart is concerned, we fully intend to do our part in promoting, advertising and conducting both sales & service clinics in Ft. Wayne and out in the field to create more interest . . . It may be well to mention that Capehart is one of the very few in

the electronics field who have to date invested more than \$1,000,000 in research, development, tooling and design in the color TV field . . . We are not dependent upon any other manufacturer for a chassis, circuitry or design when it comes to color TV. If the retailers will show an interest, it is my personal opinion that close to 100,000 color sets could be sold by the industry the balance of this calendar year. Next year I believe this figure could far exceed 300,000."

Robert S. Bell, Packard-Bell exec. v.p.: "While I would certainly be delighted to be an optimist about the earlier part of this period—i.e., the coming fall—I fail to see where there will be much headway made in selling the product to the people. However, the idea of color TV as a well-known art and as commercially feasible should be a reasonably short additional job, and I hope and look forward with confidence that within the next year and a half we will get to the point where they can be produced at a price which will reach at least a fair portion of the market. It is my firm belief that we do not have a chicken and egg fight at all in color TV as we did in black-&-white, and I just feel certain that as soon as adequate programming, amounting to an hour or more every night, is available, people will begin to believe that color is really here. Up to now, they have been deluged with about 99% misinformation for the last 7 years. I think it will take a little while to break through the crust of their indifference to any ballyhoo."

Raymond W. Durst, Hallicrafters pres.: "It will take some time for the public to get a greater awareness of the magic and excellence of color. My guess, and it is just that, is that there will be from 25,000 to 50,000 color receivers sold at retail between now and Dec. 31. I hate to make what might appear like a very unrefined guess of the retail sales in the calendar year 1956 but I think it has a potential of from 500,000 to 1,000,000 receivers. The so-called 'carriage trade' alone can account for a goodly number."

Morris Sobin, Olympic pres.: "We believe that the continuing efforts of RCA and others in their broadcasting activities as well as the recent stepped up consumer advertising campaigns will effectively overcome the inertia which now prevails on the part of the public. At the present rate of interest we feel that by this Christmas a small, modest quantity of color receivers will have been sold at the retail level. Olympic has been keeping abreast of color receiving developments and our factory is equipped for color production in moderate quantities. Several pilot model units have been produced and small-scale production is scheduled for Nov. Olympic will proceed slowly with color production and as market tests indicate increasing demand, production will be increased accordingly."

C. J. Hunt, Stromberg-Carlson TV-radio v.p.: "With the price tags that are on the 21-in. color sets, sales are bound to be limited. On the other hand, I feel that with the type of programming that is coming considerable consumer interest will be created and if the industry can produce 21-in. instruments at a greatly lowered retail price in 1956 it will sell all it can make."

Ernest Alschuler, Sentinel pres.: "We have felt convinced that color TV was coming along in a most encouraging manner and of course, now with the release of the news that RCA-NBC color plans are going to be on such favorable basis, we are quite pleased to have our views confirmed. Our confidence in color TV is evidenced by our devoting a considerable amount of effort in the complete engineering of our color TV receiver, and we have just recently decided to increase our planned production."

H. C. Bonfig, CBS-Columbia pres.: "The increased programming projected by the networks this fall, plus the programming planned by a number of local stations, will help stimulate color TV set sales and increase interest in the color medium. Sales in the fall of 1955 will be better than those we had in 1954, due to this increase in programming. In 1956, we will see a substantial increase over the 1955 color sales figure. Right now, one of the principal deterrents to sales is the price factor. As long as the consumer weighs the black-&-white prices today against the possibility of color set prices tomorrow this will be a stumbling block. When color sets get to the \$400-\$500 level, they will be able to be sold to the mass market. It's difficult to say when that level will be achieved, as it may take some time. Perhaps it will arrive by the end of 1956."

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Here are the views of those few manufacturers who prefer not to be identified now:

One fairly large producer estimated that this year's production would be 60,000 sets, sales 50,000; for 1956, he predicted production of 250,000, with 200-220,000 sales.

A medium-sized producer stated: "I believe that there may be a market for between 5000 and 10,000 sets this year. As regards next year, I would rather see what happens between now and the first of the year before making any estimate."

A smaller set maker writes: "With the type of color-casting plans that RCA has announced, color TV should at last get started. Receivers have been sufficiently improved so that they produce an entirely commercial picture. Although units of sales this fall should not be significant, total dollars will be important. In 1956, color TV will represent an important part of the TV industry's billing."

Another small producer says: "In view of the strong emphasis which NBC and CBS are placing on color broadcasting for this coming fall, I believe this will serve to create a definite continuing interest in color by consumers. The extent of this interest will depend on the quality of the programs, and more especially, the quality of the color reception and the price of color TV receivers. For the first time, it appears that color TV will have a continuing place in the market."

Still another small manufacturer puts it this way: "I am still of the very firm opinion that the color set market will not get off the ground until such time as sets can be retailed for under \$500 with a reasonable profit to the dealer. Even at this retail figure I am of the opinion that it would not represent more than 10 to 12 percent of the total set sold. However, these percentages can accelerate rapidly as costs drop."

GE small appliance div. has cancelled all advertising in *Life Magazine*, shortly after June 20 editorial stating that fair trade is "dying" and expressing "good riddance." GE is one of most active fair traders, particularly in small appliances. GE's action, explained company spokesman, was prompted by decision to divert more advertising to network and spot TV and "has no other significance whatever." Division had been spending more than \$500,000 a year in *Life*.

British TV production in first 6 months totaled 776,000, up 51% from the 508,760 sets produced in first half of 1954, reports British Radio Equipment Manufacturers Assn. Output of radios, including auto sets, totaled 1,109,431 in first half vs. 885,677 in first 6 months year ago. During June, said BREMA, about 57% of TV sales were on installment credit, which is being further restricted in second half of year under new regulations.

Topics & Trends of TV Trade: NARDA rates kudos of the whole industry for sponsoring First Institute of Management Conference for TV-appliance dealers this week at American U, Washington—and some who participated in and observed the sessions are enthusiastically suggesting it should be an annual affair, perhaps expanded on a district basis in order to take in more “students.”

Workshop sessions and luncheon speakers comprised the 6-day “course”, attended by 47, and these were topped by “bull sessions” about the business that lasted far into the night in the campus dormitories where they were billeted.

One of most important, timely and lucid speeches, to our thinking, was Aug. 15 talk by Thomas F. Joyce, pres. of Raymond Rosen & Co., Philadelphia RCA distributor; we’re printing it in full text as Special Report herewith, and we’ll run off reprints for other distributors (who may want them for their dealers) at nominal rates on request.

Joyce defended role of the distributor, but only if he performs his proper responsibilities for his “dealer partners.” He listed these as carrying adequate inventories of end products and replacement parts, providing adequate credit facilities, giving sales & merchandising assistance, training dealer servicemen, giving dealer “maximum territory and market protection.” In reply to questions after speech, he told the dealers they had no reason to fear discount houses unless the discounters were buying at lower prices.

Here are highlights of some of the topics covered by other speakers:

Servicing—Magnavox gen. sales mgr. Ray Yeranko said 50% of dealer’s TV business depends on how well he services products he sells. He urged them to equip service depts. with accurate test equipment, check every set for performance and appearance before delivery, have service technician install every set and instruct customers on operations for best results, advertise service depts., develop new prospects through leads furnished by service depts.

Sales Training—Philco exec. v.p. John M. Otter urged dealers to tap college graduates and teachers as sources of salesmen. “Point out that they can make more money with you than with a wholesaler,” he said, referring to fact that many young college graduates want to join distributor organizations for training. He also stressed necessity of proper training of salesmen, urged dealers to hold daily sales meetings.

Consumer Attitudes—Magnavox v.p.-gen. mgr. Leonard F. Cramer said public is demonstrating willingness to buy up into higher-priced merchandise, and it’s up to dealer to develop that tendency. He urged dealers to emulate auto agencies in reselling public on pride of ownership, saying that an auto gives its owner only a fraction of the pleasure derived from TV set.

Dealers and distributors attending Aug. 15-20 sessions: Vergal Bourland, Ft. Worth; David S. Brihart, Scottdale, Pa.; Robert H. Cloud, Lexington, Ky.; Paul Dettling, Jackson, Mich.; Mort Farr, Upper Darby, Pa.; Steve Feinstein, Boston; Mike Flynn, Washington, D. C.; Carl E. Forsberg, Brockton, Mass.; Don Gabbert, Minneapolis; Stuart Greenley, Flint, Mich.; Robert Grinnell, Flint; Stewart Grove, Flint; J. H. Hampton, Pontiac, Mich.; B. F. Hannah, Tucson; Scott Hanson, Louisville; J. D. Hodsdon, Portsmouth, Va.; S. M. Hollis, Memphis; Earl T. Holst, Des Moines; J. R. Hopkins, Hollywood, Fla.; Charles H. Jett, Lexington, Ky.; Robert Justis, Newport, Del.; J. W. Leon, Toledo; Frank Low Jr., Rocky Mount, N. C.; Paul Meyer, Mankato, Minn.; Francis L. Monette, Lowell, Mass.; James I. Morningstar, Dawson, Pa.; George Pazik, Milwaukee; Henry F. Pieratt, Lexington, Ky.; Nick Powell, Richmond, Ky.; Harry B. Price Jr., Norfolk; Lawrence F. Rahn, Brookfield, Ill.; Max Rhodes, Prospect Heights, Ill.; Jerry Ritter, Port Huron, Mich.; Edward Rosen, Philadelphia; Fred O. Schwender, Utica, N. Y.; J. H. Shenk, Harrisburg; D. M. Shoffner Jr., Port Huron, Mich.; A. H. Smith, Gainesville, Fla.; Ken J. Stucky, Ft. Wayne; Robert B. Sudd, Oildale, Cal.; W. L. Tait, Portland, Ore.; F. Engle Taylor, Columbus, O.; Don C. Tobin, San Francisco; J. R. Waters, Fairmont, W. Va.; Gross Williams Jr., Shreveport; J. B. Wood, Norfolk.

SHIPMENTS OF TVs to dealers in first half of 1955 totaled 3,084,717, compared to production of 3,828,793, according to RETMA state-by-state report released this week. They compared with 2,667,603 shipped in first half of 1954, when production was 2,845,147. New York led, with 299,913; California was next, 257,209; Pennsylvania third, 190,012. June shipments were 407,087, compared to 348,181 in May and 297,505 in June 1954. Here’s state-by-state report for first 6 months (county-by-county tables available to members from RETMA on request):

State	Total	State	Total
Alabama	55,072	New Hampshire	11,016
Arizona	17,299	New Jersey	98,043
Arkansas	36,884	New Mexico	10,961
California	257,209	New York	299,913
Colorado	22,411	North Carolina	82,950
Connecticut	41,115	North Dakota	9,873
Delaware	6,430	Ohio	153,946
District of Columbia	31,400	Oklahoma	46,059
Florida	105,008	Oregon	40,546
Georgia	68,413	Pennsylvania	190,912
Idaho	13,121	Rhode Island	14,216
Illinois	166,254	South Carolina	47,494
Indiana	77,357	South Dakota	10,030
Iowa	43,354	Tennessee	65,307
Kansas	40,710	Texas	186,941
Kentucky	53,127	Utah	11,895
Louisiana	69,806	Vermont	9,798
Maine	23,143	Virginia	55,702
Maryland	42,355	Washington	53,547
Massachusetts	84,172	West Virginia	32,812
Michigan	122,063	Wisconsin	62,270
Minnesota	49,242	Wyoming	2,877
Mississippi	29,549		
Missouri	81,938	U. S. TOTAL	3,071,906
Montana	9,227	Alaska	4,590
Nebraska	24,807	Hawaii	8,221
Nevada	4,232		
		GRAND TOTAL	3,084,717

Raytheon introduced twin-speaker “Super T” transistorized portable radio, which company claims can play for 2 years on single battery with normal use, as one feature of its TV-radio line shown to press at New York’s Hotel Astor Aug. 18. Henry F. Argento, TV-radio v.p., said: “This radio completely removes any necessity for the plug-in variety of radio . . . as we have known it for 28 years.” It retails for \$89.95. The TV line has a 17-in. ebony table leader at \$140; 21-in. tables at \$160, \$170, \$180 & \$210; 21-in. consoles at \$200, \$250, \$300 & \$320. All models have top tuning controls, 90-degree aluminized picture tubes and an overload relay which customer can reset by pushing button.

CBS-Columbia’s new line, introduced to distributors Aug. 20-21 at New York’s Essex House, comprises 9 basic 21-in. models and one 24-in. console, ranging from \$170 to \$300. Engineering and styling include illuminated dials, front tuning controls, improved “photo-electron gun” designed for uniform focus, aluminized picture tubes, improved audio circuits. The four 21-in. table models are priced at \$170, \$180 & \$240, with price of one model to be set by local distributors; five 21-in. consoles are \$200, \$230, \$250, \$270 & \$300; the 24-in. console is \$290. Optional uhf tuners are \$20-\$30 extra.

Stromberg-Carlson increased prices on 4 basic 21-in. models \$5 to \$15 this week, joining Admiral, Emerson & Trav-Ler Radio in announcing increases thus far (Vol.11: 31-33). TV-radio v.p., C. J. Hunt, wired distributors: “We have delayed making this announcement as long as possible, even in the face of constantly rising material costs and increased labor costs,” and said company hoped to confine increase to the 4 models and to “hold the line” in its fall pricing. The “Cremona” was raised from \$260 to \$270, “Milano” from \$320 to \$330, “Regency” \$460 to \$475, “Empire” \$490 to \$495.

Hallicrafters reports 20% increase in TV-radio unit sales at dealer meetings this year over 1954, which marketing director Michael D. Kelly attributes largely to company’s 17-in. table model at \$99.95 and new \$19.95 remote control unit.

Sparton will introduce new TV line, titled “Royal Scot,” at meeting of district merchandisers Aug. 25-26 at Jackson, Mich. plant.

Trade Personals: James H. Carmine, Philco pres., sailed Aug. 17 on *Queen Elizabeth* for European business trip, expects to return after Labor Day; Robert F. Herr, v.p., already touring NATO countries to check on Philco equipment and personnel, due to return in mid-Sept. . . . Frederick D. Ogilby, Philco TV-radio div. v.p., recovering nicely from his heart attack of last spring, expects to be back on job sometime in Sept. . . . Fritz A. Gross, chief engineer of Raytheon equipment engineering div., promoted to div. mgr., assuming duties of J. Ernest Smith, who continues as v.p. & engineering director of Datamatic Corp., owned jointly by Raytheon & Minneapolis-Honeywell . . . John F. Frazier promoted to mgr. of Corning Glass Works TV dept., succeeding Dr. John L. Sheldon, appointed staff research mgr. of electrical products div. . . . James Kieth, owner of Los Angeles electronic parts maker S. A. Asquith Co., elected pres. of Kaye-Halbert, currently operating under Chapter XI proceedings and starting recapitalization drive with court permission; he replaces founder Harry Kaye, resigned . . . Gordon L. Jolly promoted to mgr. of product information, Westinghouse TV-radio div. . . . Donald G. Wilson, Stromberg-Carlson asst. research director, appointed vice-chairman of electronics committee, American Institute of Electrical Engineers . . . Donald Kirk Jr. and Caywood C. Cooley elected v.p.'s of Jerrold Electronics Corp., Simon Pomerantz treas., James J. Fuld secy. . . . Charles Berman named asst. to Trav-Ler sales mgr. Tully Friedman . . . D. B. Jones named Bendix Radio mid-Atlantic regional mgr. . . . Richard Linke, ex-Capitol Records, named sales mgr. of Columbia's "single" records.

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DISTRIBUTOR NOTES: Philco appoints TCR Distributors Inc., 1205 E. River Drive, Davenport, Ia., replacing Schmiers Distributing Co., Rock Island . . . Admiral appoints Capital Appliance Distributors, 2200 N. New York St., Evansville (Kenneth Somers, gen. sales mgr.) . . . Sylvania appoints V. J. Stanley Inc., Rochester, N. Y. . . . Capehart-Farnsworth appoints Keps Appliance Co., 5000 Baum Blvd., Pittsburgh (Joseph Elias, pres.); Edgar A. Brown Inc., Carnegie & E. 40th St., Cleveland (Edgar A. Brown, pres.); Neil Distributors Inc., 1035 NW 71st St., Miami (Herbert S. Neilinger, pres.); Radio Trade Supply, Des Moines . . . GE appoints L. Luria & Son Inc., Miami, as supplementary distributor . . . Trav-Ler Radio opens factory branch at 193 N. Broadway, Milwaukee (Howard V. Schwartz, ex-Raytheon Distributors, gen. mgr.) . . . Marshall-Wells Co., Duluth, one of world's largest wholesale hardware firms and Arvin Radio distributor there, announces resignation of pres. John H. Moore.

Crosley-Bendix plans \$3,500,000 ad campaign this fall, biggest in its history, concentrating on network TV and magazines, thru Compton Adv. and Earle Ludgin & Co. It will sponsor *Midwestern Hayride* on NBC-TV Fri. 8-8:30 p.m. and co-sponsor NCAA football game-of-the-week on NBC-TV. It will place 64 pages in national magazines.

Emerson's sales in 6 months ended July 31 were highest in company's 40-year history, said pres. Benjamin Abrams in letter to distributors, which also stated defense business continues at high level; recent projects are new contracts for hemispheric defense, fire control computers, guided missiles.

Allied Electric Products Inc., Irvington, N.J., parent company of tube maker Sheldon Electric Co., was adjudicated bankrupt this week in Newark Federal Court. Date will be fixed later for public sale of assets. Company was headed by the late Nathan Chirelstein.

House Ways & Means subcommittee headed by Rep. Forand (D-R.I.) will start hearings Oct. 4 on all excise tax problems, including TV-radio.

Color Trends & Briefs: Dealer caution about color was evident at NARDA Institute of Management at Washington's American U this week. Leonard Cramer, Magnavox v.p.-gen. mgr., and Thomas Joyce, pres. of Philadelphia RCA distributor Raymond Rosen & Co., gave bullish talks on color, were followed by Philco exec. v.p. John M. Otter who told dealers not to buy more sets than they knew they could sell.

In question period, Rosen's Edward Rosen asked Otter why he differed with others. Otter replied: "Color TV isn't ready, either in the tube or in the circuitry, and Philco will not push anything that isn't ready." Then Harry B. Price Jr., NARDA pres. and owner of big Norfolk chain, took floor to say he'd been stuck with color sets last year, wasn't going to buy until he was sure of orders. He was roundly applauded by fellow dealers, indicating general agreement with him. NARDA chairman Mort Farr, Upper Darby, Pa. dealer also attending sessions, tells us he's going all-out, on other hand, having recently hired high-priced salesman to concentrate solely on color.

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Network color schedules for next 2 weeks: NBC-TV—Aug. 22, *Producers' Showcase*, "The King & Mrs. Candle," 8-9:30 p.m.; Aug. 22-26 & Aug 29-Sept. 5, segments of *Home*, 11:45-noon; Aug. 23, 25 & 30 and Sept. 1 & 6, *Vaughn Monroe Show*, 7:30-7:45 p.m.; Aug. 24, 26 & 29, *Matt Dennis Show*, 7:30-7:45 p.m.; Aug. 26, 27 & 28, Davis Cup tennis matches, 2-5 p.m. Note: First CBS-TV color spectacular will be *Ford Star Jubilee* Sept. 24, Sat. 9:30-11 p.m., starring Judy Garland, with David Wayne guest star.

Vertical chassis 21-in. color set, first of its kind, was introduced by Raytheon this week, priced at \$795 for table model, \$895 console. Receiver has 24 tubes, 3 rectifiers, and console is 29-in. wide, 23-in. deep, 37-in. high. Henry F. Argento, TV-radio v.p., stated that company had another design fully developed 8 months ago but scrapped it to concentrate on new chassis. CBS-Columbia announced this week that it was reducing from \$1100 to \$795 the price of its 19-in. set (205C).

Color in movies and TV will be theme of SMPTE convention at Lake Placid Club, Essex County, N. Y., Oct. 3-7. TV sessions Oct. 6 include: discussion of "grainless phosphor screens for TV tubes and the light amplifier," 5-man roundtable on network telecasting; DuMont Vitasecan; colorimetric problems in film; report on international conference in Stockholm last June.

Technical articles on tri-color tubes in Aug. *Proceedings of the IRE*: "Color TV Luminance Detail Rendition," by W. G. Gibson & A. C. Schroeder, RCA Labs; "A New High-Efficiency Parallax Mask Color Tube," by M. E. Amdursky, R. G. Pohl & C. S. Szegho, Rauland (Zenith); "Design of Lens-Mask Three-Gun Color TV Tubes," by R. C. Hergenrother, Raytheon.

Further strengthening color schedule, NBC-TV will offer 26 filmed half-hour children's programs, *Golden Time*, produced in collaboration with publisher Simon & Schuster, to be colorcast Sat. or Sun. mornings. NBC also announced that *Matinee*, its 3-4 p.m. daily color show, would start Oct. 31 instead of Oct. 3; that Jose Ferrer has been signed for "Cyrano de Bergerac" on *Producers' Showcase* Oct. 17.

Live daily colorcasts will originate from Texas State Fair at Dallas, Oct. 7-23. RCA "caravan" will handle them, and programs will be carried on WFAA-TV & KRLD-TV.

"Color TV: On the Way at Last?" is question posed in title of article in Aug. 13 *Business Week*—and tenor of article leans toward affirmative answer.

Henri, Hurst & McDonald has installed 21-in. RCA color set in reception room, believes it's first Chicago ad agency to do so.

Financial & Trade Notes: Television-Electronics Fund Inc. net assets increased to \$104,639,370 (9,132,272 shares) as of July 31, up from \$96,182,331 (8,489,045 shares) as of April 30, including these stocks added during the quarter: 5300 shares of Cincinnati Milling Machine with market value of \$344,500; 2000 duPont, \$453,000; 2600 Ex-Cell-O Corp., \$123,825; 6500 Friden Calculating Machine, \$169,000; 1400 General Mills, \$108,150; 5500 Precision Radiation Instruments, \$45,375; 6000 DuMont 5% convertible preferred, \$126,000; 1000 Texas Instruments 4.48% cumulative convertible preferred "A", \$26,875; \$80,000 worth of American Electronics 5% convertible debentures. Also included are \$6,000,000 in Treasury notes.

Fund added to holdings in following stocks during quarter ended July 31: ACF Industries, Addressograph-Multigraph, AT&T, Babcock & Wilcox, Beckman Instruments, Bell & Gossett, Bell & Howell, Bullard Co., Bulova Watch, Carborundum, Chance Vought, CBS "A", Continental Telephone, Cornell-Dubilier, Corning Glass, Curtiss-Wright, Douglas Aircraft, Eastman Kodak, Electric Controller & Mfg., Electronic Assoc., Elgin National Watch, Garrett, General Dynamics, General Tire, Goodyear, Hazeltine, I-T-E Circuit Breaker, Lockheed, Minneapolis-Honeywell, National Acme, Northrop Aircraft, Paramount Pictures, Pullman, Raytheon, Royal McBee, Ryan Aeronautical, Servomechanisms, Sperry Rand, Square "D", Stewart-Warner, Taylor Instrument, Thompson Products, United Aircraft, Western Union.

Part of holdings were sold in Admiral, Aerovox, Aircraft Radio, Allis-Chalmers, AB-PT, American Chain & Cable, American Phenolic, Arvin, Bendix Aviation, Borg-Warner, Burroughs, Clark Controller, Columbia Pictures, Cutler-Hammer, Eaton Mfg., Electro-Data, Electronics Corp. of America, Emerson Radio, Gary (Theo.), General Controls, GE, General Railway Signal, Hammond Organ, Indiana Steel Products, International Resistance, IT&T, Magnavox, Minnesota Mining & Mfg., Motorola, National Cash Register, North American Aviation, Philco, RCA, Robertshaw-Fulton, Sylvania, TelAutograph, Tung-Sol, United-Carr Fastener, United Shoe Machinery, Walt Disney, Westinghouse, Zenith.

Eliminated were Fund's 800 shares of Consolidated TV & Radio Broadcasters (Bitner stations) and Raytheon \$2.40 cumulative convertible preferred, latter converted to common. The Sperry Rand holdings replace Sperry Corp. and Remington Rand which merged. And General Dynamics holdings reflect acquisition of Stromberg-Carlson.

(For similar report on Feb. 1-April 30 quarter, see Vol. 11:21, p. 15.)

* * * *

General Dynamics Corp. earned \$9,384,757, or \$1.87 a share, on sales of \$342,989,927 in first half of 1955, compared to \$9,840,825 (\$1.93) on \$323,305,659 in same 1954 period. Figures includes operations of recently acquired Stromberg-Carlson (Vol. 11:18) which chairman John Jay Hopkins said is functioning at "high production levels" on both commercial products and govt. contracts. "Productive capacity is being increased for an expected expansion of the division's telephone equipment business," he said, adding that the new TV line "was received enthusiastically by distributors and dealers." He said corporation's backlog of unfilled orders was \$1.124 billion as of June 30, besides \$800,000,000 worth of contracts then under negotiation.

Erie Resistor Corp., in 24 weeks to June 12, had net sales of \$8,837,707, net profit of \$383,903, or \$1.25 per share (\$1.11 assuming full conversion of preferred at 1.1 rate). This compares with sales of \$6,572,643, profit of \$60,673 (8¢) for corresponding 1954 period. Consolidated report includes British and Canadian subsidiaries.

COLUMBIA RECORDS formed "record-of-the-month" subscription club this week, in cooperation with its distributors and 6200 dealers, in effort to get its share of estimated \$20,000,000 worth of records purchased annually by subscription. As first step, it appointed its gen. attorney Norman A. Adler, as v.p.-gen. mgr. of Columbia LP Record Club, with special club headquarters at 165 W. 46th St., N.Y. It will spend \$1,000,000 in next 8 months advertising, through Maxwell-Sackheim, N.Y.

Columbia made a point, in big promotional ads, of emphasizing that distributors and dealers will participate—unlike other record clubs, where dealer is by-passed. Dealer will be given a 20% commission on all sales made to each subscriber he signs up, as long as he continues as an active member. Distributors will be given a 4% commission on all sales to members recruited by dealers in their area. Subscribers will be offered a free 12-in. LP when they join; they will have to buy a minimum of 4 records a year at list price and will be entitled to a free bonus record for every 2 records they buy. Columbia will draw on its full catalog for club selections, including both classical and popular music.

RCA Victor, associated with Columbia as 2 top producers in record industry, announced through v.p. Emanuel Sacks that it had no intention of forming its own record club. He commented: "The best way to realize the growth potential we see for the record industry is through aggressive dealers stocked with competitively priced quality merchandise. That is why we lowered the price of our long-playing records as much as 40% earlier this year. As a result, record sales have soared to a new high and dealers, both large and small, have benefited."

RCA Victor disclosed it will stop producing 78rpm records early next year. Sacks said popularity of 45s has made 78s unprofitable. Shipments will begin about Aug. 20 on a new 12-in. LP to retail for 98¢, featuring selections from both popular and classical albums. Slow demise of 78rpm records was not unexpected, with trade press speculating it will be industry-wide trend by fall of 1956.

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More officers' & directors' stock transactions reported by SEC, in addition to those published last week (Vol. 11:33): Frank Stanton sold 30,000 CBS "A", holds 104,058 CBS "A"; Ralph J. Cordiner bought 4500 GE, holds 10,395; Clarence H. Linder bought 2070 GE, holds 4710; Howard C. Briggs sold 1000 Hoffman Electronics, holds 1000; Oliver J. Greenway bought 800 International Resistance, holds 8650; Charles H. Griffith bought 1200 International Resistance, holds 5300; Edward A. Stevens bought 1800 International Resistance, holds 8840; Percy L. Spencer sold 2200 Raytheon, holds 3.

Sperry Rand Corp., in first report since recent Sperry and Remington Rand merger, reports combined net income of predecessor companies of \$9,027,895 (35¢ a share on 25,205,632 shares outstanding) on shipments of \$157,796,605 for quarter ended June 30.

P. R. Mallory & Co. declares 3-for-2 stock split, with distribution Sept. 15 of added share for each 2 held as of Aug. 30; common will go on 35¢ quarterly dividend in lieu of present 50¢.

Oak Mfg. Co. earned \$839,076, or \$1.60 a share, on sales of \$11,370,124 in first 6 months of 1955 vs. \$500,243 (95¢) on \$8,096,471 in first half of 1954.

Dividends: Philco, 40¢ payable Sept. 12 to stockholders of record Aug. 31; Standard Radio Ltd. "A", 15¢ Oct. 11 to holders Sept. 20; Clevite, 25¢ Sept. 9 to holders Aug. 26.

Servomechanisms Inc. sales were \$6,073,000, profit \$216,000 (28¢ a share) in first half of year vs. \$5,967,477 & \$303,743 (40¢) in same 1954 period.

Electronics Reports: Further example of old-line companies expanding and diversifying in fields of electronics (Vol. 11:33): Avco this week concluded agreement to acquire 60,980 shares of Hycon Mfg. Corp. (out of 2,329,990 shares outstanding) in exchange for 73,139 shares of newly issued Avco common (8,922,585 outstanding, 15,000,000 authorized) and will also purchase \$500,000 of new Hycon 10-year 5% convertible debentures. Main purpose is for Avco, notably its Crosley div., to exchange scientific know-how and facilities with Hycon and for Avco to participate in Hycon's defense contracts. Each will have one director on other's board.

Hycon makes special purpose electronics equipment as well as aerial cameras, photogrammetric equipment, ordnance products; its prime defense contracts, mainly involving basic components of the "Mighty Mouse" 2.75-in. rocket, ran some 80% of its billings in 1954 and will run about 60% this year. First fiscal half-year ending July 31 showed earnings, due to heavy developmental expenses, of about \$100,000 vs. \$280,154 (16¢ a share) on sales of \$5,874,086 in same period last year, reports pres. Alden E. Acker. Second half sales are expected to reach \$7,000,000 for a fiscal year's volume above 1954's \$11,972,107.

Hycon has 10 plants in Pasadena, Cal., which it proposes to centralize into one new \$1,000,000 structure at LaVerne, Cal. It recently formed Hycon-Eastern Inc., Cambridge, Mass., research concern in which it holds 60% interest. California firm expects to be listed on American Stock Exchange in Nov.

Note: Avco discloses it will have instrument for testing color TV sets ready for mass production in Sept., to sell for \$415.

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Stromberg-Carlson div. taking over production of charactron tube from General Dynamics' Convair div. Stromberg also has acquired former Electronic Control Systems Inc., Los Angeles, specializing in automation and electronic computers; it previously had part interest. Also disclosed this week, with declassification of TACAN (tactical air navigation), was that it is manufacturing system under contract with Navy. Leonard Mautner, Stromberg asst. v.p., has been assigned to head expanded west coast operations; Alexander F. Brewer, also an asst. v.p., will be resident mgr. of electronic control labs, Los Angeles.

Herold Radio & Electronics Corp., Mt. Vernon, N. Y., which produces radios & phonos for Sears, Firestone, CBS-Columbia, etc., plans to apply for listing on American Stock Exchange, according to chairman Roland Kalb. It sold 100,000 shares to public (at \$3 per share) in recent offering. Sales in 4 months ended June 30 rose to \$1,100,000 from \$570,000 in corresponding period year ago.

A. L. W. Williams named pres. of Clevite Research Center, formed by merging Brush Laboratories Co. & Clevite-Brush Development Co.; he succeeds Dr. C. Baldwin Sawyer.

Dr. Otto Heinz, ex-Bell Labs, and Dr. Clarence M. Ablow, senior research mathematician, join Stanford Research Institute's engineering div.

Harry L. Owens, ex-Signal Corps Labs, Ft. Monmouth, N. J., joins Texas Instruments Inc., Dallas, as chief engineer of semi-conductor products div.

Dr. Truman S. Gray, MIT associate professor of engineering electronics, has been named consultant on nuclear energy to Brown Instruments div., Minneapolis-Honeywell.

Dr. F. Ralph Kotter, ex-MIT, rejoins National Bureau of Standards electricity & electronics div.

Edgar S. Bloom, 79, retired ex-pres. of Western Electric, 1926-39, died Aug. 14 at his home in N. Y.

The Russians view transistors: "Radio receivers and TV sets already exist having no vacuum tubes (apart from picture tubes), which have been replaced by miniature solid electronic amplifiers that possess great advantages over tubes: longevity, minute power consumption, mechanical ruggedness and small size. They find the widest application in the complex systems of phone stations, in calculators, and in many automatic installations."—Prof. A. Berg, in May 1955 *Radio* (Russian). "It is now completely beyond doubt that in the next few years low-power vacuum-tube electronic devices will be supplanted by semiconductors . . . In the very near future small-size radio broadcast receivers will be widely installed having germanium triodes with an output signal up to 0.5v, supplied by dry batteries of 3-6v having a high sensitivity of 35mkv/m . . . It must be assumed that in the near future semiconductor rectifiers will find wide application [also] in powerful radio broadcast stations where they will with success replace high-vacuum kene-trons and vacuum tubes."—Prof. A. Kugushev, same publication.

New 226-p. microwave manual, *Point-to-Point Radio Relay Systems—44 mc to 13,000 mc*, originally prepared for Air Force, is being offered commercially for \$2 by RCA Govt. Service Dept., Camden. Manual covers propagation, interference, etc., includes charts, curves & monograms.

David M. Rice, pres. of Electronic Publishing Co., Chicago, publisher of electronic parts & hi-fi distributor catalogs, pricing digests, etc., has acquired all outstanding stock in the corporation, plans new quarterly *Dave Rice's Official Pricing Digest* as of Oct. 1.

The 11th annual National Electronics Conference, sponsored by AIEE, IRE, RETMA, SMPTE & 7 midwestern universities, will be conducted at Chicago's Hotel Sherman Oct. 3-5, featuring 24 sessions and 131 exhibitors.

Tiny silicon power rectifier is first product to come from new semi-conductor dept. of Automatic Mfg. Corp., subsidiary of General Instrument Co. It occupies only .03 cu. in., weighs .07 oz., operates at temperatures up to 200° C.

Smallest walkie-talkie FM set ever built is RCA's claim for new experimental unit built for Signal Corps. Said to have ¼-mi. range, transceiver is 5½x3x1-in., weighs 15 oz., uses 12 transistors and one tube.

Russian TV set production in 1955 will total about 500,000—twice last year's output but below govt.'s 760,000 goal—reports *New York Times* in recent analysis of Soviet consumer goods output.

New textbook: *Elements of Electronics*, by USN chief radio electrician Henry V. Hickey & Lt. Wm. M. Villines (McGraw-Hill, 487 pp., \$6.50).

New John F. Rider publications: *Selling Your TV-Radio Service*, by GE Tube Dept. (64-p., \$1); *Picture Book of TV Troubles*, by Rider staff (96-p., \$1.80).

A 350-mi. microwave system for California civil defense is being installed by RCA; it has 9 hops, uses 2450-2700-mc band.

"Industry's All-American Team" is 28-p. brochure published by RCA as a "salute" to its small suppliers.

Electronic Parts Distributors Show, to be held next year in Chicago 3rd week in May, elects these officers for 1956: pres., W. D. Jenkins, Radio Supply Co., Richmond; v.p., Theodore Rossman, Pentron; secy., W. Walter Jablon, Presto; treas., Herbert W. Clough, Belden.

Annual western winter furniture market is scheduled Feb. 6-10 at Western Merchandise Mart, San Francisco (A. Cameron Ball, gen. mgr.).

TELEVISION OWNERSHIP, as adduced by Market Research Corp. of America on basis of continuing reports of its 5800-family panel (see p. 1), embraced 68% of all households as of July, compared to 67% in April, 64% in Jan. and 61% in Oct. 1954. The breakdowns show TV ownership predominates in northeast region, in cities of more than 500,000 population, and in families in upper fourth of income bracket where head of family has high school education. Here are complete MRCA breakdowns:

TELEVISION OWNERSHIP				
Percent of Families in Each Group With TV Sets				
	Oct. 1954	Jan. 1955	April 1955	July 1955
UNITED STATES TOTAL ...	61%	64%	67%	68%
Regions:				
Northeast	78%	81%	84%	85%
South	42	46	50	54
North Central	64	68	70	70
Mountain & Southwest	42	46	46	52
Pacific	61	64	65	66
City Size:				
Farm	31%	35%	38%	43%
Under 2,500	44	49	53	56
2,500 to 50,000	42	49	50	53
50,000 to 500,000	67	70	74	75
500,000 & Over	83	85	87	87
Total Family Income:				
Upper Fourth	71%	76%	77%	81%
Next Fourth	68	70	72	76
Next Fourth	62	66	69	69
Lowest Fourth	44	46	48	48
Education of Family Head:				
Grade School	53%	57%	60%	62%
High School	68	71	74	75
College	66	71	71	73
Size of Families:				
1 & 2 Members	51%	56%	57%	59%
3 Members	68	68	73	73
4 & 5 Members	71	75	77	78
6 Member & Over	57	58	62	66
Age of Housewife:				
Under 35 Years	68%	70%	73%	75%
35 thru 44 Years	69	73	74	74
45 Years & Over	52	56	59	61
Presence of Children:				
5 Years & Under	68%	70%	73%	75%
6-12 Years	68	72	75	76
13-20 Years	61	66	69	71
No Children	53	58	60	61

Barton Pitts' KFEQ-TV, St. Joseph, Mo. (Ch. 2, CBS), with radio KFEQ (5-kw, 680 kc, MBS) is expected to be sold shortly for \$550,000 plus assumption of about \$235,000 in liabilities to syndicate in which Bing Crosby, Kenyon Brown & George Coleman will each own 25%; John E. Fetzer & Paul O'Bryan, 12½% each. Deal was handled by Robert Grant, representing Kidder, Peabody & Co., Chicago. Pitts has long sought to sell the stations and retire, due to ill health. Bing Crosby would enter deal as an investor, having been partner with Kenyon Brown, part owner of KWFT-TV, Wichita Falls and other stations, and Mr. Coleman, Miami, Okla. banker, in the old time-sharing KMBY-TV, Monterey, Cal., which they sold last year (Vol. 10:45 & 11:6). Fetzer operates pioneer WKZO-TV, Kalamazoo (Ch. 3), KOLN-TV, Lincoln, Neb. (Ch. 3) and several radio stations. O'Bryan is partner in Washington law firm Dow, Lohnes & Albertson.

Madison Ave. and entire TV-radio advertising fraternity, reading generally favorable reviews this week of Al Morgan's new novel, *The Great Man* (Dutton, 317pp, \$3.50), are playing guessing games as to who is real-life prototype of Herb Fuller, the dubious "hero" of the narrative. Fuller is "the great man" to millions of TV-radio fans, but in actual life (the story is told by commentator Ed Harris as he puts together the Herb Fuller Memorial Show after he dies in a car crash) was a downright heel. Author of book that's causing more talk in trade than any since *The Hucksters* is senior editor of NBC *Home* show.

Horace P. Moulton elected v.p. & gen. counsel of AT&T Aug. 17, succeeding T. Brooke Price, who retires Sept. 1.

Celebrated Edward Lamb case, in which FCC accuses the broadcaster-publisher of lying to it about past communist leanings, moved another step toward finale this week when Commission and Lamb attorneys filed proposed findings and conclusions on the hearing which ran from Sept. 15, 1954 to May 24, 1955. At stake is license of Lamb's WICU, Erie, Pa. (Ch. 12). Commission counsel submitted 335-p. document, while Lamb attorneys filed 14-p. brief. FCC brief is signed by 5 lawyers headed by Joseph M. Kittner, quotes at length from testimony and from Lamb's writings, including his book *The Planned Economy of Soviet Russia*, and concludes that he once did advocate communist economy and govt. as superior to that of U. S.; that he was active in un-American groups; that he contributed to communist groups—and that he lied when he swore to the Commission that he didn't. Lamb counsel J. Howard McGrath, former U. S. attorney-general, Russell M. Brown & Philip Bergson, attacked character and credibility of FCC's witnesses and argued that whole procedure was illegal and/or unconstitutional. In addition, they stated that testimony shows Lamb has record of active opposition to communism. Next move is reply of respective counsel to each others' briefs. Then examiner Herbert Sharfman will issue his initial decision. Oral argument before FCC will follow, after which Commission will render final decision. These steps are expected to run case well into next year.

Probe of alleged communist infiltration in entertainment industry by House Un-American Activities Committee this week got plenty of headlines—but got little information connecting communism with TV. Tony Kraber, ex-CBS & DuMont producer, pleaded 5th Amendment when questioned about possible Red links following sarcastic exchanges with committee members. Richard S. Salant, CBS v.p., said Kraber had resigned Sept. 28, 1951 as network's director of special events "by mutual agreement."

Suit against S. I. Newhouse, Syracuse interests, including WSYR-TV & WSYR, demanding \$1,088,112 in anti-trust damages, was thrown out Aug. 19 by Federal Judge Brennan. Plaintiff WNDR, Syracuse MBS outlet, had charged unlawful restraint of interstate commerce through "package deals in advertising" and alleged Newhouse interests had spread false rumors about WNDR's financial stability. Action was started in Nov. 1952.

WUSN-TV, Charleston, S. C. (Ch. 2) is selling its radio WUSN (1450 kc, 250 watts daytime, MBS) for \$110,000 to Low Country Bestg. Co., owned 50% each by Sol Panitz, TV-radio director of Alvin Epstein Adv., Washington agency, and Barry Winton, TPA. WUSN-TV owners (J. Drayton Hastie family 43%, *Evening Post* 40%) state they want to devote full attention to TV.

Signs of the TV times: *New York Times* assigns reporter fulltime to cover TV film beat in Hollywood under its ace movie reporter Tom Pryor . . . BBC's weekly *Radio Times*, devoted largely to reprints of significant broadcasts, had ABC circulation average of 8,832,579 for first 6 months of 1955 . . . *Houston Chronicle* (KTRK-TV) latest to add special Sun. TV section, starting with 8 pages.

Edward Lamb's original radio station WTOP, Toledo (1-kw daytime, 1560 kc, independent) was sold for \$125,000 this week to John L. Booth, who operates string of Michigan stations, is applicant for Ch. 10 in Parma-Onondaga, once operated WKBZ-TV, Battle Creek (Ch. 64) but took it off air in April 1954.

Canada has 1,376,101 TV sets in use, CBC reported this week in seeking \$13,740,000 budget for its TV network. They're located: in Province of Ontario (729,970), Quebec (401,794), British Columbia (100,339), Prairie Provinces (100,536).

A Wholesaler Speaks Up

Real Role of the TV-Appliance Distributor

Full Text of Remarks by Thomas F. Joyce, President, Raymond Rosen & Co.

Before First Institute of Management for Appliance & TV Dealers, Washington, D. C., Aug. 15, 1955

EDITOR'S NOTE: *If you're a TV or radio station executive whose commercial dept. must deal with local distributors & dealers—certainly if you're in any way connected with the manufacture and marketing of TV-radio receivers and household appliances—we commend a close reading of this transcript of Mr. Joyce's lucid and persuasive talk before the Institute conducted at American University in Washington this week under auspices of NARDA. Of the many talks, this one seemed to us to be unusually significant because it deals head-on with a topic that has had merchandisers buzzing for a long time, especially in light of the recent upsurge of discount houses. Mr. Joyce's position is quite clear: He's all-out for the wholesale function, in principle—but only for the distributor who really performs specific and needed services for his dealer "partners." That Mr. Joyce knows whereof he speaks, is evident not only from his background as an RCA executive but from his 10 years with Raymond Rosen & Co., Philadelphia, one of RCA's most important distributors.*

WHEN MORT FARR asked me to speak at the Institute of Management for Appliance and TV Dealers, I asked him: "What do you want me to talk about?"

Mort replied: "About the distributor and the functions he performs. A number of appliance and television dealers think that there is no place for the distributor and that he should be eliminated. These dealers would like to buy direct from the manufacturers and get the gross profit that now goes to the distributor."

By what Mort stated, I assume that there is some question as to whether or not a distributor is worth what he is paid, for the functions he does or does not perform.

Obviously, you expect my viewpoint on the subject to be that of a distributor executive who, in addition, has his entire capital invested in the distributing business.

Well, first, I would like to give you my viewpoint on the subject when I was an executive for one of the nation's leading manufacturers in this industry. In March 1944, at the symposium on post-war distribution conducted by the Sales Managers Club of New York, I made a talk on the subject: "The Future of Independent Wholesale-Retail Distribution." During the war years, some starry-eyed bureaucrats with the Office of Price Administration in Washington were predicting the demise of the wholesale distributor in the post-war period. The wholesale distributing function, in the appliance and radio fields, was virtually eliminated during the war years by reason of the fact that there were no goods to distribute. This, therefore, was the ideal time to change the basic structure of distribution, by seeing to it that the distributor did not come back to life, after the war.

Middleman Mentioned in the Bible

A number of distributors in those years were concerned about the line of thinking in Washington. I thought that I might make some small contribution to allaying their fears, by referring to history. In that talk I said:

"The earliest records of wholesaling go back to the beginning of history. One authority, for example, traces it to Genesis, the first book of The Bible, and the story of

Joseph, whose father made him a coat of many colors. Joseph's brothers were jealous of him, and sold him in bondage to 'a travelling company of Ishmaelites (who) came from Gilead, with their camels bearing spicery and balm and myrrh, going to carry it down to Egypt.' These ancient caravans transported goods in quantity to be parceled out for sale by local merchants.

"The Phoenician Empire in the Mediterranean was built around wholesaling. The fleet of ships of the Phoenician Empire brought merchandise from port to port. At each port the merchandise was sold to a 'middleman' who in turn brought the goods back into the interiors for distribution to retail merchants.

"Now, the wholesaler has been an important instrumentality in the distribution of goods for thousands of years for only one reason. He performs useful services. And upon how successful he is in performing these services depends his present and future success.

"The popular conception of the middleman is that he is a useless appendage on the distribution system—eliminate the wholesaler and you eliminate his costs. That is not so. You may bring about some reduction in costs, but you do not eliminate them. Manufacturers' branches are wholesaling establishments. Chain-store warehouses perform some of the functions of the wholesaler."

Evidently I believed in what I said in March 1944, for in April 1945 I became associated with Raymond Rosen & Co. as a partner. Today—a little more than 10 years later—I have no cause to regret that decision.

The success of the specialty appliance wholesaler is measured, in the final analysis, by one yardstick—and one only: The ability of the distributor's organization to secure from the market he is responsible for covering the percentage of the industry volume to which the manufacturers he represents are entitled by virtue of the value of the product and merchandising programs they have to offer. A specialty appliance distributing organization must be first and foremost a sales organization. The distributor must deliver to the manufacturers the volume they have a right to expect—or sooner or later the distributor will

have his franchise cancelled. All of the activities of the distributor must be for the purpose of achieving sales results.

One of my distributor associates put it aptly when he said: "A distributor is an employee of the manufacturer with the temporary right of investing his capital in the manufacturer's business."

"Our Responsibility to Our Dealer Partners"

Now, we can't do this job by ourselves. We need to have "partners" in this distribution enterprise and those "partners" are our dealers. As we see our responsibility to our dealer partners, they are to:

(1) Carry an adequate inventory, so that goods may be made promptly available to dealers for their customers. Our company inventory averages \$2,500,000 at cost.

(2) Carry adequate stocks of replacement parts so that this merchandise may be promptly serviced. This operation of our inventory averages \$300,000 at cost.

(3) Provide the dealer with adequate credit facilities to assist the dealer in financing his business. This includes financial advice, guidance and assistance. Our accounts receivable exceeds \$2,000,000.

(4) Give the dealer sales, advertising, merchandising assistance and sales training so that maximum sales volume may result for the dealer. Our cooperative advertising expense—50% contributed by the manufacturers—runs \$750,000 a year.

(5) Provide the dealer with service training.

(6) As a reward to the dealer for discharging the responsibility, to provide the dealer with maximum territory and market protection.

It is fundamental that the success of a distributor depends upon the lines he represents and the individual and collective success of the dealers with whom he does business. Granted that a distributor has good lines, he must develop a strong, financially healthy dealer organization to move the volume of goods the manufacturers expect to be handled in a given marketing area. And everyone in the distributing organization must realize these simple truths. We constantly reiterate to our organization the fact that we are the servant of both the manufacturer and the dealer.

How the Dealer Judges a Distributor

As a seller, a distributor must not only create, but maintain dealer goodwill. Every employe in the distributor's organization must be constantly educated to the important part he plays in developing and holding dealer goodwill. They know that the little things we are sometimes prone to overlook—common courtesy, attention to small details, answering dealer telephone calls, follow-through on dealer requests, are not little things in the eyes of the dealer, but are things by which the distributor is judged. Distributors must constantly impress upon the members of their organizations the important part every individual plays in giving good service to the dealer—from receiving to shipping and the service after the sale is made.

Granted that the distributor has a good headquarters organization, then he must have sound policies for selecting and developing dealers.

The place to start good relations with a dealer is with the appointment of a dealer to merchandise the line or lines a distributor handles. He must be careful in appointing dealers to make certain that the proposed new dealer will take nothing away from those dealers who are in the proposed new dealer's marketing area, but, rather, will add strength to the overall dealer organization. No hasty decisions should be made. Each new dealer application

should be reviewed by a New Dealer Committee, consisting of principles in the distributing business. Every angle should be considered before a final judgment is made.

It is all too easy to add a dealer to a distributor's organization, but it is not too easy to take him off, if a mistake has been made. That this policy has proven sound in the operation of our business is evidenced by the fact that the turnover in our dealer organization averages less than 5% a year.

Fewer the Accounts, Larger the Volume

As a specialty appliance distributor, we believe in doing business with the fewest possible number of accounts. In carrying out that policy we follow the principle laid down long ago by Kelvinator: an adequate dealer for every market, an adequate market for every dealer. We do this for a selfish purpose. The fewer the number of accounts, the larger the volume per account, the more satisfactory the business relationship and the lower the distributing operating cost. Almost without exception, Raymond Rosen & Co. accounts for 25% or more of the major appliances—radio and television volume of the accounts with which we do business. In many cases, it is from 50% to 100%. In all of these cases we are a major "partner" with the dealer.

Having appointed a new dealer, the distributor's interest should then be to contribute all that he can to the success of that dealer—whether the dealer be absolutely new to the appliance business or a tried and proven veteran.

The quality of the contribution a distributor can make to the dealer rests with his sales organization, whose job is not to sell the dealer, but to help the dealer sell. The value of the assistance a distributor can give to a dealer depends upon the ability, experience, know-how and willingness of his product sales managers and the territory district managers who work under their direction.

How to Assist the Dealer

This assistance to the dealer is nothing spectacular. It is the simple a-b-c's of merchandising:

(1) Suggest store layout and display. Assist the dealer in properly setting up and displaying the merchandise he distributes.

(2) Give the dealer good, sound merchandising advice and ideas enabling him to attract people to his store and sell them.

(3) Gives sales information to and sales-train the dealer sales organization. Keep the dealer and his organization informed of changes in and availability of product.

(4) Assist the dealer in getting sales and other personnel.

(5) Assist the dealer with his advertising and promotional activities. Help plan and schedule store events, sales anniversaries, sales contests, store demonstrations, etc. Provide and maintain the proper inventory of materials for display and sales promotion to help the dealer sell goods.

(6) Carefully watch inventory to maintain balance and recommend sales action that should be taken if dealer inventory is out of balance.

(7) Assist the dealer by actually working in his store during special sales events.

(8) Make available information regarding industry trends on which, because of the broader scope of the distributor's activities, he should be better informed than the dealer.

(9) Prove to the dealer that he has as much interest in helping the dealer sell merchandise as he has in selling to the dealer.

When the territory manager or the distributor sales

manager has earned the respect and confidence of the dealer, he finds that he has become the dealer's respected counselor and confidant—and that the orders for merchandise thereafter are automatic.

The distributor, as a servicing dealer's teammate, must assist the dealer with his servicing problems. This starts with an adequate replacement parts stock to enable servicing dealers to give their customers prompt, efficient, low-cost service.

In addition, there must be made available field trouble shooters to help dealers with particularly difficult service problems, regular product service training meetings, bulletins to keep dealers up to date on service shortcuts, problems, etc.

In large metropolitan markets, where centralized service is maintained for dealers, the distributor must provide the kind of home demonstration and service the dealer would expect if he had his own service organization doing the job. The customer contacts made by distributor service personnel with the dealer's customers must be such as to insure a fine relationship between the customer and the dealer.

This is done through high quality, prompt and courteous service in and out of the warranty period, and when out of the warranty period, at reasonable prices.

Need Dealer Suggestions and Criticisms

As a teammate with dealers, progressive distributors constantly solicit dealer suggestions and criticisms of the distributor organization and its operation. They know that they are far from perfect. They believe they have the right objectives and have a sincere desire to improve.

As distributors welcome criticism and suggestion, they feel at liberty to make a few suggestions to their dealer teammates. For what they may be worth, here they are:

(1) Those dealers who handle multiple lines should reduce the number of lines to certainly not more than two or three. In many cases, one line will suffice. Do this in your interest, for you then will be able to offer your customers a complete range of models in a given manufacturer's line from which to select; you will have better and more effective salesmanship; you will reduce your inventory investment; increase your turnover; reduce your obsolescence losses and increase your profits.

(2) Consult regularly with your banker. Make him a

real teammate in the operation of your business. Don't try to hide unfavorable trends from him or from the credit managers of your distributors. They can help you most when unfavorable trends start to develop.

(3) Take advantage of all of the helpful materials provided by your teammates, the manufacturers.

(4) Be an important account in dollar billings to one or two distributors, so that you will be important to that distributor or those distributors. Don't divide up your business in such a way that you are not important to any distributor. Don't be a fair-weather friend to a distributor. Stick with the one or two distributors you decide are best for you, and you will find that in good times or in bad times these distributors will stand by you. You will find them to be real teammates.

Are Distributors Overpaid?

Now, I would like to come back to Mort's original question, which basically was: "Are distributors overpaid for what they do?" To answer that question, let's look at the record:

In the report of the National Assn. of Electrical Distributors on the value added by distributors' functional services for the year 1954, we find that the gross margin of specialty appliance members in large metropolitan cities was 13.60%, operating expenses were 11.08% and profit before Federal and State taxes was 2.52%. For specialty appliance members with headquarters in cities of less than 1,000,000 population, the gross margin was 15.80%, operating expenses were 13.34%, and profit before taxes 2.46%.

To be successful as a specialty appliance distributor requires the constant vigilance of the owners and managers. You can't rest on your accomplishments of yesterday. For if you attempt to do so, you find out that your sales performance has slipped, your profits have disappeared, your banker has reduced his credit line, you have lost dealer support—and if you don't take measures quickly to reverse the trend, you are an ex-employee of your manufacturers and if you own (usually in cooperation with the mortgagor) the buildings you use in your business, you end up by being in the warehousing business instead of the distributing business.

The price of success in our business, as in every business, can be summed up in two words: Eternal Vigilance.

MARTIN CODEL'S
AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS — August 27, 1955

MORE VHF STATIONS via drop-ins, using low power and directional antennas, strong possibility in light of changing FCC allocations philosophy (p. 1).

FEW 2-SET HOMES as yet, ARB survey shows, giving added force to last week's Census Bureau survey indicating good first-set market potential, too (p. 3).

JUVENILE DELINQUENCY can't be blamed directly on TV, says Senate committee, which sees industry taking "calculated risk" with crime programs (p. 3).

ZONE I 1250-FT. CEILING blasted by UHF Committee, WNHC-TV and aircraft interests; NBC & WFIL-TV urge FCC approve their purchases of uhf stations (p. 4).

MORE TV PRICE HIKES coming as material and labor costs continue to soar; Motorola next. Philco creates 2 factory service branches (p. 9).

ELECTRONICS FACES glowing future, according to Loeb, Rhoades report on RCA, which projects its revenues to \$1.7 billion by 1959-60 (pp. 7 & 12).

SATELLITE DEAL revives Stockton, Cal. uhf outlet, now getting programs off-air from Sacramento uhf. Reports on upcoming stations (p. 8).

ALL-OUT FOR COLOR, big Philadelphia distributor outlines campaign to sell 150 sets weekly; Tom Joyce sees parallel with TV in 1939 (p. 13).

ANNUAL TV-RADIO POWER BILL \$650,000,000: Among the most vigorous proponents of TV in its early days were the electric power companies (Chicago's was one of most active, as we recall) -- and today it's easy to see why. Public's annual power bill for running TV sets comes to a very handsome \$481,000,000. Add to that radio's \$169,000,000 and you get total TV-radio bill of \$650,000,000. That's not counting the power bill of the nation's 3300-odd AM & FM radio stations and 442 TV stations.

Here are the factors used in arriving at those figures: TV set is turned on average of 35 hours weekly (per American Research Bureau); average current, 280 watts (Edison Electric Institute); average rate, 2.74¢ per kwh (Edison); total sets-in-use, 34,500,000 (Sylvania's Frank Mansfield). Average TV set uses \$13.96 worth of electricity a year. Fewer statistics are available for radio, but it's estimated there are about 75,000,000 radios in use (excluding auto & portable) turned on for average of 2½ hours daily. They use about 90 watts each -- \$2.25 worth a year.

TV ranks near top of home appliances as power consumer, according to power companies: Deep freeze consumes \$18.63 annually; refrigerator, \$9.59; washing machine, \$1.23; vacuum cleaner, 68½¢.

Power consumption is but another aspect of TV's direct contribution to the economy -- to be added to set sales volume of \$1.227 billion and servicing volume of \$1.5 billion annually (Vol. 11:25) -- aside from its incalculable contributions as an advertising medium.

COMMISSIONERS LEAN TOWARD VHF DROP-INS: Major TV allocations upheaval is a distinct possibility in coming months. Among FCC commissioners, there's accelerating thinking that time is ripe for abandoning present allocations principles -- fixed-mileage separations, full-power, non-directional -- and dropping in vhf channels on whole-sale basis, using protected-contour principles employed in AM.

Chances that majority of commissioners can be mustered to vote for such a move are very strong. Comr. Hyde has shown distinct leanings in that direction (Vol. 11:28), will expound further in Aug. 31 speech before Washington Lions Club. Comr. Lee has little doubt that move is warranted, and he may elaborate his views in Sept. 20 speech at NARTB regional meeting in Chicago. And it's very probable that at least 2 more members will endorse the allocations action.

Turnover in membership of Commission and top staff members has substantial role in the changed thinking. Of members who formulated present allocations plan,

only Hyde and Webster remain -- with Hyde already willing to explore change. Of the staff, ex-Broadcast Bureau chief Curt Plummer, who is said to have had a leading role in planning existing allocations, has been shifted out of the TV picture, is now chief of Safety & Special Radio Services Bureau.

Though Hyde and Lee tend to same ideas on vhf drop-ins, they diverge when it comes to "what to do about uhf?" Lee would put new vhf assignments anywhere they fit physically and there's demand. He'd like to help uhf operators by giving them a preference for the new vhf assignments -- if that's legally possible. Hyde likes what may be termed "two-way deintermixture" -- keeping predominantly uhf areas clear of vhf while adding more vhf to predominantly vhf areas in need of more stations.

* * * *

There's nothing new about vhf drop-in proposals now being pushed. The idea of an "engineered" plan was broached by many, without avail, when FCC was considering how to end freeze in 1948-52.

Most consulting engineers have always felt that allocation-by-mileage was an arbitrary and unrealistic principle; they've claimed that stations should be made to serve specific markets rather than be given same power-height potential regardless how large or how small a market they serve.

Current proposals have this theme: Assign vhf channels wherever they're applied for -- provided they cause no more interference to existing stations than would stations located at minimum distances now specified in rules. The new stations would generally have lower powers and heights, use directional antennas. One engineer estimates average would radiate 5-kw ERP. First such petition was filed year ago, Aug. 31, 1954 by off-air uhf WFPG-TV, Atlantic City, prepared by its counsel Arthur Scheiner, former chief of FCC Rules & Standards Div. Five other similar petitions have been submitted since then.

Lee feels that drop-ins are good for short-range relief. Long-range, he'd like to get more vhf channels, principally from the military, and he believes that a determined effort might be fruitful.

* * * *

We've spot-checked a few leading consulting engineers and find they generally believe that careful use of drop-ins would be helpful on short-run basis -- but few think that the 12 vhf channels will satisfy demand for the long pull.

"My pat answer about drop-ins," says one engineer, "has always been this -- 'they're bound to come because they always have, in broadcasting.' As for getting more vhf channels from the military, I don't believe the FCC would have a chance. The military has some very expensive 'hardware' flying in the 225-400 mc band. But I believe quite a competitive system could be built with 3-4 more channels."

Another argues: "I've always claimed that the FCC should have authorized 'controlled power' for stations. Why should a station in Podunk have 316 kw and 2000 ft.? It will never use it. However, some of these drop-in stations wouldn't amount to much -- just a buzz around the transmitter."

"It's a good stop-gap idea," states another, "meaning more stations and better total use of the channel. But it's not a long-range solution; 12 channels are not enough. In the next 10-20 years, I foresee a rough parallel to the growth of radio -- and Lee's idea of getting more spectrum from the military is a good one."

Drop-ins could add some 25% more assignments, another calculated. "It could be helpful in quite a few areas," he says. Chances of getting more vhf channels in addition to present 12 are "pretty poor," he says, adding: "Then you still have a conversion problem. It would cost less to convert to new vhf than to uhf -- but it's still a problem."

Though most attorneys believe rule-making is needed to put drop-in procedure into effect, firm of Welch, Mott & Morgan, who with engineer John Mullaney are the latest to urge drop-ins (Vol. 11:34), claim that rule-making is unnecessary, that years of delay can be avoided. One commissioner, at least, says there's no doubt that rule-making is required, adds that it could be completed in 90 days. Thereafter, applications could be filed, then granted where there's no conflict, set for hearing where competition develops.

LESS THAN 5% OF HOMES HAVE 2 TV SETS: The big market potential for TV receivers reflected in last week's Census Bureau report, showing one-third of U.S. households without TV as of June (Vol. 11:34), is reemphasized in nationwide survey by American Research Bureau showing only 4.3% of all TV homes had 2 or more sets as of July.

Taken together, the reports point to a continuing high first-and-second-set sales potential for some time to come. Add color sets, which loom increasingly important, and you have a truly rainbow-hued horizon for TV -- assuming, of course, a continuing favorable national economic climate.

Survey by ARB (National Press Bldg., Washington; James Seiler, director) is one of a continuing series, based on data secured in course of audience studies in all TV areas, and is sold to set manufacturers. In addition to national figures, it gives data for 31 selected markets, and rates the set manufacturers according to their share of those markets and of the U.S. market as a whole. It also provides data on age and screen size of sets-in-use, rate of replacement purchases, and homes having second-hand sets.

Another source of second-set and replacement business, as disclosed by the survey: 38.8% of sets-in-use are 3 years or older, 10.9% have screen sizes under 17-in.; it should be noted, though, that there's probably some duplication in these categories. Survey also shows 44.5% of sets-in-use are 21-in., 36.8% are 17-in., 2.1% are 24-in. -- figures not much at variance with the Sylvania Research tabulations published in our new Television Factbook No. 21 (p. 19).

We were permitted by ARB to use only selected excerpts from the survey, which is replete with valuable data for telecasters and merchandisers alike. For example, multi-set homes are most common in Baltimore, where 8.6 families in every 100 have 2 or more of them. Seattle-Tacoma area has lowest multi-set saturation of pre-freeze markets, with only 2.6% of TV families having 2 or more sets.

Philadelphia led all cities in replacements -- 75.3% of sets bought there going to homes which already had a set. Chicago is next, with 73.9%, then Detroit, 71.8%. Dayton and Los Angeles have greatest percentages of homes with second-hand sets -- 11.8% and 11.1%, respectively.

These markets are covered in survey: Atlanta, Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, O., Dayton, Davenport-Rock Island-Moline, Detroit, Evansville, Jacksonville, Los Angeles, Minneapolis-St. Paul, New York, Philadelphia, Providence, San Diego, San Francisco, Scranton-Wilkes-Barre, Seattle-Tacoma, southeast Florida (Dade, Broward & Palm Beach counties), Spokane, Toledo, Tulsa, Washington, Wichita, Wilmington, Winston-Salem, Youngstown.

Note: ARB has offered to make a one-shot county-by-county census of sets-in-use next spring, to be released in early summer. The proposal will be submitted to Advertising Research Foundation & networks to underwrite estimated \$1,500,000 cost.

SENATORS WARN OF TV CRIME 'POTENTIAL': Direct blame for juvenile delinquency cannot be placed on TV -- but the industry is taking a "calculated risk" of contributing to youthful crime by continuing "saturated exposure" of children to telecasts of crime and violence, according to juvenile delinquency subcommittee of the Senate Judiciary Committee, headed by Sen. Kefauver (D-Tenn.). Conclusion is reached in 106-page report released this week, which offers the industry's programmers food for thought.

Anxious to preserve rapport with the TV industry that proved valuable to him in his crime-busting start, Sen. Kefauver carefully points out: "The subcommittee did not concern itself with the excellent children's programs produced by the networks and individual stations, nor the many outstanding public service telecasts suitable for viewers of all ages of which the industry is rightfully proud." At the same time, he risked alienating the industry by recommending FCC program control.

Confuting the do-gooders who have often pounced upon TV, report says subcommittee "has been unable to gather proof of a direct causal relationship between the viewing of acts of crime & violence and the actual performance of criminal deeds."

On the other hand, it says it hasn't found "irrefutable evidence that young people may not be negatively influenced in their present-day behavior by the satu-

rated exposure they now receive to picture and drama based on an underlying theme of lawlessness and crime which depict human violence."

TV is potentially most dangerous of all media investigated, report says. It states: "Attending a movie requires money and the physical effort of leaving the home, so an average child's exposure to films in the theatre tends to be limited to a few hours a week. Comic books demand strong imaginary projections...must be sought out and purchased. But TV, available at a flick of a knob and combining visual and audible aspects into a 'live' story, has a greater impact on its child audience."

* * * *

Subcommittee is careful to note that there's controversy, even among the experts, as to whether TV contributes to juvenile delinquency -- but it takes the position that there's a dangerous potential which must be minimized. As a program to reduce such danger, the report offers 6 recommendations:

- (1) Formation of more local "listening councils" to induce stations to reduce number of objectionable programs and scenes.
- (2) More FCC control over programs, including the levying of fines and revocation of licenses, for "violating an established code."
- (3) Adherence to NARTB code by all stations.
- (4) Extension of NARTB code to TV film.
- (5) More private and public research on problem.
- (6) Establishment of a Presidential Committee, by legislation, to study the impact of media on juvenile behavior.

Most controversial recommendation, of course, is the one which urges more FCC "control" over programs. In testimony before subcommittee, virtually all witnesses -- including FCC members and even the most vigorous critics of TV programs -- were emphatic in their rejection of the implications of censorship inherent in such a recommendation (Vol. 10:43). Only ex-FCC Comr. Hennock asked for it.

Other members of committee, in addition to Kefauver: Hennings (D-Mo.), Daniel (D-Tex.), Langer (R-N.D.), Wiley (R-Wis.). TV hearings were conducted June 5 and Oct. 19-20, 1954 and April 6-7, 1955. Included in appendix to report are texts of NARTB television and radio codes, movie code, letters from 34 psychiatrists, reproduction of our Jan. 1955 TV Factbook map. Copies of the report are available from the subcommittee -- or we'll get one for you.

HIKE OF CEILING for vhf stations in Zone I from 1000 ft. to 1250 ft. (Vol. 11:30) was lambasted from several angles this week. UHF Industry Coordinating Committee, filing petition for reconsideration, was particularly bitter, stating:

"At this crucial moment in the history of TV when the fate of uhf stations all over the country hangs by a slender thread, it is almost incredible that the Commission, by a vote of only 3 of the 7 commissioners, would take an action which would virtually clip that thread and plunge those stations into complete destruction . . . It is inconceivable that the action was taken with full awareness of such possible consequences. The action, moreover, (1) renders sterile the solemn commitments made by the Commission to the U. S. Senate, to the public and the broadcast industry concerning measures the Commission had under consideration for remedying the plight of uhf stations; and (2) prejudices and renders moot other pending rule-making proceedings and petitions."

Vhf WNHC-TV, New Haven (Ch. 8) also asked for reconsideration, noting that CAA limits it to 720 ft. while New York's adjacent-channel WABC-TV (Ch. 7) and WOR-TV (Ch. 9) can increase powers 2-2½ times, creating more interference to WNHC-TV.

Also asking for another look were T. P. Pike, asst.

defense secy., and Air Transport Assn. They asked that things be held up pending conclusion of study of air hazards being conducted by Air Coordinating Committee.

* * * *

NBC and WFIL-TV, Philadelphia, answering McFarland Letters, urged FCC to approve their purchases of WBUF-TV, Buffalo (Ch. 17) and WLBR-TV, Lebanon, Pa. (Ch. 15), respectively (Vol. 11:9, 11, 15 & Vol. 11:27). NBC argued that "it is perfectly evident that uhf will not survive in Buffalo unless remedial action is taken soon"; that FCC's theory of helping uhf by permitting owners of 5 vhf to acquire 2 uhf is still sound; that pending Justice Dept. anti-trust proceedings against RCA have no bearing on case.

WFIL-TV, answering complaint of WHP-TV, Harrisburg (Ch. 55), said that WLBR-TV won't be a satellite; that uhf will be helped because public will be induced to buy uhf sets when off-air WLBR-TV is resuscitated; that competition will be increased because radio WLBR and *Lebanon News*, now co-owners of WLBR-TV, will compete between themselves and with WLBR-TV after sale.

One allocations change was requested this week: WLBT, Jackson, Miss. (Ch. 3) asked that Ch. 6 be moved from Clarksdale to Cleveland or Ruleville, said it would apply for channel if no one else does. One CP was dropped: KMPT, Oklahoma City (Ch. 19), which quit operating Feb. 4, 1955.

Personal Notes: George C. McConnaughey, FCC chairman, returning by ship from month's European trip, is due to reach N. Y. Sept. 2, expected back at desk Sept. 6. Acting Chairman Webster and Comr. Lee have been staying on job full time; rest of commissioners have spent most of month's vacation in Washington, dropping in on offices occasionally . . . Sylvester L. (Pat) Weaver, NBC pres., addresses Institute of Practitioners in Advertising at London's Hotel Dorchester Sept. 27, speaking on American TV; he's going over also to observe start of Britain's commercial TV Sept. 22 . . . Alvin Cooperman promoted to mgr. of NBC-TV program sales, reporting to program sales director Michael Dann . . . George W. Bartlett, ex-radio WDNC, Durham, N. C., named asst. to A. Prose Walker, mgr. of NARTB engineering dept. . . . Arthur J. Underwood Jr. promoted to mgr. of Katz Agency Inc.'s Detroit office, replacing W. Fiske Lochridge, who transfers to newspaper div. in N. Y. to succeed John L. Cross Jr., killed in Aug. 4 airplane accident . . . Al Perlmutter named mgr. of special projects, WRCA-TV & WRCA special events dept.; he's succeeded as promotion coordinator by Al Slep . . . Robert Reed, onetime exec. producer of *Major Bowes' Amateur Hour*, recently with radio WRC, Washington, named program mgr. of WOAI-TV & WOAI, San Antonio . . . Raymond F. Guy, NBC, reappointed chairman of NARTB's engineering advisory committee . . . Ray W. Colie promoted to national TV sales mgr., WWJ-TV, Detroit, as Wendell P. Parmelee becomes TV sales development mgr. and asst. TV sales mgr. Douglas L. Sinn is named local TV sales mgr. . . . Gene Ellerman, ex-radio WJLB, Detroit & WBBC, Flint, named sales mgr. of WWTW, Cadillac, Mich. . . . Ralph Davison Jr. promoted to gen. sales mgr., Mel Wright to national spot sales mgr., KGMB-TV & KGMB, Honolulu . . . Richard Depew handling ABC's closed circuit dept. since resignation of Wm. Balaban . . . Bill Adler, ex-WRCA-TV & WRCA, named director of press & special events, WABD, N. Y. . . . Harlan J. Dunning, ex-BBDO, named CBS Radio network program supervisor . . . Burt Hanft, Screen Gems Inc. business mgr., has new title of director of business affairs; Dan Glass, ex-Louis Nizer law firm, named business mgr.; James Dodd, ex-Columbia Pictures International, named coordinator of international sales . . . Russ Raycroft, ex-v.p., Robert Orr Assoc., heads new N. Y. offices of Roland Reed-Gross Krasne commercial div., 521 Fifth Ave.; Burton Neuberger, ex-Kling, heads Chicago office in Hearst Bldg. . . . Carl Flower, ex-WKNB-TV, Hartford, named TV-radio director, Post, Johnson & Livingston Adv., Hartford . . . Wm. R. Wyatt, Nielsen v.p., appointed central div. mgr., Chicago, with v.p. George E. Blechta heading eastern div. in N. Y. . . . Clarence Hatch, ex-exec. v.p. of D. P. Brother & Co., Detroit and long active in TV circles there, joins Kudner Agency in N. Y. as senior v.p. . . . Henrick Booraem Jr., McCann-Erickson v.p. in charge of new program development, appointed director of TV-radio planning; Frank Gilday promoted from business mgr. to mgr. of agency's N. Y. TV-radio dept.—both reporting to Terence Clyne . . . Dan Seymour resigns as of Oct. 1 as v.p. in charge of TV-radio programming & production, Young & Rubicam, joining J. Walter Thompson Co. as v.p. . . . Ted Oberfelder resigns as v.p.-gen. mgr. of WABC-TV & WABC, N. Y., his duties assumed temporarily by ABC v.p. Slocum Chapin . . . Russ Truesdell resigns as mgr. of KSCJ-TV, Pueblo, Colo. to become operations mgr. of KNTV, San Jose, Cal. . . . Dave Baylor resigns as v.p. of Telerad Inc., management company for KSCJ-TV, Pueblo, and KGA, Spokane . . . Scott McLean promoted to eastern sales mgr., Crosley Bestg. Corp. . . . Walter Koessler, ex-WITV, Ft. Lauderdale, named sales mgr. of Storer's WGBS-TV, Miami . . . Frank Papp promoted to exec. producer of NBC Radio's weekend *Monitor*, replacing James Fleming, resigned.

Fund for the Republic, headed by Robert M. Hutchins, which seeks to promote civil liberties and racial & religious tolerance, has allotted \$300,000 for TV series featuring Herbert L. Block, Pulitzer prize-winning cartoonist of *Washington Post* known as "Herblock." Titled *Herblock Week*, it will comprise 26 films, 15-min. each, with Herblock illustrations and commentaries. Reggie Schuebel Inc., N. Y. has been engaged to place series with stations and sponsors, with 25-30 already committed. Howard Chernoff is TV consultant to the Fund, which this week also announced that top prizes in its TV script-writing contest went to: Burton & James Benjamin, \$5000 for documentary *Pepito*, dealing with adjustment of a Puerto Rican youth to N. Y. life; Mrs. Lillian Schoen Andrews, W. Englewood, N. J., an ex-NBC radio writer, \$5000 for play *The Conspirators*, devoted to Elijah Lovejoy, abolitionist editor. Altogether, \$29,000 in prizes was awarded, and effort will be made to have all the scripts produced on TV. Note: Fund also has famed director Worthington Miner working on half-hour series titled *Challenge*, slated for NBC-TV.

Voice of Democracy contest, industry's annual public-spirited promotion, sponsored by RETMA, NARTB & Junior Chamber of Commerce, gets under way Oct. 1 when high schools start local competitions. High school students write and recite original 5-min. scripts on theme "I Speak for Democracy." Local winners are selected in personal competitions; state & national winners are chosen from recordings. The 4 national winners are entertained in Washington during week of Feb. 22, and are awarded \$500 checks toward college education. All state and national winners receive TV sets, among other prizes, donated by RETMA members. James D. Secrest, RETMA exec. v.p., is chairman of contest committee. Among other committee members are Robert K. Richards, NARTB consultant, Joseph M. Sitrick of NARTB staff, RETMA's Peter H. Cousins.

The O'Neils' General Tire empire—comprising rubber, TV-radio, rockets & synthetics—is subject of Aug. 27 *Business Week* cover story, tracing rise of 40-year-old firm from founding by chairman Wm. F. O'Neil to recent \$25,000,000 purchase of RKO by his son Tom as head of General Teleradio subsidiary (Vol. 11:30).

"A friend of mine recently exposed to a 50-minute Julius Caesar [on TV] is still in a state of shock and goes around muttering, 'This was the most unkindest cut of all.'"—Richard Maney, theatrical agent, substituting for columnist John Crosby.

Chamber of Commerce, Minneapolis, has taken unusual step of publishing handbook, available on request, explaining setups of city's TV & radio stations and how to utilize their facilities.

Tri-dimensional TV "that won't have nearly the impact of color" was foreseen by Dr. Lee DeForest as he celebrated 82nd birthday in Hollywood Aug. 26. He also said he may live to see man travel to the moon.

Its technical equipment destroyed by fire caused by short circuit in transmitter room Aug. 5 (Vol. 11:32-33), WCOV-TV, Montgomery, Ala. (Ch. 20) returned to full-time operation Aug. 20, reports gen. mgr. Hugh M. Smith.

"TV Listener" is device for individual listening produced by Telex Inc., Telex Park, St. Paul, Minn. It comprises headsets, 15-ft. cord and remote-control volume regulator.

Alfred Jackson, WRCA-TV & WRC technical supervisor, is in England on loan to Associated Broadcasting Corp., ITA contractor, preparing for commercial TV.

NARTB changes dates of its Region 1 conference meeting (New England) to Sept. 22-24 at Saranac Inn, Lake Saranac, N. Y.

Network Accounts: Auto industry is spending whopping \$83,400,000 on network TV this fall, reflecting fiercely competitive intra-industry struggle. This is increase of \$24,800,000 from the \$58,600,000 auto makers spent last year. Biggest spenders will be General Motors, laying out \$25,400,000 (vs. \$10,400,000 year ago); Chrysler, \$21,400,000 (vs. \$16,750,000); Ford, \$13,900,000 (\$9,200,000). At least one auto-sponsored show will be on network TV every night this fall . . . NBC-TV's answer to CBS-TV's top-rated \$64,000 *Question is Big Surprise*, to be sponsored Sat. 7:30-8 p.m. starting Oct. 8 by Speidel Watch Bands & Purex Corp.; packaged by Louis G. Cowan Inc. (whose pres. recently joined CBS as v.p.), show is novelty quiz in which contestant gets "lifetime ambition" fulfilled on program, with prizes up to \$100,000 . . . Kellogg Cereals replaces Frigidaire as co-sponsor of *Arthur Godfrey & His Friends* on CBS-TV this fall, Wed. 8-9 p.m., thru Leo Burnett; Toni replaces CBS-Columbia as co-sponsor of *Arthur Godfrey's Talent Scouts* starting Oct. 3, Mon. 8:30-9 p.m., thru Tatham-Laird . . . Coca-Cola buys two 15-min. segments per week of *Mickey Mouse Club* on ABC-TV starting in fall, Mon.-thru-Fri. 5-6 p.m., thru D'Arcy; TV Time Pop Corn buys one 15-min. segment, thru Ruthrauff & Ryan; Johnson's Wax & Alka Seltzer share one 15-min. segment, as do General Mills & Vick . . . Armour & Co. (canned meat div.) buys 20 min. alt. weeks of *Perry Como Show* on NBC-TV, Sat. 8-9 p.m., thru Foote, Cone & Belding . . . Standard Brands to be alt. week sponsor of *Topper* on ABC-TV starting Oct. 3, Mon. 7:30-8 p.m., thru Compton Adv. . . Admiral to sponsor Bishop Sheen's *Life Is Worth Living* for 4th straight year, this time on ABC-TV starting Oct. 13, Thu. 8-8:30 p.m., thru Russel M. Seeds Co., Chicago; Admiral will also sponsor the prelate on ABC Radio at different time . . . American Home Products (Anacin, Heet, Freezone) & Procter & Gamble to be alt. sponsors (with Western Union) of *Down You Go* on ABC-TV, shifting to Thu. 9:30-10 p.m. starting Sept. 15, thru Biow-Beirn-Toigo . . . Wesson Oil & Snowdrift Sales Co. to sponsor Tue. segment of *Valiant Lady* on CBS-TV starting Sept. 6, Mon.-thru-Fri. noon-12:15 p.m., thru Fitzgerald Adv., New Orleans . . . Ford Dealers Assn. buys co-op sponsorship in 4 markets of NCAA football series on NBC-TV this fall . . . General Tire to sponsor Detroit Lions-Green Bay Packers football game Thanksgiving Day on ABC-TV starting at 2 p.m., thru D'Arcy Adv., Cleveland . . . Tums to sponsor horse race between Swaps and Nashua from Chicago on CBS-TV, Wed. Aug. 31, 6-6:30 p.m., thru Ruthrauff & Ryan, Chicago . . . ABC-TV starts weekly *Outside U.S.A.* as sustainer Sept. 1, Thu. 10-10:30 p.m., featuring historian-commentator Quincy Howe in documentaries about foreign lands; first is agriculture in Soviet.

Two important affiliates meetings next month may determine future direction of network radio. NBC meeting Sept. 9 in the Waldorf-Astoria, N. Y. will consider proposal to extend commercially successful weekend *Monitor* to 7 days a week, 10 a.m. to 5 p.m., adopting same partic. sales pattern. Affiliates are reportedly divided on local revenue benefits to be derived from such extension. CBS affiliates, meeting Sept. 12-14 in Detroit's Sheraton-Cadillac Hotel, will discuss new partic. formula involving single, uniform charge for 5-min. segments of any 15-min. program, day or night. Plan was evolved by CBS Radio pres. Arthur Hull Hayes when he was gen. mgr. of KCBS, San Francisco.

Another radio casualty: *Lux Radio Theatre* quits this fall after 21 years on NBC, sponsor Lever Bros. continuing *Lux Video Theatre* on NBC-TV, Thu. 10-11 p.m.

Station Accounts: Second of series of 5 presentations by TV Bureau of Advertising under general heading of *Pinpoint Concept of Television*, all designed to stimulate local sales, is 24-p. brochure based on Nielsen study and devoted to children's programs, noting that 36% of all homes listen to them regularly; first presentation covered news programs (Vol. 11:31), next will deal with movies, women's programs, weather shows . . . TvB pres. Oliver Treyz also made a pitch this week for more dept. store advertising on TV, telling convention of National Industrial Stores Assn. in Washington that experience of General Dept. Store, Huntington, W. Va. (whose merchandise mgr. Paul C. Jamieson is NISA pres.) demonstrates local sales pulling power of TV; he said firm credits local spot campaign with greatly contributing to 81% sales increase in home furnishings over 1954 . . . Earl Selby's *Mr. Fixit* on WCAU-TV, Philadelphia, Mon.-thru-Fri., 6:25-6:30 p.m., sponsored by Philadelphia Gas Works Co., subject of how-he-does-it writeup in Aug. 29 *Time* . . . Stokely-Van Camp allots \$500,000 of new TV-radio budget to TV spots in 53 markets, thru Calkins & Holden . . . Blatz to test-market a milder beer, "Tempo," with big spot campaign in several cities, thru W. H. Weintraub & Co. . . Among advertisers currently reported using or preparing to use TV station time: Gerity-Michigan Corp., Adrian, Mich. (dishwashers), thru Elwood J. Robinson Co., L. A.; Amen Industries, Beverly Hills, Cal. (Fine Line arts), thru Walter McCreery, L. A.; Phillips Aviation Co., South Pasadena, Cal. (electric monorail toys), thru West-Marquis, L. A.; U. S. Rubber Co., N. Y. (Koylon foam mattresses), thru Fletcher D. Richards, N. Y.; Molson's Brewery Ltd., Montreal (Molson's ale), thru Fay Adv., Albany; Boyer International Laboratories, Chicago (H-A hair arranger), thru Schwimmer & Scott, Chicago; Nestle Co., White Plains, N. Y. (instant chocolate flavor), thru McCann-Erickson, N. Y.; In-Sink-Erator Mfg. Co., Chicago (garbage disposal device), thru Robert Christopher, Chicago; E. L. Bruce Co., Memphis (floor wax & cleaner), thru Christiansen Adv., N. Y.; Albers Milling Co., Los Angeles (Carnation corn flakes), thru Erwin, Wasey, L. A.; Marlowe Chemical Co., N. Y. (Fire Chief home-unit fire extinguisher), thru Kastor, Farrell, Chesley & Clifford, N. Y.; John H. Dulany & Son, Fruitland, Md. (frozen & canned foods), thru Erwin, Wasey, N. Y.; American Sugar Refining Co., N. Y. (Domino sugar), thru Ted Bates, N. Y.; Mid-Continent Petroleum Corp., Tulsa (D-X Sun-Ray oil), thru R. J. Potts, Calkins & Holden, Kansas City.

Rate increases: WBTV, Charlotte, raises base hour rate from \$900 to \$1000, min. \$180 to \$200; WMTV, Madison, hour from \$200 to \$280, min. \$40 to \$56; KTVK, Phoenix, \$300 to \$400 & \$60 to \$80; WBTW, Florence, \$250 to \$300 & \$50 to \$60. KNTV, San Jose, has new rate card at \$350 for Class AA hour (7:30-10 p.m., daily), min. \$70. Rate decrease: WTOM-TV, Lansing, cuts base hour from \$200 to \$150, min. \$35 to \$30.

All-network one-shot "spectacular" is planned by Civil Defense Administration this fall, featuring big-name entertainers. President Eisenhower may film message for show, directed by Nat S. Linden, CDA TV-radio chief.

San Francisco's KRON-TV, NBC affiliate (Harold P. See, gen. mgr.), has purchased 42 one-min. spots on city's NBC-owned radio KNBC, to promote upcoming shows, account placed thru Abbott Kimball, S. F.

DuMont stockholders' special meeting will be held at Clifton (N. J.) plant Oct. 10 to ratify proposed spinoff of TV stations, elect 2 new directors, approve other proposed policy & operational matters (Vol. 11:33-34).

Telecasting Notes: Washington correspondent of *London Times*, as prelude to commercial TV starting in Britain Sept. 22, writes in one of series of articles on TV here: "One of the more pointless inventions of American TV is the rating system, devised to reassure the sponsors that their programmes and the commercial pill within them are at least being watched. It can be the bane of the players, who can be at the top of the list one week and nearly at the bottom the next, and the limited telephone canvass on which the system is based often reflects juvenile rather than adult tastes, because the children are probably watching when the man calls" . . . American Research Bureau, for 2nd month, rates \$64,000 *Question* at top (48.4) for Aug. 17; *Toast of Town*, 2nd, 29.4; then *Robert Montgomery Presents*, 28.8; *What's My Line? & Two for the Money*, 28.1; *Best of Groucho*, 27.9; *Climax*, 27.8; *I've Got a Secret*, 27.2; *Four Star Playhouse*, 26.6; Wed. fights & *Lux Video Theatre*, 25.9 . . . New Screen Actors Guild contract (Vol. 11:34), covering extra pay for actors up to 7 re-runs, will add 6%-10% to TV film production costs, in opinion of TPA's Milton Gordon; next demands expected are from Writers Guild of America (West) for same type of agreement . . . Shortage of animators, due to demand for TV filming, is noted by Telefilm pres. Walter Lowendahl, pres. of Film Producers Assn. of N. Y., who urges specialty schools to train more of them; Motion Picture Screen Cartoonists local confirms that there's full employment among its members . . . 20th Century-Fox names Otto Lang, from theatrical staff, as executive in charge of TV productions under v.p. Sid Rogell, with Julian Johnson & David Brown heading story dept. and Alistair Cooke writing portions of *Cavaleade*, due in Sept.; studio has completed *Orbow Incident* for GE's CBS program, is making *My Friend Flicka* for CBS, soon starts *Laura* series based on 1944 film . . . Warner Bros. reports Hugh Benson succeeding Garry Stevens as gen. mgr. for TV film in charge of upcoming *Warner Brothers Presents* on ABC-TV; Jack L.

Warner is boss, with Wm. T. Orr as liaison executive . . . Still hot against what it calls "plug-uglies," Aug. 15 *Advertising Age* again calls down "timid" telecasters and sponsors for permitting "free-loading" on their shows—citing plugs to movies, airlines, etc.; editorial particularly condemns *Arthur Godfrey's Talent Scouts* for giving "3-min. commercials" to American Airlines for free rides it gives talent, noting that 2 transcontinental airline tickets would cost only \$450 to \$650—and "for this skimpy investment, American—according to our clocking—gets just about as much time as did Lipton's on this expensive show" . . . Another flagrant example cited is "unblushing 52-min. commercial" by Jack Webb on *Colgate Variety Hour*, plugging his movie *Pete Kelly's Blues*. Writer sees avalanche this fall "when the smart Hollywood boys, who have outfoxed client and network alike, will graciously let the sponsor have 6 min. of commercial (the shows will cost around \$150,000 an hour for time and talent) while they take 9 min. to talk about their pictures" . . . Titled *President of the United States*, series of 34 one-hour color films, each a dramatic episode in life of a President, is planned by newly formed World Films, Hollywood, headed by Wm. Rowland & Monte Brice; A. B. Guthrie Jr., the author, has been hired as story editor and co-producer, and it's proposed that sponsorships all be institutional and that 20 min. will be added for foreign theatrical releases . . . "Tarzan" slated for TV film series from Sol Lesser-Jack Denove TV Films Inc., Hollywood, with Gordon Scott playing role . . . "Brain trust" set up at NBC-TV, Hollywood, to develop new program ideas for its talent roster: Elliott Lewis, Milton Josephsburg, Merritt Barnum . . . KOVR, Stockton, Cal. (Ch. 13) opens studios & offices in Mark Hopkins Hotel, San Francisco.

KCMO-TV & KCMO, Kansas City (Meredith) sponsoring 3 tours of Europe by farm study groups leaving Nov. 1 under direction of C. W. Jackson, its farm director.

Financial & Trade Notes: Carl M. Loeb, Rhoades & Co., New York bankers with heavy interests in DuMont and other electronics firms, this week issued 42-p. printed report on RCA which delves deeply into the outlook for the electronics industry in general (see p. 12) and the financial and technical dominance and prospects of RCA in particular. Tracing RCA's post-war fiscal history, analyzing its capital structure and operations, report concludes:

"Looking ahead 5 years into RCA's future, we project revenues of \$1.7 billion by 1959-60, based upon a 12% annual growth factor compared with a better than 15% average in recent years. During this period the company's pretax profit margin should widen from the current rate of 9% to possibly 12% because:

"(a) The heavy costs of introducing color TV will have been absorbed and volume color receiver production should be achieved.

"(b) The company's NBC subsidiary, one of the nation's 3 major telecasting networks, should become more profitable as time rates and advertising volume increase.

"(c) Transistorized radios, both pocket-size and console models, should reverse the recent downtrend of radio manufacture while radio broadcasting activities should again produce normal profits when program formats have been adjusted and advertising revenues stabilize.

"(d) New commercial and industrial electronics products, serving large markets, should yield the high margins that usually attach to precision equipment; and

"(e) The lucrative replacement parts business will expand with the industry.

"Hence we postulate pretax earnings in the order of \$200,000,000 by 1960 and, if income taxes at that time are 50%, indicated net income of \$100,000,000 calculates to \$7

per common share of which one-half might be disbursed."

As largest single factor in electronics, only company in \$1 billion class whose activities are devoted primarily to electronics as distinguished from electrical equipment, RCA in 1954 accounted for approximately 10% of the industry's \$5 billion manufacturing volume and 40% & 30%, respectively, of network TV and radio broadcasting revenues, report points out. It reprints table below showing postwar growth of electronics industry and RCA compared with gross national product, with no adjustments for price increases and excluding figures for RCA Institutes and RCA Communications; source is RCA reply brief in govt. anti-trust complaint of last March 29, about which the report states:

"We believe that the Govt.'s anti-trust action against RCA will not have any material effect upon future growth because the company's strength is founded on its technological know-how and integrated manufacturing operation and because many of its most important patents and license rights are not affected by the suit."

	Gross National Product Billions	Electronics Industry* Millions	RCA Revenues	% RCA of Industry
1954	\$357.2	\$9,230	\$921	10.0%
1953	364.9	7,940	834	10.5
1952	346.1	6,567	676	10.3
1951	328.2	5,128	581	11.3
1950	285.1	4,445	571	12.8
1949	257.3	2,903	383	13.2
1948	257.3	2,762	343	12.4
1947	232.2	2,487	300	12.1
1946	209.2	1,653	221	13.4

*Includes broadcasting, services and consumer goods at retail but does not include certain industrial electronic products.

SATELLITE IDEA brought revival this week of off-air KTVU, Stockton, Cal. (Ch. 36) under agreement to transfer control to KCCC-TV, Sacramento (Ch. 40), capital's first TV operation which started 2 years ago and is reportedly one of the more successful uhf stations. Details of sale deal have not yet been disclosed, but CP of KTVU, which went off air last April 30 after some 18 months of operation, was slated to expire Oct. 7. Plan is to have it duplicate all KCCC-TV programs, picking them off air from Sacramento, 45 mi. distant. KCCC-TV is headed by Ashley L. Robison, nephew of late Comr. Harold Lafount, who owns it in partnership with Harry McCart.

On-air total now is 442, of which 107 are uhf. Poised to begin testing momentarily, possibly during present week end but not ready at press time, were 4 new starters: KCRA-TV, Sacramento (Ch. 3); KARD-TV, Wichita (Ch. 3); KTBS-TV, Shreveport (Ch. 3); WCTV, Thomasville, Ga. (Ch. 6)—all originally scheduled for this week.

Only shipment reported was 50-kw RCA transmitter to KTVH, Little Rock (Ch. 11), which left Camden Aug. 23 and is due on air Oct. 15.

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In our continuing survey of upcoming stations, these are latest reports received:

KTVO, Kirksville, Mo. (Ch. 3), authorized in Dec. 1953 and with CP extension expiring next Feb. 1, now reports RCA transmitter and antenna on way, with Sept. 28 as target for test patterns. Stainless tower has also been ordered. Berg Allison, mgr. of KBIZ, Ottumwa, Ia., is slated to be gen. mgr. CBS affiliation is anticipated as of Oct. 1. Station is 3/4 owned by James J. Conroy, attorney who also controls KBIZ and radio stations in Eau Claire & La Crosse, Wis. Rep not yet chosen.

KHAS-TV, Hastings, Neb. (Ch. 5) will take delivery in Sept. of its 10-kw RCA transmitter, when it will also install 650-ft. Ideco tower. Target date for test patterns now is late Oct. or early Nov., reports gen. mgr. Duane L. Watts, ex-KHOL-TV, Kearney, Neb., who will operate station for Seaton Publishing Co. (*Hastings Tribune*) and other owners. It will be NBC affiliate, starting in mid-Nov. Duane B. Allison is chief engineer. Base rate will be \$200. Rep is Weed.

WITN, Washington, N. C. (Ch. 7), replacing Greenville's WNCT (Ch. 9) as NBC basic affiliate on Sept. 26, now has test target date of Sept. 20, reports pres.-gen. mgr. W. R. Roberson Jr., whose family recently acquired control (Vol. 11:33). Now under construction are 800-ft. Stainless tower, surmounted by 21-ft. Alford antenna, at Grifton, N. C., about 25 mi. southwest of Washington, with 20-kw GE transmitter due to radiate 316-kw ERP for coverage of 756,300 population in heart of state's rich tobacco-growing area. Executive staff will include T. H. Patterson, commercial mgr.; Hal Wilson, program director; L. E. Hiland, chief engineer. Network base rate is \$300, local \$325. Rep is Headley-Reed.

WTWV, Tupelo, Miss. (Ch. 9), originally planned for Sept. debut, now looks forward to beginning of operations sometime in Oct., reports gen. mgr. Frank K. Spain—but conversion of studio-transmitter building and installation of equipment still awaits FCC & CAA approval of new site. Mr. Spain is ex-engineering chief, WHEN-TV, Syracuse, owns 35% of new project; his chief engineer Joseph G. Petit, ex-NBC-TV, N.Y., owns 25%. He plans to use custom-built 5-kw transmitter, GE antenna, 300-ft. tower. Rep not yet chosen.

FARM TV SET count for Oklahoma was released this week by Census Bureau as part of its Oct.-Nov. 1954 Census of Agriculture. Based on 20% sample, Oklahoma was shown to have TV on 41,695 of its 118,979 farms—or nearly 33%—with stations in Oklahoma City, Tulsa, Ada, Enid, Lawton, Muskogee and with out-of-state viewing possible from stations in Kansas, Missouri, Arkansas & Texas.

OKLAHOMA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adair	1,590	207	Lincoln	2,257	941
Alfalfa	1,406	575	Logan	1,666	762
Atoka	1,489	235	Love	882	254
Beaver	1,275	91	Major	1,593	430
Beckham	1,572	285	Marshall	563	102
Blaine	1,620	843	Mayes	1,863	637
Bryan	2,117	367	McClain	1,404	784
Caddo	2,888	1,607	McCurtain	2,799	350
Canadian	1,848	1,178	McIntosh	1,565	338
Carter	1,544	442	Murray	572	250
Cherokee	1,798	380	Muskogee	2,387	799
Choctaw	1,617	187	Noble	1,322	697
Cimarron	559	52	Nowata	1,080	342
Cleveland	1,214	582	Okfuskee	1,297	419
Coal	793	165	Oklahoma	2,411	1,655
Comanche	1,477	686	Okmulgee	1,720	765
Cotton	1,041	491	Osage	1,703	1,048
Craig	1,602	572	Ottawa	1,301	488
Creek	1,559	678	Pawnee	1,296	562
Custer	1,619	585	Payne	1,748	761
Delaware	1,974	360	Pittsburg	2,071	379
Dewey	1,193	402	Pontotoc	1,608	667
Ellis	970	99	Pottawatomie	2,163	1,057
Garfield	2,241	1,442	Pushmataha	1,223	53
Garvin	1,860	885	Roger Mills	1,158	107
Grady	2,493	1,443	Rogers	1,929	868
Grant	1,792	734	Seminole	1,614	715
Greer	1,026	120	Sequoyah	1,774	257
Harmon	878	112	Stephens	1,772	675
Harper	694	79	Texas	1,156	125
Haskell	1,271	125	Tillman	1,415	689
Hughes	1,555	514	Tulsa	1,807	1,098
Jackson	1,572	341	Wagoner	1,478	554
Jefferson	909	351	Washington	757	358
Johnston	871	137	Washita	2,447	934
Kay	2,045	831	Woods	1,323	381
Kingfisher	1,658	1,071	Woodward	1,104	169
Klowa	1,642	728			
Latimer	965	59			
Le Flore	2,541	238			
			State Total	118,979	41,695

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34).

KBMB-TV, Bismarck, N. D. (Ch. 12), granted in May to John W. Boler interests (KCJB-TV, Minot & KXJB-TV, Valley City), has ordered 10-kw Federal transmitter and Federal 4-bay antenna, due for delivery Sept. 15 when antenna is slated to be installed atop State Capitol. Test target date is Oct. 1, with CBS programming slated to start Nov. 1. Weed is rep for Bismarck station which will operate as satellite of Valley City, with all 3 stations offered at combination rate of \$637.50.

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CJLH-TV, Lethbridge, Ont. (Ch. 7) now aims to test week of Oct. 17, go commercial by Oct. 15, reports Bob Ranson for co-equal owners Norman Botterill, mgr. of radio CJOC, and Hugh Buchanan, publisher of *Lethbridge Herald*. It has ordered Standard Electronics transmitter, first of kind in Canada, shipment by Canadian Westinghouse awaiting completion of new 112x93-ft. studio-transmitter building. Tower is 600-ft. Stainless with 35-ft. Alford antenna. Mr. Botterill will be mgr., with Robt. Reagh as technical director and Douglas Keough, from CBUT, Vancouver, as sales representative. Reps will be All-Canada and Weed.

CKGN-TV, North Bay, Ont. (Ch. 10) has fixed Dec. 10 as target date, having ordered GE transmitter and 373-ft. Stainless tower. Construction has begun at Callendar, Ont. site and staff selection is under way. Licensee company has changed name to Tel-Ad Co. Ltd., is headed by G. A. Alger. Rep not yet chosen.

MORE PRICE HIKES COMING IN BOOM MARKET: Another major manufacturer is about to hike TV prices -- Motorola, which reveals the raises are due around Labor Day but won't state extent of increases beyond fact that they won't be across-the-board.

RCA states it has no immediate plans to increase, reiterating that it's trying to hold price line "as long as possible." But a Philco spokesman referred to a recent telegram by pres. James H. Carmine warning of possible price hikes on major appliances (Vol. 11:29) and said situation applies equally to TV. Admiral, Emerson and a few others have already raised TVs average of \$10 (Vol. 11:30, 33, 34).

CBS-Columbia pres. H.C. Bonfig, revealing plans to raise prices shortly after Labor Day, told distributors convention in Chicago that today's TV market is best characterized as "profitless prosperity." He said no manufacturer "can make much profit on any set retailing for under \$200, if any [profit] at all."

Increased costs of labor and materials, plus robust condition of market, are the primary reasons for price hikes. If further justification were needed, it came this week from Anaconda Copper, which raised copper price to record high of 43¢ per lb. -- 4th price increase for this indispensable metal so far this year.

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Standard & Poor's raises only dissent to prevailing industry view that 2nd-half TV business will be as good as, if not better than, record first-half. Its Aug. 25 analysis of electrical products reports: "The normal seasonal improvement in TV production is not expected to develop in the second half of 1955 because of large factory inventories...Inventories at all levels of the distribution pipeline will probably increase by 200,000 units for the year, and should somewhat exceed 2,000,000 sets at year's end." Actually, a leading trade statistician points out that inventories declined in July, are expected to come down further in Aug. to about 2,300,000 on Sept. 1 -- not regarded as excessive for this time of year.

Production in last 6 months of 1955 will total about 3,400,000, or 22% under final half of 1954, Standard & Poor's predicts -- omitting mention of fact that set makers underproduced intentionally in first half of 1954 as means of working off excessive inventories. Consequently, they went full speed ahead in last half.

Earnings of TV manufacturers will generally show moderate improvement over those of 1954," reports S&P, "while leading appliance makers are expected to register substantial year-to-year earnings increases. GE earnings should gain somewhat over those of 1954, but a decline is foreseen for Westinghouse. Dividends may be increased by some TV and appliance manufacturers. Payments by most others should be in line with the 1954 experience."

Brief highlights of other major trade developments this week:

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Philco Service: Is Philco going to emulate RCA in establishing its own national factory service subsidiary? Company will shortly open factory service branches in Philadelphia and Pittsburgh, supplementing the one which has been operating several months in Chicago -- but officials maintain silence on where they'll go from there. The branches are operated by Philco Service Co., chartered in Ill. & Pa. thus far.

Discount House Decline: Further indications that so-called franchised dealers have turned the tide in battle against discount houses, expressed quite freely at last week's NARDA-sponsored Institute of Management (Vol. 11:34), came this week from Wm. Burston, merchandise mgr. of National Retail Dry Goods Assn. In address at Salt Lake City, he said TV-radio-phono sales in dept. stores in May-July period were up 3% over same 1954 months, major appliances up 33%, as 2 examples of commodities in which competition from discount houses is most severe. He said retailers are winning battle by de-emphasizing merchandise sold in discount houses, by deciding to

give shoppers model and serial numbers, by "keeping up a ceaseless barrage of complaints" to manufacturers, by giving service and merchandising trade-ins.

Growing Markets: Census Bureau reports number of households has been increasing at rate of about 850,000 a year since 1950, reaching 47,788,000 in April 1955, compared to 43,554,000 in March 1950 and 39,107,000 in April 1947. Urban & rural non-farm households increased by about 1,000,000 a year since 1950, whereas rural-farm households declined about 150,000 a year. Of the 47,788,000 households in April 1955, about 43,243,000 were non-farm. The number of married couples increased from 36,100,000 in 1950 to 37,600,000 in April 1955. Those not maintaining their own households dropped to postwar low of 1,300,000 this year, compared to 2,000,000 in 1950 and 2,900,000 in 1947. In a related report, the Federal Reserve Board bulletin noted that U.S. labor force is growing so rapidly it will probably exceed 80,000,000 by 1956. Titled "The Labor Market in Mid-1955," report said labor force is expected to increase by about 1,200,000 a year during 1960-65, compared with annual increase averaging 750,000 during last 5 years. July employment was at record 64,995,000.

Economic Outlook: Still very, very upbeat, judging from time-tested economic barometers and the comments of businessmen. Consensus of 131 firms participating in recent survey by National Industrial Conference Board was that business generally in second half will be as good as, if not better than, first half of year. About 40% expected dollar billings to exceed first 6 months, 33% foresaw reductions, 25% anticipated about same level. More than 50% predicted production increase in second half of year, 25% foresaw decline, 25% about same. Commerce Dept. chipped in with preliminary report noting exceptionally good summer business lifted gross national product to annual rate of \$386 billion in midsummer vs. \$375 billion in March.

Fair Trade: GE continues to press its fight -- albeit almost single-handedly -- to strengthen fair trade law enforcement. It filed 18 separate suits this week in Milwaukee against local dealers charged by GE with selling its small appliances at below fair trade prices. And in Providence Federal Court, it won temporary injunction against sale of GE products at cut-rate prices in nearby Pawtucket. Judge said GE had made "an honest effort" to police its fair trade contracts in Rhode Island. Meanwhile, American Fair Trade Council stated that fair trade laws had been upheld by Supreme Courts in 15 of the 20 states where they had been tested. Only Nebraska has invalidated state fair trade laws, according to Council.

Production: TV output totaled 180,094 week ended Aug. 19, compared to 154,798 preceding week and 134,959 week ended Aug. 5. It was year's 33rd week and brought TV production for year to date to about 4,720,000 vs. 3,675,000 in same 1954 period. Radio production totaled 255,855 (101,594 auto) week ended Aug. 19, up from 240,148 preceding week and 209,689 week before. For 33 weeks, radio output was estimated at 8,500,000 vs. 6,500,000 in corresponding period of 1954.

DISTRIBUTOR NOTES: Hallicrafters appoints Harrisburg Radio Laboratory Supply Co., 1124 Market St., Harrisburg (Louis J. Zaydon, gen. mgr.); Kerr Tire & Rubber Co., Woodrow Wilson & Bailey Aves., Jackson, Miss. (Robert L. Nickey, sales mgr.); Bell Electronic Supplies Inc., 1835 W. 9th St., Chester, Pa. (James Housman, pres.); Television City, 208 E. North St., Rapid City, S. D. (B. H. Dail, owner) . . . CBS-Columbia appoints King Distributors, 1924 Central, Kearney, Neb. (E. W. King, pres.) . . . Emerson Radio of Pennsylvania takes over Harrisburg area distribution from Dauphin Electric Co. . . . Brown-Rogers-Dixon Co., Greenville, S. C. (Crosley-Bendix) appoints Harold Huffman district mgr. . . . Park Radio Service Inc., N. Y. (Trav-Ler) appoints Moe Zimble Long Island district mgr. . . . Raymond Rosen & Co., Philadelphia (RCA) moves to 51st & Parkside Ave.; its govt. subsidiary Raymond Rosen Engineering Products remains at 32nd & Walnut Sts. . . . Olympic Radio appoints Maloney Distributing Co., 1117 Farnam St., Omaha (James J. Maloney, pres.); firm is ex-Arvin Radio distributor.

Magnavox pres. Frank Freimann, in Aug. 21 interview in *New York Times* business section, foresees "indiscriminate distribution" of TV receivers collapsing as retail price cutters are weeded out. He said some manufacturers sell TVs to as many as 10,000 dealers. His own company, he states, sells directly to 1500. "Very few" of the nation's 100,000 TV dealers are making an adequate profit, he said. Story, by business writer Alfred R. Zipser Jr., traces Magnavox's growth since Freimann took over as a top executive in 1938 (at age 32), tells of his personal interest in music, having served as pres. of Ft. Wayne Philharmonic Orchestra.

TV in 1965, as foreseen by Westinghouse's Dan D. Halpin in address Aug. 28 at Texas Electronics Fair: 85,000,000 sets-in-use in more than 50,000,000 U. S. & Canadian households, 50-60% of them color; many picture-on-the-wall sets; battery-powered portable TVs; average retail price of TV about \$200, slightly higher than at present; annual sales of 8,000,000 sets at over-the-counter value of \$2.25 billion.

Topics & Trends of TV Trade: National Radio and Television Week, the big industry-wide promotion Sept. 18-24, shapes up as coordinated merchandising effort—with plans well advanced in more than 100 major markets to push TV-radio sales that week. RETMA, NARDA, NARTB & National Electrical Dealers Assn. are sponsors.

Regional committees—headed by outstanding local dealers, distributors or broadcasters—are in charge of arrangements in each area. Many are planning banquets in municipal auditoriums or hotels, to be addressed by top-flight industry leaders, as means of kicking off promotion. In addition, more than 100 daily newspapers plan to publish special TV-radio supplements, with copy supplied by *Saturday Evening Post* as service to TV-radio industry. Also, *Life Magazine* is furnishing display banners and posters to distributors & dealers.

NARTB is supplying promotion kit to all networks and stations. It includes 67 station breaks, spots and general announcements for use throughout the week, keyed to theme "National Radio and Television Week . . . Dedicated to Better Home Entertainment." Announcements urge listeners to "see the outstanding TV programs on new large-screen TV receivers," also promote radio-in-every-room and radio-for-every-purpose themes.

* * * *

Indicative of dealer-manufacturer cooperation, NARDA is setting up own consulting service for TV-radio-appliance manufacturers who wish to determine dealer attitudes towards their products. For fee of \$1000 to each manufacturer, NARDA will conduct survey among panel of 300-500 member dealers on how dealers regard competitive strength and weaknesses of lines, pricing factors, styling, etc. Only national surveys will be conducted, though manufacturers will be able to determine regional responses for themselves from the individual replies which NARDA will turn over to them. Two white goods manufacturers have already signed for surveys, said NARDA managing director A. W. Bernsohn.

Crosley will market what it calls Cadillac-class series of 4 higher-priced TV sets in Oct.-Nov. "in order to rid the public of the idea that all we produce are low-priced Custom V sets." Prices haven't been set yet on series, called "El Dorado," which will reportedly include at least one 3-way combination. About 6000 of the sets are to be produced this year.

Wilcox-Gay Corp. and subsidiaries Garod & Majestic Radio, whose Chapter XI hearings are scheduled Sept. 10 in Grand Rapids bankruptcy court, reports balance on hand of \$31,696 as of July 15—covering operations since Jan. 20. Receipts totaled \$1,950,930, disbursements \$1,919,233. Company is offering unsecured creditors 50% of claims, payable over 5 years.

Ray C. Ellis, Raytheon, named chairman of RETMA international dept., replacing Wm. M. Adams, Sprague Electric, who resigned because of illness; Henry A. Correa, Bendix Aviation, appointed vice-chairman of exec. committee; Ernest A. Marx, DuMont, chairman of TV-radio committee; R. A. Parsons, Collins Radio, chairman of electronics committee.

GE is latest with transistorized portable—\$49.95 radio with 5 transistors. With battery, it weighs 15 oz., measures 5 3/8 x 3 3/16 x 1 1/2-in.

CBS-Columbia budgets \$1,750,000 for all media up to end of year to promote new TV line, thru Ted Bates.

Automation developments at MIT's Automatic Control Research Center will be subject of telecast on CBS-TV's *The Search*, Sept. 6, 10:30-11 p.m.

Kenyon & Eckhardt, Whirlpool agency, gets ad account of new Whirlpool-Seeger Corp.

Trade Personals: Seymour Mintz, recently pres. of CBS-Columbia Inc., onetime Admiral adv. v.p., joins Kudner Agency, N. Y. as merchandising consultant on Frigidaire and other accounts; he also is consultant to National Co., Cambridge, Mass., plans to open own offices soon . . . James H. Carmine, Philco pres., and Leslie J. Woods, engineering v.p., due back from European business trip Sept. 6 . . . Brig. Gen. David Sarnoff will receive annual Gold Medal of Hundred Year Assn. of N. Y. for outstanding service to community at Waldorf-Astoria dinner, Sept. 29 . . . Norman C. Owen, serving as Zenith mgr. of distributors since his resignation in July as pres. of Webster-Chicago Corp., promoted to v.p. in charge of distribution . . . James A. Frye, mgr. of Stromberg-Carlson's recently-discontinued Chicago factory branch, appointed national merchandise mgr. for TV-radio . . . Lloyd E. Swedlund promoted to mgr. of monochrome tube product engineering, GE cathode ray tube sub-dept., Syracuse . . . Wm. W. Stefany promoted to asst. to L. L. Hardin Jr., research director, National Union Electric Corp. . . . Morris Spector, asst. mgr. of material, DuMont receiver div., assumes added duties of mgr. of cabinet dept., replacing Sidney Schwartz, resigned . . . Arthur J. Richards, Arvin service mgr., appointed chief radio engineer, Arvin electronics div., succeeding Robt. McGreggar . . . Kenneth G. Gillespie, v.p.-gen. mgr. of Jenkins Music Co., Kansas City, and TV-radio chairman of National Assn. of Music Merchants, returns from European tour of Philips of Eindhoven plants . . . Joseph B. Rickard, ex-MacFadden Publications, named adv. mgr. of new Columbia LP Record Club, 165 W. 46th St., N. Y. . . . John P. Doran promoted to asst. to Bendix-Crosley sales mgr. J. L. Armstrong . . . Samuel M. Whisler promoted to Motorola mgr. of customer services, succeeding Richard C. Rowley, now Texas territorial sales mgr. . . . Edwin Freed resigns as sales mgr. of General Instrument Corp. . . . Mrs. Julia Kiene resigns as director of Westinghouse Home Economics Institute, where she had served 17 years, to form own appliance consulting service . . . Roger Mackay named mgr. of Raytheon Atlanta district for equipment marketing, in reorganization of sales & service regions; Edward Kessler named Baltimore and W. J. Monroe Kansas City mgr. . . . John W. Grant promoted to mgr. of product planning, GE cabinet dept. . . . Anthony Dillon, CBS-Columbia midwestern regional mgr., transferred to N. Y. headquarters to work on expansion of distribution . . . Loren Larscheid named Scott Radio sales mgr. for Dakotas . . . Herbert A. Frank, ex-DeWald Radio & Higgers-Galanek Co., named national sales mgr. of distribution divs., Steelman Phonograph & Radio Co., reporting to gen. sales mgr. Paul E. Featherstone . . . Pat J. Morrisey named industrial sales mgr., Gramer-Halldorson Transformer Corp. . . . Frank Freimann, pres. of Magnavox, left for Europe this week, returns at end of Sept.

Hazeltine's Arthur V. Loughren is nominee for 1956 IRE president in mail ballots circulated to membership this week. Herre Rinia, of Philips of Holland, is the v.p. nominee. For directors at large, 1956-58, two to be elected: Lloyd V. Berkner, pres., Associated Universities Inc.; Edward W. Herold, RCA Labs; Theodore A. Hunter, pres., Hunter Mfg. Co.; Prof. John R. Whinnery, U of Calif. Regional directors, 1956-57, one to be selected in each. Region 1—Prof. Charles R. Burrows, Cornell U; Harry F. Dart, Westinghouse tube dept.; Lawrence B. Grew, So. New England Telephone Co. Region 3—Prof. John G. Brainerd, U of Pennsylvania; Prof. Lawrence R. Quarels, U of Virginia. Region 5—Joseph J. Gershon, DeVry Technical Institute; Robert E. Moe, GE receiving tubes dept. Region 7—Lenwood E. French, Neely Enterprises; C. Frederick Walcott, Gilfillan Bros.

Electronics Reports: Here's more on the magnitude and potential of electronics as a whole, as discussed in report released this week by N. Y. investment bankers Carl M. Loeb, Rhoades & Co. It's one of the most noteworthy sizeups since speech by Sylvania's finance v.p. W. Benton Harrison, titled "The Electronics Industry: Present Rate and 10-Year Potential," forecasting \$20 billion-a-year by 1965—published by us in full text as a Special Report last March 12 (for digest, see Vol. 11:11). It's part of a financial study [on RCA] designed to set forth "the investment attraction" of electronics; summary-conclusion on RCA in particular will be found on p. 7, but this is the chapter on electronics generally:

"Here is an industry," report states, "based upon the vacuum tube and transistor, that thrives upon the accumulating discoveries of science, whose products reduce the manufacturing costs of industry, lighten the burden of labor, put a sharp edge on our military weapons, and provide entertainment and comfort for the populace.

"Consequently, the manufacturing volume of electronics has expanded 20-fold within 15 years and has almost doubled over the past 3 years to become a major \$5 billion industry in 1954. In addition, there is perhaps another \$5 billion of related volume, allowing for \$1.4 billion of radio-television broadcasting revenues, a \$100 million business in phonograph records, over \$2 billion of retail markups on consumer products, some \$1 billion of service, and the balance in electronic gear that is concealed in non-specified military purchases and in the total figures for office equipment and industrial machinery.

"Each component of today's \$5 billion manufacturing volume is on firm ground:

"(1) Military electronic procurement and sponsored research, estimated at \$2½ billion by trade sources and expected to reach \$5 billion by the 1960's, is consistent with this country's long-range defense program that increasingly must stress electronically controlled weapons and protective devices in an age of supersonic flight, guided missiles and undersea warfare. This program also contributes importantly to the development of new civilian products.

"(2) Television receivers, virtually nonexistent in 1945, produce \$1 billion of manufacturers' sales. The imminent breakthrough of color television should double the industry's volume.

"(3) A \$230 million business in radios is lower than formerly but should expand again in view of normal turnover of some 130 million radios in use and new technological developments.

"(4) Replacement parts and tubes, a \$550 million business, can only grow as the nation's inventory of electronic products builds up.

"(5) Phonographs, high fidelity equipment and home tape recorders yield \$175 million of manufacturers' sales and the trend is upward.

"(6) Industrial electronics, still only a \$600 million business, should expand threefold by 1960 due to large-scale construction of microwave transmission facilities, heavy building of TV stations, growing use of closed-circuit television, and the emergence of 'automation' as a huge market for computers and control devices.

"However, we must also weigh the dramatic potential for electronics in nuclear energy, a heavy overall obsolescence factor for all electronic products, and an ever-widening stream of fundamentally new developments arising from a vast network of research laboratories employing perhaps 25,000 scientists. Some of these major new concepts and products, which have materialized already but are still in their infancy, include the transistor, printed circuitry, and video tape recording. Still in the laboratory but certain of eventual commercial development are electronic household appliances including air conditioning, the

atomic battery that will power transistorized portable equipment, and a true amplifier of light that will make possible 'picture-on-the-wall' TV screens, electronic photography, and devices to see in the dark.

"Hence electronics gives the assurance of a broad industrial base and accelerating growth over future decades—obviously fertile ground to plant the investment dollar."

* * * *

"Future defense volume," says another portion of the 42-p. Loeb, Rhoades report, "should parallel the development of military electronic procurement which is expected to rise from last year's \$2.5 billion level to \$5 billion by the 1960's. Rather than being tied to the overall rate of defense expenditures, which primarily affects conventional armaments, the projected expansion of military electronics is the product of modern warfare and an inexorable trend to guided missiles, supersonic aircraft, automatic gun fire and bombing control, and reliable countermeasures, all of which are essentially electronic systems subject to rapid obsolescence."

This is why as much as half the cost of modern military aircraft is represented in electronic equipment, according to the report: Fighter plane uses approximately 600 tubes, 900 capacitors & resistors, patrol bomber uses 1200 & 20,000, radar observation 3000 & 60,000, heavy bomber 5000 & 115,000—these in their complex apparatus for communications, navigation, flight planning, gun-fire control, radar, power controls, photography, missiles.

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Work on Willys flat tube (Vol. 11:3, 30), to adapt it to color, is being carried on by Hoffman Electronics in conjunction with Willys, pres. H. L. Hoffman disclosed at Western Electronics Show and Convention in San Francisco this week. Inventor of flat tube, Willys' Wm. Ross Aiken, said it would be ready for home TV use "tomorrow, engineering-wise," foresaw no production difficulties.

Transistors: (1) Bell Labs announces experimental "junction tetrode" transistor which can operate over 1000 mc, highest frequency yet. It has sufficient bandwidth to carry TV or numerous telephone conversations. (2) GE cuts prices on 8 types, reductions running 15-50%. (3) Transistor radio has been produced by a Japanese firm, Tokyo Tsushin Kogyo KK.



Magnavox expects \$75,000,000 volume by end of current fiscal year in June, 1956, reports pres. Frank M. Freimann. For fiscal year ended last June 30, it was about \$55,000,000, with net profit after taxes reaching new high of \$2,400,000, or \$3 per share on 800,000 shares outstanding before recent 5% stock dividend. This compares with \$63,000,000 sales and \$2,000,000 profit (\$2.77) for preceding fiscal year. Firm plans to expand into digital computer field, already has govt. contracts for guided missiles, radar, sonar, navigational systems.

Dividends: Sylvania, 50¢ Oct. 1 to stockholders of record Sept. 9; Zenith Radio, 75¢ Sept. 30 to holders Sept. 9; Sprague Electric, 30¢ Sept. 14 to holders Aug. 31; Radio Condenser, 5¢ Sept. 30 to holders Sept. 1; General Precision Equipment, 60¢ Sept. 15 to holders Sept. 7; Sperry-Rand, 16¢ Sept. 30 to holders Sept. 8; Hoffman Electronics, 25¢ Sept. 30 to holders Sept. 15; Wells-Gardner, 15¢ Sept. 15 to holders Sept. 2; Admiral, 25¢ Sept. 30 to holders Sept. 11.

Hazeltine Corp. net sales dropped to \$10,225,000 in first 6 months of 1955 from \$24,350,000 in same period last year. Net income was \$772,000 (\$1.10 a share) vs. \$1,927,000 (\$2.75).

Plans for merger of Nuclear Electronics Corp., Olympic Radio & Television Inc. and Victoreen Instrument Co. have been terminated "pending further study," according to Olympic statement this week.

Color Trends & Briefs: One of most aggressive distributors in color field is Raymond Rosen & Co., Philadelphia RCA distributor, whose pres. Thomas F. Joyce predicts: "If the industry really gets behind color, it could easily sell 25,000 sets in our market this fall & winter. We've set a goal for ourselves of 150 a week." Among actions being taken to achieve goal:

(1) Rosen is detailing Edward Burns, "one of its most alert, aggressive promotion specialists," according to Joyce, exclusively to color starting Sept. 1.

(2) Budget of \$45,000 has been set aside for newspapers, TV & radio advertising.

(3) Company executives are making speeches before civic groups. Joyce has already spoken to Norristown Lion's Club, says he knows of 5 or 6 in the audience who now plan to buy sets.

(4) Some 300 dealers are expected to hold open house for big shows, inviting selected customers. Last year, Joyce says, about 200 participated, demonstrating to thousands—"but lack of sufficient programming made it impossible to sustain interest."

(5) Starting Sept. 11, Rosen will co-sponsor, with Upper Darby dealer Mort Farr (who is also NARDA chairman), *Bulletin* columnist Frank Brookhouser's *Man About Town* on WCAU-TV Sun. 11:15-11:30 p.m. It has "a large following in the tavern, night club and restaurant fields." Half of show will be devoted to selling color, half to black-&-white.

(6) Extensive joint promotions with all major dept. stores will be conducted.

Joyce is convinced that situation is no different from that prevailing when industry obtained FCC "yellow light" on color in 1939. At that time he was gen. adv. mgr. of RCA. After 4 months of selling, only 81 sets had been moved in New York, reasons for inactivity being similar to those quoted today—high price, few shows, low discounts, no service, insufficient promotion, fear of price reductions, radio-phono competition, etc. RCA team then moved into Newburgh, N. Y. as test area, went into "a specialty selling campaign," sold 100 sets in 10 weeks. Joyce feels that history will be repeated in color.

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Reporting that dealers are accelerating interest in color, Joyce relays these comments from several large and small Pa. dealers:

Stanley Frazee, div. mdse. mgr., Gimbel's, Philadelphia: "Just as Gimbel's took the lead in promoting black-&-white TV in the Philadelphia market, Gimbel's is now taking the lead in promoting color. We have set up a sales budget for \$50,000 worth of color sales for this fall and expect to reach it."

J. C. Holtby, Lansdowne, who has sold 9 color sets to date: "We wholeheartedly agree now is the time to aggressively build the foundation for our coming color TV business. The color schedule you showed for this week in today's *Inquirer* was impressive and brought home the fact color is no longer just around the corner."

Charles E. Gerhard, Glenside (2 sets sold): "The American public is always ready for a change if that change is an improvement. Look how color conscious we are in our everyday life. Men with their loud clothing; women with colored kitchens and, to top it all, pink automobiles. Some good old home demonstrations and in-store parties will get color TV off the ground this fall."

Louis Pearlman, Doylestown (5 sets sold): "We feel now is the time to go on color TV. The new color sets are beautiful and easy to tune. Programming is improving, which will enable us to move in and close those color prospects we already have. By gradually building that excitement as we did black-&-white, we will soon have color

TV rolling. We expect to sell 25 color sets between now and Christmas."

Note: Another indication of dealer attitudes toward color: NARDA chairman Mort Farr's informal survey of 47 top dealers attending NARDA's Institute of Management last week at American U (Vol. 11:34) asked: "Do you handle color TV?" 32 replied yes, 4 no. Then, "How many have you sold?" 26 replied none, 10 had sold from one to 7 sets each. Then they were asked: "Should you promote color this fall?" 19 replied no, 14 yes, 3 didn't answer.

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More big color shows in the works: CBS-TV disclosed that *Ford Jubilee Theatre* will include: Noel Coward's *Blithe Spirit* and *Peace in Our Time*, Coward starring in both; Bing Crosby in *High Tor*; play *The Day Lincoln Was Shot*; *The Big Banjo* (story of American rhythm); *Wonderful World*, a musical; Maeterlinck's *Blue Bird*. *Shower of Stars* will include: Jack Benny in 5 shows; *Nutcracker Suite* with original libretto by Sam & Bella Spewack. CBS is also negotiating for operetta *Porgy & Bess*, now touring South America, to be colorcast in Nov. if agreement is reached. A "jungle spectacular" of *Zoo Parade* is expected of NBC-TV; Marlin Perkins and staff (plus TV columnist John Crosby) have been shooting color film in Africa.

New technique for colorcasting art work will be demonstrated Aug. 31 & Sept. 1 by WTMJ-TV, Milwaukee. Says asst. gen. mgr. Russ Winnie: "One of the problems confronting TV stations throughout the country interested in stimulating the success of color TV has been in the inability of finding the means of transmitting in color art work in its original form . . . As a result of research & development in our engineering dept., a system of transmission of art work in the form of cards or original art has been developed which we think is little short of sensational."

Network color schedules for next 2 weeks: NBC-TV—Aug. 29, last *Matt Dennis Show*, 7:30-7:45 p.m.; Aug. 30, Sept. 1, 6 & 8, *Vaughn Monroe Show*, 7:30-7:45 p.m.; Aug. 29-Sept. 2 & Sept. 5-9, *Home* segments, 11:45-noon; Sept. 11, *The Skin of Our Teeth*, starring Helen Hayes, Mary Martin, George Abbott & Florence Reed, 7:30-9:30 p.m.; Sept. 12-16, beginning of regular *Howdy Doody* colorcasts, 5:30-6 p.m.

Liberty Music Shops, big N. Y. chain, keeping Madison Ave. store open evening of Aug. 22, had audience of 200 on hand to watch NBC-TV color-cast of *The King & Mrs. Candle*, reported interest intense. Bruno-New York, RCA distributor for area, reports some 150 dealers now have color sets on display, says dealers are talking more about color than ever before, adds "we look forward to a pretty good business."

Foto-Video Laboratories Inc., Bloomfield, N.J., reports shipments of color & monochrome equipment to WABD, New York; WCCO-TV, Minneapolis; KTVX, Muskogee, Okla.; KING-TV, Seattle; WSPD-TV, Toledo.

RCA's 22nd technical training program on color & monochrome station equipment, for station engineers, etc., will be conducted in Camden, Sept. 26-30.



Gwilym A. Price elected chairman as well as pres. of Westinghouse at board meeting this week, which promoted v.p. Mark W. Cresap Jr. to exec. v.p., succeeding Latham E. Osborne, now vice chairman. John K. Hodnette promoted from v.p. in charge of apparatus products divisions to v.p.-gen. mgr. in charge of operations of all product groups. A. C. Monteith, engineering-research v.p., succeeds Hodnette, and Dr. John A. Hutcheson, v.p. in charge of research labs, heads all engineering & research.

NORTHEASTERN flood disaster caused millions of dollars damage to TV-radio-appliances of dealers and consumers, destroying or wrecking equipment which will take millions to replace or repair. Difficulty of communicating with badly-hit areas made it difficult to assess total damage as we went to press. All segments of industry joined to extend helping hand.

Philco set up service depots in stricken areas to rehabilitate refrigerators and freezers as first priority among householders and to render necessary services to dealers. RCA's New England office said dealers are being assisted by distributors, with most severe cases referred to factory. NARDA promised to borrow test equipment, service technicians and replacement parts from other Eastern dealers to aid its stricken members.

Floods blacked out WATR-TV, Waterbury, and WGTH-TV, Hartford, on Aug. 19. One radio station in Waterbury, with transmitter and studio at river's edge, was swept away, and several other AM stations were blacked out. Stations won high praise from public officials and press for keeping public informed and for their more direct aid to victims. For example, WKNB-TV, New Britain-Hartford, staged 16-hour all-night telethon, raising \$147,064 for destitute victims.

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Avowedly out to acquire 5 TV stations (as are quite a few other and even bigger TV-radio interests) and allowable limit of 7 radio stations, new syndicate called Continental Telecasting Corp., headed by Arthur B. Hogan, pres. of Albert Zugsmith Corp., Los Angeles promoter, movie producer & station-newspaper broker, this week announced its first acquisition was radio KRKD, Los Angeles (5-kw D, 1-kw N, 1150 kc) at price reported around \$500,000. At week's end, however, application for transfer had not yet been filed with FCC. In another radio station deal this week, Bartell Broadcasters, who control WMTV, Madison (Ch. 33) and own radios WOKY, Milwaukee & WAPL, Appleton, bought WBGE, Atlanta (250 watts, 1340 kc) for \$100,000, paying \$15,000 down and remainder over 5-year period at 6%.

Two applications this week: Ch. 7, Redding, Cal., by Shasta Telecasters, headed by Redding mayor George C. Fleharty, publisher of *Anderson Valley News*; Ch. 8, Presque Isle, Me., by Elson TV Co., partnership of Thomas B. Friedman and wife. Friedman is consulting engineer and mgr. of broadcast systems engineering for Adler Communications Labs. Channel is now occupied by Air Force station at Loring Air Base, Limestone, Me., and FCC has told military it must give up channel when commercial station starts in area. Friedman plans to build 420-watt station for \$53,570, operate it for \$72,000 first year.

TV blackout of home night games next season is being considered by N. Y. Yankees and Giants as means of halting slumping attendance—despite survey by research-public relations firm Stephen Fitzgerald & Co. showing that fans are staying away from ball parks primarily because of difficulty in getting to stadium, parking troubles, high prices and poor service on tickets (Vol. 11:34). Both teams air full schedules on WPIX.

To test site for proposed 2003-ft. tower (Vol. 11:8), WHAS-TV, Louisville (Ch. 11) has asked FCC for permission to send aloft balloon with 2-watt battery-operated oscillator operating at top of Ch. 10. Because of air hazard, tests would be conducted by chief engineer Orrin Towner during day, so Ch. 11 can't be used while WHAS-TV is operating. Site is near Mt. Washington, Ky.

Add high towers: Sarkes Tarzian's WTTV, Bloomington, Ind. (Ch. 4) has filed application to build 1649-ft. structure near Trafalgar, Ind., some 20 mi. south of Indianapolis. Present site is at Cloverdale, Ind.

NBC profits are never disclosed separately in RCA financial reports, nor does CBS tell how much of its revenues and profits comes from broadcasting operations. But, intensity of competition between them being what it is, someone at RCA "leaked" these figures to *Variety* this week: NBC profits before taxes in first 6 months of this year exceeded \$14,300,000, will run better than \$6,400,000 after taxes. That's out of net profit of \$22,061,000 for all RCA operations (Vol. 11:31). Accordingly, *Variety* makes comparisons with CBS Inc.'s consolidated net \$14,248,000 before taxes, \$6,328,000 after taxes in same period (Vol. 11:33), observing that NBC alone is earning slightly more than CBS's total operations (including set & tube manufacture) despite fact that CBS TV-radio network billings have consistently led NBC's for last few years. NBC says it's losing some \$2,000,000 this year on radio networking, whereas CBS has claimed it's still making money on radio. Key to anomaly undoubtedly lies in TV profits, which neither is disclosing, and to CBS's difficulties in making its set & tube businesses pay.

Illegal booster operators in Northwest have another champion—Sen. Wayne Morse (Ind.-Ore.), who this week urged FCC to establish new rules to legalize boosters. Previously, Sens. Magnuson (D-Wash.) & Jackson (D-Wash.) made similar requests. Noting booster operations in Oakridge, Princeville & Sheridan, Ore., Sen. Morse stated: "Present rules of the FCC are a stumbling block to the type of inexpensive short-distance booster station needed in many small communities. A set of rules should be written promptly so that small communities can have the service that large communities already have. It is the responsibility of the Commission to make TV service available to everyone, and citizens of small communities should not be penalized."

NARTB's 8 regional conferences will each be addressed by an FCC commissioner, in this schedule: Comr. Lee, Region 4, Sept. 20 at Chicago's Edgewater Beach Hotel; Comr. Bartley, Regions 1 & 7, Sept. 23 at Saranac Inn, N. Y. and Nov. 2 at Broadmoor Hotel, Colorado Springs; Comr. Mack, Region 3, Sept. 29, St. Charles Hotel, New Orleans; Chairman McConnaughey, Region 2, Oct. 13, Hotel Roanoke, Roanoke, Va.; Comr. Webster, Region 8, Oct. 25, St. Francis Hotel, San Francisco; Comr. Hyde, Region 5, Nov. 8, Ft. Des Moines Hotel, Des Moines; Comr. Doerfer, Region 6, Nov. 16, Baker Hotel, Dallas.

First microwave of proposed series to feed community systems in Wyoming (Vol. 11:22) was sought in application filed this week by Pioneer Transmission Corp., Worland, Wyo. (H. B. Van Buskirk & J. R. McKibbin). It seeks to install Raytheon KTR-100E equipment on Boysen Peak, at cost of \$13,165, to relay programs of KOOK-TV, Billings, Mont. to Riverton, Wyo. Aim is eventually to serve additional towns of Worland, Lander, Thermopolis, Rock Springs, Rawlins & Green River.

New York U will use closed circuit-TV to extend lecture-demonstrations in English composition & literature to multiple classrooms, GPL installation being made possible by \$52,359 grant from Fund for the Advancement of Education. Previously, Stephens College, Columbia, Mo., announced similar project.

NBC-TV joined Television Bureau of Advertising this week, bringing membership to 162, annual budget up to \$500,000; Charles R. Denny, v.p. for owned-&-managed stations, goes on board. CBS-TV joined previously, and efforts are being exerted to bring in ABC-TV.

Power increases: WAKR-TV, Akron (Ch. 49), from 18.2 to 213 kw, due latter Sept.; KCOP, Los Angeles (Ch. 13), from 31.4 to 170 kw, due Sept. 12; WSJS-TV, Winston-Salem (Ch. 12), from 40 to 316 kw, due early Sept.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
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OF THE
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SUMMARY - INDEX OF THE WEEK'S NEWS — September 3, 1955

5 NEW STATIONS start, dozen more due in Sept. Wichita, Mobile, Thomasville, Ga. starters, Chicago & Detroit educational, bring total to 447 (pp. 1 & 8).

PROGRAM TRENDS of new season include more one-shots & irregular programs, more multiple sponsorships, more movie tieups—and emphasis on color (p. 1).

BRITISH TV IMAGES superior for reason they engineer programs more intensively with more men; program plans for Sept. 22 commercial debut (pp. 2 & 7).

CHANGE IN ALLOCATIONS again urged by FCC Comrs. Hyde & Lee, in speeches this week—but they differ on how far they'd go with vhf drop-ins (p. 3).

FIERCE COMPETITION, stemming from station growth, sparks many complaints, protests and appeals before Commission and Court of Appeals (p. 5).

PRIME TV SALES MARKETS once again are big pre-freeze metropolitan centers, buying replacements & second sets. Another blow dealt fair trade (p. 10).

NARTB PLANS GRASS-ROOTS campaign among local bar groups to fortify TV's right to cover trials & hearings; ABA demonstration success (p. 5).

NATIONAL AWARENESS of TV at unprecedented peak, emphasized by major articles in U. S. News & World Report, Saturday Evening Post, Newsweek (p. 6).

SELZNICK TO RKO as executive producer, handling TV as well as theatrical projects; several bid for backlog. TPA-Screen Gems deny merger reports (p. 7).

SUBSCRIPTION TV no urgent matter at FCC as Sept. 9 deadline for comments nears; Collier's article notes proponents' plans for foreign countries (p. 14).

5 NEW STARTERS, OTHER SEPT. PROSPECTS: Five more new stations are on the air, including 2 educational -- and it looks like a dozen or so others may begin this month to make it the biggest of year for new starters. The 5 latest, which bring count of on-air stations to 447 (108 of them uhf): KARD-TV, Wichita, Kan. (Ch. 3); WKRG-TV, Mobile, Ala. (Ch. 5); WCTV, Thomasville, Ga. (Ch. 6); WTTW, Chicago (Ch. 11, educational); WTVS, Detroit (Ch. 56, educational). [For further details, see p. 8.]

Scheduled for Sept. debuts also, though there's always the possibility of unforeseen delays, are KBMB-TV, Bismarck, N.D. (Ch. 12); KDLO-TV, Florence, S.D. (Ch. 3); WHTN-TV, Huntington, W.Va. (Ch. 13); KTVO, Kirksville, Mo. (Ch. 3); WORA-TV, Mayaguez, Puerto Rico (Ch. 5); WDBJ-TV, Roanoke, Va. (Ch. 7); KCRA-TV, Sacramento, Cal. (Ch. 3); KTBS-TV, Shreveport, La. (Ch. 3); KMVI-TV, Wailuku, Hawaii (Ch. 12); WITN, Washington, N.C. (Ch. 7). Canada also has one Sept. candidate -- CKVR-TV, Barrie, Ont. (Ch. 3).

Most imminent of these are Sacramento and Shreveport outlets. Also previously reporting Sept. starts, but highly uncertain now: WCBI-TV, Columbus, Miss. (Ch. 4); WESH-TV, Daytona Beach, Fla. (Ch. 2); KRBB, El Dorado, Ark. (Ch. 10).

NEW SEASON—'GOLDEN ERA' OF TELECASTING: Fall-winter TV season that gets under way immediately after Labor Day looks like a whing-ding from viewers' standpoint -- and it also means good business for all the TV trades.

Besides the hardy perennials, world series and football, the networks have so much top-grade program material on their agendas, new and old, that it may well be that a golden age of home entertainment really is upon us, albeit the industry is a scant 10 years old. One thing is certain:

Network TV is unshackling itself from certain traditions and rigidities that were handed down from radio -- is creating its own entertainment art forms. And the brilliant lineup of stars lends force to CBS's recent statement that "there is no great pool of talent which TV does not reach." Some 35 brand new regular shows are scheduled on the 3 surviving networks this fall. These seem to be the basic trends:

(1) More one-shots and irregularly scheduled programs, less demand on top-rated performers for weekly stints. For example, Ed Murrow's See It Now will go on

for 60 or 90 minutes only 8 or 9 times this season, instead of weekly; Jack Benny will be seen but once monthly (forsaking radio entirely); Orson Welles will be an irregular, also on CBS-TV.

These are simply scattered examples. NBC-TV is canceling one regular commercial period a month for an hour-length public affairs show based on recent history; it also plans several irregular "telementaries," starting with "1776" Oct. 9, Sun. 4:30-5:30 p.m. They're examples of departure from "formula," adding force to recent closed-circuit remarks of CBS-TV program v.p. Hubbell Robinson Jr.:

"Formula is nothing. Execution is everything. You mark down in the book that any producing organization that goes to the same well too often is going to find it dried up." Every show on the air, he went on, will be there "because of its own creative merit and capability to entertain, to inform or to educate."

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(2) More multiple-sponsor shows. High cost of TV time, talent & production make trend to more participating and alternate-week sponsorships inevitable. Having achieved great success with Today, Home and Tonight, NBC-TV reports it's virtually sold out on its Sun. 7:30-9 p.m. Color Spread (at \$71,000 per 1-min. commercial). Single-sponsor shows will drop to about 60 from 80 last season.

Yet it all will add up to very Big Business. If any further proof of magnitude of the network effort is needed, fact that their first 6-mo. billings (PIB, Vol. 11:32) leaped to nearly \$200,000,000 from \$150,000,000 in same period last year can be cited. It's anticipated second half may go much higher -- maybe by as much as 50%, to make year's total a fantastic half billion dollars -- or more than all radio (with 4 networks and 3300-odd AM-FM stations) aggregated in any one of its 35 years.

(3) More movie tieups: Up-&-coming ABC-TV began this trend with its big hit Disneyland, will also have Disney's new Mickey Mouse Club, MGM Parade, Warner Bros. Presents. CBS-TV has the 20th Century-Fox Hour. NBC-TV hasn't joined in yet. All of these programs have other sponsors footing time and talent bills while Hollywood builds the shows and rides one of the sweetest publicity gravy trains of all time. Whether trend is for TV's betterment or for worse, time alone will tell.

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(4) Emphasis on color shows. Most of the NBC & CBS "spectaculars" will be in color -- not only to stimulate color set sales but to add promotional zing. NBC has three once-a-month 90-min. spectaculars on tap: Color Spread, Max Liebman Presents, Producers' Showcase. In color also will be once monthly Maurice Evans Hall of Fame, portions of bi-weekly Wide Wide World, and unprecedented daily live 3-4 p.m. series titled Matinee Theatre which will become dealers' prime showcase for color sets.

CBS is gradually revealing big scope of its "blockbusters" -- disclosing that Ford Jubilee Theatre will include Noel Coward's Blithe Spirit and Peace in Our Time, Coward starring in both; Bing Crosby in High Tor; stories like The Day Lincoln Was Shot, Maeterlinck's Blue Bird, The Big Banjo (story of American Rhythm). Its Shower of Stars will include Jack Benny in 5 shows and an original libretto to Nutcracker Suite written by Sam & Bella Spewack. Most of Omnibus will be in color, as will six 90-min. films produced by Orson Welles. A daytime color series is also planned.

AMERICANS FIND BRITISH TV IMAGE BETTER: Why are the British Broadcasting Corp.'s TV signals so apparently superior to most of ours? It can't be merely that there's lots of power behind them, the govt.-owned BBC monopoly being unworried about co-channel or adjacent channel interference. Certainly, fact that British TV is on a 405-line standard as against our 525-line should argue just the opposite. British receivers, craftsmen though the Britons are, can't be that much better.

When we undertook our personal inspection of British TV last autumn -- a visit that has since been followed by a veritable "invasion" of American telecasting executives, technicians, admen, even editors -- we remarked on the fine workmanship of British TV sets and on the vastly superior picture we consistently got on a 14-in. set in our hotel room in the Mayfair district of London (Vol. 10:45).

Nobody disputed those observations; in fact, many who followed confirmed them and the promotion-minded TV trade over there made a lot of to-do about them. There

were all manner of explanations -- but this week, from one of the top American TV research & engineering executives, connected with one of the great laboratories and unconnected with any of the U.S. networks, gave the answer that makes most sense:

"The BBC," said this technician, who has just returned from a periodic visit to England, "has 4 times as many engineers per program as we have at our networks and stations. They keep their equipment up to snuff more intensively than we do, and their personnel is top-grade. They have the manpower and time to keep their equipment in tip-top shape all the time. It's as simple as that." The British technicians, he said, are among the best in the world.

Commercial as well as technical success for British TV was foreseen by this observer. He was also of the opinion, expressed in our stories, that commercial TV will go over big despite political and clerical opposition. And for some reasons:

Britons dislike monopoly no less than we do. They're accustomed to film and slide commercials in their theatres on a scale and with blatancy far surpassing anything of the kind done here. They respond to radio commercials from the Continent, notably from popular Radio Luxembourg. And British industrialists and admen, among the smartest merchandisers in the world, know that commercial TV will be a powerful force for creating wants and moving goods.

How much the new TV system will profit by the American example, good and bad, how many programs and what kind they will import and copy from America, remains to be seen when it gets under way Sept. 22. (For report on commercial plans, see p. 7.)

COMRS. HYDE & LEE PUSH ALLOCATIONS CHANGE: Revisions of TV allocations being urged by FCC Comrs. Hyde & Lee (Vol. 11:35) were elaborated on by both in speeches this week -- Hyde at Washington Lions Club, Lee at W.Va. Broadcasters Assn. meeting in White Sulphur Springs, W.Va. As indicated last week, both favor changes in standards to permit drop-ins of more vhf stations -- but they differ greatly in degree.

Here's how Hyde put it: "I would suggest the judicious application of less rigid separation standards than those of the Sixth Report, more emphasis on market areas and the use of such engineering techniques as directional antennas where such would contribute to the objective of the overall re-examination. The ultimate purpose of course would be to encourage the larger and more effective use of available TV channels. The ultimate full development of TV in this country should not be hamstrung by having been limited to 12 channels in its pioneer stages."

Hyde frowns on "indiscriminate" drop-ins, however. He said: "The squeeze-in or shoe-horn technique, if experience in other fields is to be relied upon, can be expected to cause interference in outlying areas, the cumulative effect being to provide additional services in population centers at the expense of outlying areas where it is most needed. Any such move would, of course, inevitably undermine present incentive to development of ultra-high channels."

Amplifying on his speech later, Hyde told us: "Drop-ins all over the map, with no overall objective, would take us back to before the freeze. We need deintermixture both ways -- to preserve competition in uhf markets, add competition to vhf markets. You can't get a reasonable amount of deintermixture without some flexibility in allocations. We need more stations rather than reduced coverage."

Lee expounded on his thesis that best solution is to get more vhf channels from the military, but that partial answer is to fit more stations into present 12 channels -- through reduced powers & mileages and directional antennas. He doesn't feel that deintermixture is answer to uhf problems; he'd let uhf operators get vhf. Among portions of govt.-used spectrum Lee has in mind is 132-152 mc, and he feels that military equipment in this band could work just as well in uhf.

Interference which might be created by vhf drop-ins has been worrying FCC staff. One argument against them, they say, is that they'd bollux up the offset carrier situation, a major factor in reducing interference. On the other hand, some consulting engineers claim new offset carrier plan can be devised.

FCC staff is cautious about drop-ins, generally. One member states: "If the Commission concludes that uhf should be forgotten and that we should try to make the most of only 12 vhf channels, it's my belief that we should reexamine the whole

allocation plan, to make it most efficient. The technique of just dropping in low-power vhf stations here and there is only a minor help."

A former FCC staff member, influential in setting up present plan, says: "During the freeze, I told the Commission that the plan would serve only 2-3 years, enough to set the pattern, after which it could be dropped. Well, that's what it has done -- and it looks as if the time is ripe for a change."

Personal Notes: Sydney Rubin, ex-mgr. of NBC licensing div., appointed CBS-TV director of licensing, handling all subsidiary program rights to live & film shows . . . Frank Stanton, CBS pres., returns from short European trip immediately after Labor Day . . . William Grant, attorney, businessman & 5.5% owner of KOA-TV & KOA, Denver, as well as pres. of the licensee corporation in which actor Bob Hope owns 39%, has succeeded Don Searle as gen. mgr. . . . Sylvia Kessler, ex-chief of FCC Office of Opinions & Review, recently with Cohn & Marks, has opened own law offices in Tower Bldg., Washington (District 7-2805) . . . John S. Auld promoted to mgr. of technical operations for DuMont's Electronicam system . . . Charles Singer resigns as MBS chief engineer; John H. Burnett, producer-director of Harry Wismer's TV-radio *General Sports Time*, named sports director, replacing Paul Jonas, resigned . . . Ross Donaldson promoted to mgr. of NBC-TV writing services, buying and developing scripts . . . Barton L. Griffith, TV-radio instructor at U of Michigan, named director of distribution activities, Educational TV & Radio Center, Ann Arbor; Wm. A. Harper, ex-Wittenberg College publicity director, named director of information services . . . Frank Barron promoted to local sales mgr., John Garfield to national sales exec., WXEL-TV, Cleveland . . . Bill Adler, DuMont press & promotion director, promoted to program director . . . Wynn Nathan, MCA-TV sales v.p., announces appointment of these new v.p.'s: Tom McManus, eastern sales mgr., N. Y.; Ray Wild, southwest sales mgr., Dallas; Henry Long, western sales mgr., Beverly Hills, newly named to mideastern sales mgr. at Cleveland under v.p. D'Arv G. Barton and succeeded by v.p. Robert Greenberg . . . Herb Jaffe elevated to exec. v.p., Herman Rust to sales v.p., Official Films Inc. . . . Edward F. Ryan, from parent *Washington Post & Times Herald*, named director of news & public affairs, WTOP-TV & WTOP, Washington . . . Freeman Mann promoted to chief engineer, Dresser-Ideco Co. (towers) . . . Hugh O. Kerwin, ex-KTVI, St. Louis, named TV mgr. of Petry's St. Louis office, succeeding George Stevens, shifted to Chicago office . . . Josephine Maggio, ex-traffic mgr. CBS-TV Spot Sales, joins Petry as head of special services traffic div. . . . Jack Thompson promoted to asst. eastern sales mgr., Free & Peters . . . Albert B. Shephard, ex-Empire Coil Co., recently Forjoe-TV sales mgr., and Richard C. Landsman, ex-Harrington, Righter & Parsons, join Katz . . . Edward Cahn, ex-Avery-Knodel, onetime exec. v.p. of George H. Hartman Co., Chicago agency, heads new Pulse Inc. branch office at 6399 Wilshire Blvd., Los Angeles . . . Guy S. Warren Jr. promoted to exec. v.p., D. P. Brother & Co., Detroit, succeeding Clarence Hatch, now Kudner senior v.p. . . . Norman Heyne resigns as Ruthrauff & Ryan TV-radio production v.p. to become partner in new Wesley, Heyne & Cuca Adv. . . . Robert P. Mountain, Young & Rubicam v.p., takes over as director of TV-radio dept., replacing Dan Seymour, now J. Walter Thompson; Nat Wolff, as v.p. & director of program development, to concentrate on creating new program ideas; David Bradshaw continues as operations mgr. of TV-radio dept. . . . George Haight promoted to west coast TV-radio programming director, McCann-Erickson; Mary Harris promoted to mgr. of TV-radio production, N. Y. . . . Richard W. Bowman, TV copy supervisor, elected v.p., Norman, Craig & Kummel Inc.

Associated Press Radio & Television Assn., by mail ballot announced Sept. 2, added these 9 members to its board, whose next meeting is scheduled for Sept. 19: Albert Larsen Jr., WALL, Middletown, N. Y.; Ted Jaffe, WAAM, Baltimore; Jack Knell, WBTV & WBT, Charlotte; Duane Hatch, WSAV, Savannah; Lester Lindow, WFDF, Flint; John A. Engelbrecht, WIKY, Evansville; H. J. Chandler, KFLW, Klamath Falls, Ore.; James H. Connolly, KGO-TV & KGO, San Francisco; Pat Cullen, KHQ-TV & KHQ, Spokane. Seven holdovers, comprising original association, are Daniel W. Kops, WAVZ, New Haven; Tom Eaton, WTIC, Hartford; Joe H. Bryant, KCBD-TV & KCBD, Lubbock, Tex.; Matthew Bonebrake, KOCY, Oklahoma City; Jack Krueger, WTMJ-TV & WTMJ, Milwaukee; Jack Shelley, WHO-TV & WHO, Des Moines; Les Mawhinney, KHJ-TV & KHJ, Los Angeles (president pro tem).

Robert W. Sarnoff, NBC exec. v.p., named chairman of Advertising Federation of America's committee for National Advertising Week, Feb. 19-25, with Foote, Cone & Belding (Roger Pryor, TV-radio v.p.) serving as task force agency. Committee of 23 top-level admen from all media, as named by Ben R. Donaldson, Ford director of institutional advertising and chairman of AFA, includes from TV-radio: Ted Cott, DuMont; Robert E. Kintner, ABC; Kevin B. Sweeney, Radio Advertising Bureau; J. L. Van Volkenburg, CBS.

FCC Comr. E. M. Webster is in Gothenburg, Sweden, heading group of U. S. observers at Baltic & North Sea Radiotelephone Conference on maritime safety. Others in delegation to 3-week sessions: C. M. Jansky Jr., Jansky & Bailey; John Cross, State Dept.; Austin Bailey, AT&T; Capt. G. C. Graves, Coast Guard.

Paul A. O'Bryan, a senior partner of Dow, Lohnes & Albertson, elected chancellor of Delta Theta Phi law fraternity, highest ranking post, at Washington convention this week. Alfred C. Cordon Jr., with same firm, chosen associate justice of the fraternity's supreme court.

Oliver M. Presbrey, of the agency family, with his wife Martha Rountree, who used to be co-owner and moderator of *Meet the Press*, have applied for 5-kw daytime radio station on 1420 kc in Warrenton, Va., where they now make their home.

Charles F. Nelson promoted to AT&T long lines dept. asst. v.p. in charge of revenue requirements & regulatory matters.

Commercial Film Producers Assn. has been formed in Hollywood with Ray Patin, of Ray Patin Productions, 6650 Sunset Blvd., as pres.

Graphic Consultants, 40 E. 51st St., N. Y. has been formed by Phil Hirsch, ex-mgr., NBC graphics dept.

William G. Butts, 64, FCC examiner, died Aug. 28. Native of Dearborn, Mo., he joined Interstate Commerce Commission in 1929, moved to FCC in 1934, became an examiner in 1952. He had 11 radio and common carrier cases, no TV, pending in various stages of hearing at time of death.

E. Lansing Ray, editor & publisher, *St. Louis Globe-Democrat*, which he sold to Newhouse last March and which owns 23% of KWK-TV & KWK, died suddenly at Rye Beach, N. H., on his 71st birthday, Aug. 30.

TIGHTER COMPETITION, as number of stations increases, was much in evidence this week—in FCC actions and in complaints filed with Commission. They covered great variety of situations:

(1) Responding to complaints following recent decision lifting Zone I vhf stations' ceiling to 1250 ft. (Vol. 11:35), Commission postponed effective date of decision from Aug. 31 to Oct. 1.

(2) Commission turned down request that it issue cease-&-desist order to stop KTVX, Muskogee, Okla. (Ch. 8) from identifying itself as Tulsa station. Complaint was by KVOO-TV (Ch. 2) & KOTV (Ch. 6), Tulsa. Commission said that it "is not inclined to inject itself into commercial situations involving competing broadcast interests," but it noted that KTVX conceded failure to use Muskogee station identification and that it had exaggerated coverage claims in ads. This pattern of operation, Commission said, "has given it pause" in considering case. However, Commission concluded that it would put station on best behavior, "imposing a condition that its future operations will be further reviewed."

(3) WESH-TV, Daytona Beach, Fla. (Ch. 2) was advised, via McFarland Letter, that hearing appears necessary on its application to change site to spot 22 mi. from city toward Orlando and to increase power from 1.26 to 100 kw. Commission also received opposition from upcoming WHTN-TV, Huntington, W. Va. (Ch. 13) to application of WCHS-TV, Charleston (Ch. 8) to move closer to Huntington, increase height to 1218 ft.

(4) Broadcast Bureau recommended hearing on WWSW-WJAS grant of Ch. 11, Pittsburgh, unless stations remove "infirmities" of merger agreement "which run athwart Commission policy and may involve a violation of Section 310(b) of the Communications Act." Objections to grant were raised by WENS (Ch. 16).

(5) Miami-Ft. Lauderdale's WGBS-TV (Ch. 23) and WITV (Ch. 17) asked Court of Appeals to enjoin FCC from finalizing Miami Ch. 7 & 10 decisions before acting on their deintermixture petitions. WFDF, Flint and Butterfield Theatres filed briefs supporting their appeals against grant of WJRT, Flint (Ch. 12).

(6) WNHC-TV, New Haven, Conn. (Ch. 8) requested hearing on sale of WGTH, Hartford (Ch. 18) to CBS; WHUM-TV, Reading, Pa. (Ch. 61) sought hearing to explore sale of WLBR-TV, Lebanon (Ch. 15) to WFIL-TV, Philadelphia; WIRK-TV, W. Palm Beach, Fla. (Ch. 21) protested sale of WEAT-TV (Ch. 12) to General Tele-radio.

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Rule-making on several allocations was begun: (1) Shift of WKST-TV's Ch. 45 from New Castle, Pa. to Youngstown. (2) Move of Ch. 6 from Indianola to Clarksdale, Miss. (3) Shift of Ch. 13 from Calumet, Mich. to Marquette, replacing it with Ch. 5. (4) Move of Ch. 10 from Roswell to Artesia, N. M., requested by KSVP which plans 100-watt station.

Eugene P. O'Fallon, former owner of KFEL-TV, Denver (Ch. 2), filed opposition to shift of Ch. 3 from Pueblo to Alamosa, Colo., stating he plans to apply in Pueblo. Uhf grantee WOBS-TV, Jacksonville, Fla. (Ch. 30) amended its deintermixture proposal to request addition of Ch. 8 to Brunswick, Ga.

One CP was dropped, WBCK-TV, Battle Creek, Mich. (Ch. 58), and one was revoked—WSHA, Sharon, Pa. (Ch. 39). Latter was first TV revocation. Grantee Leonard J. Shafitz had been charged with misrepresenting finances, failed to show up for hearing or communicate with Commission.

NARTB PLANS grass-roots campaign among state bar associations as next step to convince legal groups that TV can unobtrusively cover public courtroom trials and legislative sessions. Its freedom of information committee is setting up arrangements for live coverage of state bar meetings, similar to handling of American Bar Assn. convention last week by the 3 Philadelphia stations, which Judge Justin Miller, ex-NARTB pres., now its consultant, called "highly successful."

Possible guidance for local coverage came from P. A. (Bud) Sugg, exec. v.p. & mgr. of Oklahoma City's WKY-TV. Reporting to NARTB pres. Harold Fellows on his station's demonstration of TV cameras at district judge's meeting July 14 at Grand Lake, Okla., Sugg stated some jurists feared TV stations would not cover trials in full, or would edit films to give biased version. They also felt news media only wanted to cover "sensational" trials.

"Our answer [to the first objection] was that neither the spectators nor the reporters were required to sit through the entire trial, nor is the newspaper required to print each word of testimony," wrote Sugg. As to the "sensational" aspect, he said news cameras at any trial "would provide the public a picture of a dignified judge, presiding over an orderly meeting, and not a mob of citizens crying for vengeance as might be portrayed by some Hollywood movies, or even the newspapers." He said a number of judges were so impressed they invited WKY-TV to cover their courts.

Freedom of information committee chairman Robert D. Swezey, WDSU-TV, New Orleans, said volume of favorable reports and comments about ABA meeting in Philadelphia "indicates the ability of TV and radio to cover public sessions without jeopardizing the dignity and decorum of such proceedings." He said Philadelphia example "illustrates the tremendous advances that have been made in the art of radio and TV news coverage."

Distinct fear of censorship over TV and other mass communications media is reaction of newspaper editorial opinion to Kefauver subcommittee's report on juvenile delinquency (Vol. 11:35). Most agree that the cure (censorship) for excessive violence and crime on TV would be worse than the "disease." Objecting to any form of censorship, *Washington Post* endorses idea of presidential study commission, commenting: "We know far less than we need to know about a matter that cannot fail vitally to influence the whole shape of the American future." *Washington News* rejects all recommendations, calling each a kind of censorship which would create a "three-headed bureaucracy to impose, directly and indirectly, a censorship—not only on TV but on all 'mass media,' meaning radio, magazines, newspapers and whatever." *St. Louis Post-Dispatch* says proposals skirt censorship and, praising high quality of some children's TV shows, asks: "Are other good children's shows . . . too much of a strain on producers? Is the crime show just the result of laziness?" Meanwhile, NARTB code review board, under chairman G. Richard Shafto, WIS-TV, Columbia, S. C., meets in Washington Sept. 8-9, will review Senate report. Each NARTB regional conference will include workshop session on "The Challenge of the TV Code," conducted by Edward H. Bronson, director of TV code affairs.

A one-shot estimate of sets-in-use, county-by-county, may be released late this year, projected from information now available. Representatives of networks, NARTB, Advertising Research Foundation & Television Bureau of Advertising conferred in N. Y. Aug. 31, agreed such an estimate might be feasible and agreed on "exploratory investigation" for a few weeks. It would be based on data from Census Bureau, Nielsen, RETMA, other sources.

CONSCIOUSNESS of TV has reached all-time peak, as the medium enters its "golden age" with start of great fall programming schedules (see p. 1). Nowhere is this more evident than in the intense coverage being given TV in the general magazines.

Suffering as much as any medium from TV's assaults on its advertisers and readers, magazines seem to be engaged in a sort of "join 'em if you can't lick 'em" program by catering to public's fascination with TV.

Examples: 15-p. cover story "What TV Is Doing to America" in Sept. 2 *U. S. News & World Report*; major feature on KDUB-TV, Lubbock, Tex. in Sept. 3 *Saturday Evening Post*; cover-story analysis of "The \$64,000 Question" in Sept. 5 *Newsweek*; cover story on General Tire in Aug. 27 *Business Week*, prompted by subsidiary General Teleradio's recent \$25,000,000 purchase of RKO (Vol. 11:35).

We've read all of them and, a vital part of our job being to cull and digest for busy executives, who are our readers, here's a summary of what they say:

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"The greatest new force in American life" is what *U. S. News & World Report* calls TV, but it concludes that it will be at least a generation before anyone knows just what its sociological effect has been—good or bad. Trying to get at TV's impact statistically, magazine comes up with these findings:

(1) Viewing time is rising—average set being turned on 4 hours & 50 min. daily, up 4% from 1954. Viewing hits peak just after set purchase, falls off temporarily, then builds up toward new peak, height yet unknown.

(2) Before buying TV, average person spent 2 hours & 58 min. daily with radio, newspapers and magazines, one hour & 34 min. after buying.

(3) Women watch more than men do, both viewing more than do children. Those low in income, education or job status spend more time with TV than those at higher levels.

(4) Among families with no children, 54% own sets; those with one or 2 children, 79%; with 3 or more, 83%.

Opinions are sharply divided as to sociological impact. One group feels children are losing ability to read and play physically. Some think there's definite connec-

tion between TV and juvenile delinquency, or at least the "calculated risk" seen by Senate committee in report last week (Vol. 11:35). Many parents think most programs are "grossly inappropriate for children" while others say "exposure to a reasonable amount of TV does increase vocabulary, word recognition and general knowledge."

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Small-town TV is paying off for KDUB-TV, Lubbock, Tex. because of showmanship and an uncanny knack of catering to "off-beat" neighborhood needs and tastes, according to article in *Saturday Evening Post*, by Joe Alex Morris. Much credit is given to station's colorful pres. Wesley De Wilde (Dub) Rogers Jr., who started show business as a top-notch clarinet player. First post-freeze station in medium-sized market, starting in Nov. 1952, "Kay-Dub," as it's known locally, immediately began operating like a country newspaper—featuring everything from hill-billy bands to town symphony.

KDUB-TV's rival KCBD-TV is also successful, article reports, stressing a more formal approach (e.g., announcers wear ties), but management of both attribute prosperity to tremendous population growth and natural wealth of area. Coverage area has 400,000 people, per capita income of \$1818 (highest in U. S. for its size), 18,700 farms with annual income of \$316,718,000, world's third largest inland cotton market, 12,000 producing oil wells, etc.

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Excellent analysis of "The \$64,000 Question" in *Newsweek* examines impact on public, contestants, sponsor & competitors, lists 5 fabulous new quizzes now being offered sponsors, concludes:

"In the light of all this furious and munificent activity, the imaginary quizmaster might well ask his enormous and at least temporarily spellbound audience: 'How long will this current quiz craze last?'"

"Thinking back on the long history of short-lived national fads from mah-jongg, flag-pole sitting, miniature golf, and open galoshes to bank night, the mambo, and raccoon hats, the quizzee would probably greet him with a blank and puzzled look and hesitantly give the only possible answer: 'We don't know.'"

Note: Sept. 16 *Collier's* is out with article on subscription TV titled "Will You Pay for TV?" by Bill Davidson (see p. 14); *Saturday Evening Post* article on same subject, by Milton Lehman, due shortly.

Crusading isn't forte of NBC or its stations—but WRC-TV, Washington, has launched a public service campaign that has community and its newspapers buzzing. It's film series titled *Our Beautiful Potomac—Progress Report*, carried in prime time, showing how waste and filth are polluting one of the country's liveliest and most precious rivers and rendering it a menace to health to the shame of the nation's capital. "Putrid Potomac," the narrator and planner Stuart Finley boldly calls it, with visual proof. "We're going to stay with this until something is done about it," says v.p.-gen. mgr. Carleton Smith, who started the whole thing.

FCC turned down protest by Ted Granik and Wm. Cook, major stockholders in WJNO-TV, Palm Beach, against recent approval of \$40,000 sale of radio WMFJ, Daytona Beach, by W. Wright Esch to Harold Kaye & Emil J. Arnold (Vol. 11:25, 27). Granik and Cook seek to block sale in Florida courts on grounds that Esch broke contract to sell them station and CP for WESH-TV, Daytona Beach. FCC said it's up to courts to determine whether Esch violated any agreement and that Granik and Cook were not "parties in interest." WESH-TV has announced plans to get on air in Sept., though FCC is questioning proposed site move.

Control of KALB-TV, Alexandria, La. (Ch. 5) & KALB goes from W. H. Allen to T. B. Lanford, FCC approving deal whereby Lanford pays \$150,000 for Allen's 52% to bring holdings to 97.2% (Vol. 11:32). Lanford also owns 1/2 of KPLC-TV & KPLC, Lake Charles, La.; 13.8% of WJTV, Jackson, Miss.; has interest in 3 other southern radio stations. Also approved was transaction whereby Seaton Publishing Co. (Fred A. Seaton, asst. to President Eisenhower) transfers CP for KHAS-TV, Hastings, Neb. (Ch. 5) to new Nebraska Television Corp., with more than 100 new stockholders. Seaton retains control of new firm, with 56%; only other stockholders with more than 1% are Mission Quirk Grain Corp. and D. H. Mires, each 3.6%.

Denver's KBTB (Joe Herold, mgr.) distributing to timebuyers and friends total of 25,000 shares of Liberty Oil & Uranium Co., prospecting firm.

B. P. (Tim) Timothy, one of founders of Avery-Knodel rep firm, has purchased 75% of KMBY, Monterey, Cal. (250 w, 1240 kc) for \$50,000 from Fred Gwyn; Blackburn-Hamilton handled deal.

TV sets sold within 50-mi. radius of Chicago up to July 31 totaled 1,977,919, up 281,400 in year, reports Chicago Electric Assn.

Telecasting Notes: David O. Selznick becomes executive producer for RKO, his company committed to produce at least one feature a year as well as TV shows, under 3-year agreement made this week with General Teleradio's Tom O'Neil, board chairman of RKO which he recently bought for \$25,000,000 (Vol. 11:29-30). One of Selznick's first chores will be to come up with a TV show, presumably along lines of those of other major movie producers that are making network debuts this season (see p. 1) . . . RKO thus reestablishes itself in movie production, Selznick thus returns to company where he served as production chief, 1931-33. RKO also takes over redistribution of some Selznick productions (*Rebecca, Tom Sawyer, The Third Man, Spellbound, The Paradine Case*)—which presumably sets at rest rumors Selznick is about to release 11 of his features to ABC-TV, although there's no formal agreement on that score . . . Adaptation of TV filming principles to movies is part of RKO "master plan" being discussed by Selznick with RKO exec. v.p. Charles L. Glett, according to *New York Times'* Thomas L. Pryor, who states there's a gentlemen's agreement that Selznick "will assume direct overall operation of the company's theatrical and TV projects" . . . RKO backlog of some 650 films, meanwhile, is reported by *Billboard*, which specializes on TV films, as subject of "spirited bidding"—and it states that price is between \$10-\$14,000,000 plus profit participation plus another \$4,000,000 to clear rights and for selling expenses; MPTV and an unnamed theatrical distributor are said to be chief bidders, latter proposing theatre rereleases ahead of TV . . . "The RKO features," says *Billboard*, "were pitched at the networks but neither CBS-TV nor NBC-TV was interested. ABC-TV has shown some spark, but it doesn't need as many films as the package contained. Whoever gets the features, it is fairly certain that some of them will appear on the networks, certainly in daytime periods and perhaps nighttime" . . . Television Programs of America, which claims to be one of the Big 3 (with Ziv-TV & MCA-TV) of the TV film syndication business, isn't for sale and isn't being sold, according to pres. Milton I. Gordon. "Absolutely nothing to it," says Screen Gems pres. Ralph Cohn; that's their retort to published reports of a merger. Gordon admitted, however, that there have been several approaches by various companies with proposals to consolidate . . . TPA's Mr. Gordon this week announced what he said was "largest transaction of its kind in TV film distribution"—purchase from Chertock Productions Inc. of negatives of 104 episodes of *Private Secretary* starring Ann Sothern. They will be syndicated under new title *Susie*, new Chertock productions under old title continuing for American Tobacco Co. on CBS-TV. Price was stated as \$1,000,000 down plus percentage of gross receipts . . . Locally filmed programs may soon be as important to TV as taped programs in radio, in opinion of rep Joe Weed; he thinks syndicated series and feature-length films, important for national spots, can be enhanced with locally-produced inserts giving "hometown" salesmanship touch . . . Unusual program: WDSU-TV, New Orleans, on its weekly *Sunday Supplement*, telecasts ceremonies of young woman taking vows as nun of the Carmelite Order.

Kiesewetter, Baker, Hagedorn & Smith Inc. goes out of business at end of year, with H. M. Kiesewetter, who founded 25-year-old agency, retiring; S. S. Baker joining Donahue & Co.; H. B. Smith entering another business.

Ad volume of \$15 billion by 1965 is forecast by Foote, Cone & Belding exec. v.p. Elwood Whitney, projecting from *Printers' Ink* 1954 estimate of close to \$8.2 billion (Vol. 11:34).

COMPETITION—it's wonderful, evidenced already by fact that British Broadcasting Corp., longtime TV-radio monopoly, is increasing its service by 15 programs a week as of Sept. 22, debut date for commercial TV. With £1,000,000 (\$2,800,000) added to his budget, BBC program controller Cecil McGivern has announced expansions designed to retain its 12,000,000 audience against the commercial upstart which can claim only about 22% of TV homes (in London area) as yet equipped with dual-band sets capable of receiving the second signal.

BBC promises more sports (Oxford-Cambridge boat races, Wimbledon tennis matches, Ascot races, soccer championships); more light entertainment (including a giveaway show); more drama (in which it excels); more documentaries and children's shows, and even one show a week from the Continent via Eurovision. It has already, as a competitive measure, signed up with UP-Movietone News to compete with extensive news coverage projected by ITA.

When commercial TV begins in London at 7 p.m., Sept. 22, it will be hailed with banquet speeches by the Lord Mayor of London, Sir Seymour Howard; the Postmaster-General, Dr. Charles Hill; the director general of ITA, Sir Kenneth Clark—and there's some talk that Prime Minister Anthony Eden, whose Conservative Party put through ITA against Labor opposition, will participate.

First on "new TV" screens will be panorama of the "face of London"; then the Guildhall ceremonies until 7:45, interspersed with overture conducted by Sir John Barbirolli. Then, at 8 p.m., drama with John Clements, Kay Hammond, Alec Guinness, Pamela Brown, Edith Evans and Sir John Gielgud appearing in 10-min. excerpts from famous plays; 9:10, Terence Murphy-Lew Lazar middleweight championship bout from Shoreditch; 10, news; 10:15, interviews with famous stars, cabaret & fashion show from Mayfair Hotel; 10:50, trailer of shows to come; 11, sign-off.

Schedule for next day starts at 10:45 a.m. with opening installment of *Sixpenny Corner*, Britain's first daily TV serial; then morning magazine show for women. Children's *Tea-V-Time* is from 5-6 p.m. By agreement, both BBC & ITA shut down 6-7 p.m.—it's time for supper and for the youngsters to prepare for bed. From 7-8, there will be news, romantic singer Sheila Matthews, *Sports Club* and *Pets Parade*; 8, *Take Your Pick*, quiz show; 8:30, *Dragnet*; 9, *Confidentially*, family sketches; 9:30, *'Round the World with Orson Welles*; 10, news & newsreels, followed by *Out of Town*, featuring Leslie Perrins as a townsman with an inquiring mind; 10:50, *And So to Bed*.

That gives you an idea. Number of U. S. shows is limited by fiat; *I Love Lucy* & *Dragnet* have been bought and there will be others. Quite a few American entertainers will appear on the live and British-produced film shows. Family shows, cookery, beauty hints, music, news will dominate the daytime. Commercials will be interspersed like our spots, but with the advertiser in no way identified with the program.

"We are not offering people something which they have to accept," said Associated-Rediffusion's program controller Roland Gillett, handling Mon.-thru-Fri. London programs, obviously referring to the lack of choice on BBC. "We are offering them the power to switch. We are offering them something which we hope they will like."

Entire first-night profits will go to charity, advertisers paying double card rates and artists performing free. Capt. T. M. Brownrigg, gen. mgr. of Associated, estimates that not less than £10,000 (\$28,000) will go to charity.

LATEST STARTERS (see p. 1) include one opening up virtually new market—WCTV, Thomasville, Ga. (Ch. 6), located on Fla. border and 64 mi. distant from nearest other station, in Albany, Ga. Test patterns began Sept. 1, and on Sept. 15 it becomes CBS primary non-interconnected, taking some NBC shows, too. It has 35-kw GE transmitter, located halfway between Thomasville & Tallahassee, with 5-bay antenna on 669-ft. tower. Owner is John H. Phipps, who acquired CP from ex-Gov. E. D. Rivers, Jr. and who operates radio stations in Tallahassee & Marianna. Herschel Graves is gen. mgr.; Joe Hosford, program director; Wm. Snowden, chief engineer. Base rate is \$200. Rep is Meeker.

WKRG-TV, Mobile, Ala. (Ch. 5) begins CBS programming Labor Day, having tested from Aug. 29; it's second vhf in city, has 35-kw GE transmitter with 4-bay antenna. Kenneth R. Giddens heads owners, holds 20%, with local Spring Hill College holding 6.66%. C. P. Persons is v.p.-gen. mgr.; Frank Conwell, asst. mgr.; Bob Johns, production mgr.; James Evans, chief engineer. Base hour is \$400. Rep is Avery-Knodel.

KARD-TV, Wichita, Kan. (Ch. 3) began programming Sept. 1 as an independent after 2 days of tests. It's 4th outlet in area—other being one uhf, 2 vhf. It has 25-kw RCA transmitter, 6-bay antenna on 1000-ft. Stainless tower. Principals are George M. Brown family, local merchants, with v.p.-gen. mgr. Wm. J. Moyer holding 6.8%. Dale W. McCoy Jr., ex-KFBI, is sales v.p.; Tom Maloney, program v.p.; Robert Marie, chief engineer. Base hour is \$350. Rep is Petry.

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Chicago's 5th vhf is WTTW, (Ch. 11), 17th non-commercial educational on air, and it begins regular operation Sept. 6 after short test period, with supt. of schools Benj. Willis addressing city's 14,000 teachers. On Sept. 19, it goes to twice-a-week 4-10 p.m. programming, with more extensive schedule planned later in year after studios-offices move into Chicago Museum of Science and Industry. It is using 5-kw GE transmitter in Field Bldg., with rooftop antenna 617 ft. above ground. It's backed by 60 civic organizations as members of Chicago Educational TV Assn., whose exec. director is John W. Taylor, ex-deputy gen. of UNESCO. Other top executives: James Robertson, ex-WTMJ-TV, Milwaukee, program director; Colby Lewis, ex-WGBH-TV, Boston educational, production mgr.; Duane Weise, ex-U. of Missouri's KOMU-TV, chief engineer.

WTVS, Detroit (Ch. 56, educational) is now testing and aims for Oct. 2 regular programming. It's 4th educational uhf, others being in E. Lansing, Mich., Cincinnati, Madison. It has 12-kw GE transmitter with 5-bay antenna on 500-ft. Stainless tower located at city's board of education headquarters. Studios are at U of Detroit and Wayne U as well as at headquarters. It's operated by Detroit Educational TV Foundation Inc., comprising 18 local organizations. Wm. E. Stirton is exec. secy.; C. Allen Harlan, pres.; Mrs. Frank Couzens, treas.

Next educational stations on air, according to Joint Committee on Educational TV's Ralph Steetle, will be in Denver, New Orleans, Oklahoma City, Atlanta, Columbus, Memphis, Monroe, La. & Andalusia, Ala. All should be on air by next June 30, he believes.

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In our continuing survey of upcoming stations, these are latest reports from principals:

KBST-TV, Big Spring, Tex. (Ch. 4) now has Nov. 15 target, according to pres.-gen. mgr. Wm. J. Wallace. Con-

struction of studio-transmitter building has begun. GE 5-kw transmitter, 3-bay antenna and vidicon film chain, studio camera and other gear are to be shipped in 30 days. Owners include Robert W. Whipkey, publisher of *Big Spring Herald*, and Lewis O. Seibert, who owns San Angelo radio KGKL and 45% of KPLT, Paris, Tex. Joining CBS Extended Market Plan, it will have \$150 rate. Rep will be Pearson.

KOKE, El Paso, Tex. (Ch. 13), planned by Gordon McLendon as a specialized station, with emphasis on Spanish-language programs, has moved forward projected starting date to Dec. 15, plans Standard Electronics transmitter, has fixed no rates as yet. Meanwhile, McLendon, who operates radio KLIF, Dallas, is on tour of stations around country to study TV operations.

WJRT, Flint, Mich. (Ch. 12) may be delayed until sometime in 1956, reports v.p.-gen. mgr. Worth Kramer, who states economic injury protests filed with FCC by WKNX-TV, Saginaw, WTOM, Lansing and WWTW, Cadillac prevent WJRT from building at site near Chesaning, northwest of Flint, until final decision is issued. WJRT has leased former uhf WTAC-TV facilities, plans to use Emsco tower, already has RCA 50-kw transmitter and 12-bay antenna on hand. Signed with CBS, it has stated base rate will be "at least \$450." Rep will be Harrington, Righter & Parsons.

WNYC-TV, New York (Ch. 31), granted in May 1954, is still in "indefinite status", reports Seymour N. Siegel, mgr. of municipally-owned WNYC. Last week he asked City Planning Commission for 1956 budget of \$446,485, most of funds to be used for new uhf TV station. Among other public services, he cited televising of Police Dept. lineups as way of saving some 400 man-hours per week.

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CKRS-TV, Jonquiere, Que. (Ch. 12) has ordered 2-kw RCA transmitter for delivery first week in Oct., is already working on new transmitter house and 250-ft. wavestack antenna, has set Oct. 10 as target date for test patterns, Oct. 15 for programs, according to mgr. Tom Burham. It will cover headquarters of Saguenay River area. Rep will be Joseph A. Hardy & Co.

W. Walter Tison is selling WALT, Tampa (1110 kc, 1-kw) for \$100,000 plus lease of building for \$400 monthly, according to application filed with FCC this week. Sale was made to fulfill commitment made during hearing preceding grant of Tampa's Ch. 13 to WTVT, of which Tison is v.p.-gen. mgr. & 20% owner. WALT's new owners are admen Harold Kay & Emil J. Arnold, who together own 50% of WORC, Worcester, Mass. and recently acquired radio WLOW, Portsmouth, Va. and WMFJ, Daytona Beach (Vol. 11:20, 27).

Equipment shipments: From GE—5-kw transmitter this week to KLEW-TV, Lewiston, Ida. (Ch. 3), due on air in Nov.; 35-kw amplifier to KRLD-TV, Dallas (Ch. 4); 12-bay batwing antenna to WSJS-TV, Winston-Salem (Ch. 12). From RCA—12½-kw amplifier Aug. 26 to WCOV-TV, Montgomery, Ala. (Ch. 20). GE also reports orders for 1-bay helical antenna to be shipped in Oct. to WIIC, Pittsburgh (Ch. 11), due in mid-Nov.; 12-kw transmitter for Nov. shipment to WTSK-TV, Knoxville, Tenn. (Ch. 26).

FCC denied request of KOTA-TV, Rapid City (Ch. 3) to intervene in hearing on competing applications of Bartlett & Reed Management and Blackhills Video Co. to build microwave to serve Rapid City community antenna system. At same time, it granted request of AT&T to join in hearing because it might help determine need for such microwaves. It denied KOTA-TV on grounds that microwave wouldn't compete with station.

Network Accounts: Pontiac, further demonstrating auto makers' affinity for network TV, on which they will spend estimated \$83,400,000 in coming season (Vol. 11:35), this week bought 2 and took option on 4 of Ed Murrow's 90-min. See *It Now* programs on CBS-TV, and bought entire series of hour-long "Project 20" telementaries on NBC-TV, thru MacManus, John & Adams. Both series will be spotted irregularly throughout prime evening time. First 2 Murrow shows, in late Oct. and mid-Nov., will cover job of U. S. Vice President and a profile of N. Y. The first 3 "telementaries" will be *Nightmare in Red*, depicting rise of communism; *Jazz Age*, covering 1920s; *Rise and Fall of a Dictator*, story of Hitler's life . . . Chevrolet to sponsor filmed drama series, *Crossroads*, based on true experiences of clergymen, on ABC-TV starting Oct. 7, Fri. 8:30-9 p.m., thru Campbell-Ewald . . . Lettuce Inc., Salinas, Cal. is latest (and 14th) sponsor of *Mickey Mouse Club* on ABC-TV starting Oct. 3, Mon.-thru-Fri. 5-6 p.m., thru John Cohan Adv., Salinas; it bought 15 min. segment for 26 weeks . . . Helene Curtis replaces Speidel Watch Bands as 20-min. sponsor of *Caesar's Hour* on NBC-TV starting Sept. 26, Mon. 8-9 p.m., thru Earle Ludgin Inc. . . . Hazel Bishop to sponsor *Arthur Murray Party* on NBC-TV starting Oct. 2, Sun. 10:30-11 p.m., thru Raymond Spector, following cancellation of *Louella Parsons Show* in that time period by Brown & Williamson and Toni . . . Quaker Oats to sponsor *Sgt. Preston of the Yukon* on CBS-TV starting Sept. 29, Thu. 7:30-8 p.m., thru Wherry, Baker & Tilden . . . Necchi Sewing Machine Co. & Quality Goods Mfg. Co. to be co-sponsors of *Stop the Music* on ABC-TV this fall, Thu. 8:30-9 p.m., thru Grey Adv. . . . State Farm Insurance Co. to sponsor *Red Barber's Corner* on NBC-TV starting Sept. 2, Fri. 11:30-11:45 p.m., thru Needham, Louis & Brorby . . . Lever Bros. (Liquid Lux & Rinso Blue) to sponsor Fri. 10:15-10:30 a.m. segment of *Garry Moore Show* starting Oct. 7, thru J. Walter Thompson; Scott Paper moves to Fri. 11:15-11:30 segment . . . Amana Refrigeration Co., one of 4 sponsors of NCAA football on ABC-TV last fall, buys half of Big 10 and Pacific Coast regional schedule on CBS-TV starting Sept. 24, thru Maury, Lee & Marshall, N. Y. . . . Charles Antell (Lanolin hair preparation) to sponsor 3 segments of Ern Westmore's *Hollywood Backstage* on NBC-TV this fall, Mon.-thru-Fri. 10:30-11 a.m., thru T.A.A. Inc., Baltimore . . . GE's *20th Century-Fox Hour* will start Oct. 5, instead of Sept. 21, on CBS-TV Wed. 7-8 p.m., because of production delays.

Good idea for tiding over time lag before networks return to standard time schedules: WMAR-TV, Baltimore, will program different first-run *Sherlock Holmes* films 6 nights a week, 10-10:30 p.m., from Sept. 25, when Maryland returns to EST, to Oct. 29, when networks do so. After that, show will be moved to once-weekly after 11 p.m. V.p. E. K. (Jack) Jett explains that plan is designed to establish the film series strongly in Baltimore, while providing local sponsor with prime evening time and high-rated network adjacencies. Each episode will be sold to single or 3 partic. sponsors.

Walter Winchell has sued ABC for \$7,000,000 for alleged breach of "lifetime" contract, terminated last March 10. Network says it would fight suit to finish, claiming Winchell had negotiated to take his Sun. night program to another network and had asked to be released. Later, ABC stated, he asked to be reinstated but the network declined. Note: Winchell now scheduled to start on MBS Sept. 11, Sun. 6-6:15 p.m.

New network affiliation: WTTV, Indianapolis area outlet (Ch.4) becomes fulltime ABC affiliate Sept. 15; it has been sharing NBC with WFBM-TV.

FARM TV SET count for Nebraska was released this week by Census Bureau as part of its Oct.-Nov. 1954 Census of Agriculture. Based on 20% sample, Nebraska was shown to have TVs on 33,661 of its 100,846 farms—or about 33%—with stations in Omaha, Kearney, Lincoln & Scottsbluff and with out-of-state viewing possible from stations in Iowa, Missouri, South Dakota & Wyoming.

NEBRASKA

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	1,271	319	Johnson	1,042	520
Antelope	1,758	309	Kearney	958	546
Arthur	107	1	Keith	594	9
Banner	254	77	Keya Paha	377	7
Blaine	178	2	Kimball	463	106
Boone	1,531	494	Knox	2,074	590
Box Butte	707	12	Lancaster	2,351	1,430
Boyd	703	32	Lincoln	1,596	88
Brown	518	2	Logan	211	12
Buffalo	2,000	677	Loup	224	4
Burt	1,321	941	Madison	1,731	663
Butler	1,685	883	McPherson	166	7
Cass	1,597	1,065	Merrick	1,130	303
Cedar	1,948	1,035	Morrill County	854	43
Chase	612	20	Nance	890	201
Cherry	812	20	Nemaha	1,178	673
Cheyenne	953	149	Nuckolls	1,172	149
Clay	1,079	272	Otoe	1,833	1,143
Colfax	1,313	635	Pawnee	1,024	318
Cuming	1,801	971	Perkins	685	8
Custer	2,625	214	Phelps	998	447
Dawes	676	10	Pierce	1,491	461
Dawson	1,759	578	Platte	1,892	662
Dakota	688	21	Polk	1,242	571
Deuel	411	33	Red Willow	828	130
Dixon	1,321	792	Richardson	1,562	714
Dodge	1,641	1,238	Rock	397	9
Douglas	1,432	1,204	Saline	1,644	525
Dundy	527	23	Sarpy	801	541
Fillmore	1,377	448	Saunders	2,203	1,359
Franklin	908	203	Scotts Bluff	1,741	163
Furnas	1,003	282	Seward	1,674	845
Frontier	873	113	Sheridan	1,018	19
Gage	2,274	862	Sherman	1,021	117
Garden	528	17	Sioux	525	29
Garfield	371	8	Stanton	1,150	561
Gosper	559	167	Thayer	1,369	297
Grant	70	0	Thomas	123	5
Greeley	800	87	Thurston	914	545
Hall	1,386	551	Valley	1,038	80
Hamilton	1,343	400	Washington	1,309	1,026
Harlan	764	308	Wayne	1,393	800
Hayes	436	8	Webster	1,013	178
Hitchcock	683	23	Wheeler	272	46
Holt	1,873	137	York	1,563	571
Hooker	78	0			
Howard	1,201	191			
Jefferson	1,357	306			
			State Total	100,846	33,661

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35).

FCC approved sale of WTRY, Troy, N. Y. for \$500,000 this week to Providence broadcasters George Taylor & Robert Engle, 28% each; adman Maury Lowe, 22%; ex-mgr. Ken Cooper of WORC, Worcester, 22%. Sellers are Col. Harry C. Wilder and 19 others (Vol. 11:19) who retain 50% interest, with Stanley Warner Theatres, in now-silent WTRI, Troy (Ch. 35), whose CP is being transferred to National City Bank of Troy as trustee pending litigation with CBS over shift of affiliation to WROW-TV, Albany (Vol. 11:6, 9).

Rate increases: KABC-TV, Los Angeles, Sept. 15 raises base hour from \$1500 to \$1750, min. \$275 to \$400. WBEN-TV, Buffalo, has raised base hour from \$800 to \$950, min. \$140 to \$175; KVDO-TV, Corpus Christi, hour from \$150 to \$200, min. \$30 to \$40; CHCH-TV, Hamilton, Ont., from \$400 to \$450, & \$90 to \$100.

"Big-name" authors' works will be adapted for weekly *Pontiac's Playwright Hour* on NBC-TV starting Oct. 4. First will be Philip Wylie's "The Answer," followed by other adaptations from Faulkner, Hemingway, F. Scott Fitzgerald and others.

New reps: KEDD, Wichita, Kan. to Adam Young (from Petry); KTVW, Tacoma-Seattle to Hollingbery (from Adam Young); KTVQ, Oklahoma City to McGillvra.

BACK-TO-THE-BIG-CITY TRADE MOVEMENT: The trend to replacements and second sets -- plus the slower pace of new market openings -- is once again making primary sales markets out of big pre-freeze metropolitan centers, which were the biggest sources of initial sales in TV's earliest days.

Monthly RETMA county-by-county tabulation of shipments to dealers, not made available for publication, give statistical support to fact that the industry's best markets are again the highly-saturated metropolitan centers.

So does American Research Bureau's recent 31-market survey (Vol. 11:35) showing highest replacement purchases in such centers as Philadelphia (75.3%), Chicago (73.9%), Detroit (71.8%), Dayton (71%), New York (70%). National replacement rate is 44.4%. ARB defines "replacement rate" as "the percentage of sets sold in last 15 months to homes already having a TV set." Advertest Research found in June survey of N.Y. TV homes that more than 12% have more than one set -- much higher than the national ARB average of 4.3% for second-set ownership.

RETMA exec. v.p. James D. Secrest, addressing Franchised Appliance Dealers Assn. of Atlanta Aug. 31, said: "One out of every 5 TV receivers sold so far this year has gone to a second-set customer. As this trend is rising, the ratio is expected to be one out of 3 by the end of the year." A RETMA spokesman later said the bulk of second sets were sold in metropolitan centers.

"Older sets are wearing out faster than many of us realize," said one major manufacturer. "Inasmuch as the older sets are mainly in metropolitan areas, it's only natural that they're getting the most replacement business. In a few years the newer, smaller markets will get the big replacement business, and then it will shift back again to the big cities. You can expect those marketing waves for some time."

Scrappage figures compiled by Sylvania Research, published in TV Factbook No. 21 (p. 19), give further documentation. They show steadily rising discard rate in the 18 months ended June 30, totaling 600,000 sets scrapped in first half of 1955 -- and it seems sure that rate will continue to rise. Sylvania figures give no indication of where the scrappage was highest -- but spokesman said it was "entirely logical" to assume it was concentrated in pre-freeze metropolitan centers.

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Westinghouse's decision to abandon fair trade prices on electric housewares and other small appliances dealt a shattering setback to concept of fair trade. It left field almost entirely to GE and Sunbeam to police -- with whatever aid state courts give them, since Justice Dept. has ruled it's powerless to help enforce such laws (Vol. 11:14). How long they can continue the battle is anybody's guess.

Willard H. Sahloff, GE v.p. & gen. mgr. of small appliance div., commented: "We intend to continue our vigorous fair trade policy as far as is legally practicable in all states where the laws permit. This division has already invested a considerable amount of money in its fair trade program and has filed 1274 legal actions against alleged violators of our fair trade prices." He said the sales gains of his div. this year were attributable in great measure to "effectiveness" of fair trade.

Westinghouse's action was frank acknowledgement that fair trade laws weren't working, according to John J. Anderson, mgr. of portable appliances. He said: "It is our belief that the public will recognize the value of a quality product that is displayed attractively and priced fairly. Actually, we believe in fair trade, but under the present conditions it is not workable."

Electrical housewares affected: roaster ovens, frying pans, mixers, toasters and coffee makers, grill and waffle irons, hot plate rotisseries, heating pads. TV sets are not generally fair traded, except by a few smaller manufacturers.

Brief highlights of other major trade developments this week:

Philco Service: Philco plans to establish factory service branches in those cities where adequate service is not being provided by dealers -- but at the moment has no plans to create a national service subsidiary a la RCA. That's official word from company spokesman, though admitting "situation is very fluid and could change overnight." He said company's purpose in establishing service branches in Chicago, Philadelphia & Pittsburgh (Vol. 11:35) was to "supplement the efforts of independent servicemen." He wouldn't say where company would move next.

Selenium Shortage: A selenium recovery program for TV-radio industry has been launched by Commerce Dept.'s Business & Defense Services Administration. Shortage of selenium, needed for rectifiers and other TV-radio components, resulted mainly from recent copper mining strike (Vol. 11:33-34). Set makers and service firms have been urged to return to rectifier producers all used or defective rectifiers from which metal can be extracted and re-used. RETMA is cooperating in drive, sparkplugged by Harry Sharpe, director of BDSA miscellaneous metals & minerals div. TV-radio industry uses about 1,000,000 pounds of selenium a year, or half of U.S. supply. Meanwhile, Sarkes Tarzian disclosed he's giving 10¢ credit on each rectifier turned in.

Consumer Credit: Still going up -- but is it dangerously high? Shortly after Federal Reserve Board reported installment credit rose another \$562,000,000 during July, reaching all-time high of \$32.896 billion as of Aug. 1, Research Institute of America concluded that installment obligations are not out of line with consumer income. Said exec. director Leo Cherne, one of nation's top economists: "We find no significant increase in repossessions. There is less wild credit than generally believed. In our judgment, it is fringe stuff -- not enough to rock the boat. A.W. Zelomek, of International Statistical Bureau Inc., generally sides with Cherne. He points out that disposable income is rising rapidly -- and, as a result, consumers will be able to support a continually higher level of installment debt. Some experts in govt. disagree. This bloc sees an inflationary spiral resulting from the high installment buying, wants to establish tighter monetary controls. But National Foundation for Consumer Credit, declaring installment purchasing is in healthiest condition since World War II, reported credit delinquencies lowest in several years.

Texas Taxes: Set manufacturers and distributors are carefully studying, for its possible industry-wide implications, a new Texas tax law requiring any distributor who sells or gives away a set to a consumer to classify himself as a retailer, and to get a retailer's permit and pay sales tax. New law was advocated by dealer groups to prevent unfair competition and curb "back-door" selling. Some set makers have expressed belief privately that law goes too far and industry will suffer if other states adopt similar legislation. They say it's common practice for distributors to sell or give sets to friends or to customers for special occasions.

Production: TV output totaled 167,471 week ended Aug. 26, compared to 180,094 preceding week and 154,798 week ended Aug. 12. It was year's 34th week and brought TV production for year to date to about 4,890,000 vs. 3,875,000 in same 1954 period. Radio production totaled 239,401 (96,538 auto) week ended Aug. 26, down from 255,855 preceding week and 240,148 week before. For 34 weeks, radio output was estimated at 8,740,000 vs. 6,750,000 in corresponding period of 1954.

"The Vice-President Problem" titles sometimes-serious sometimes-amusing article by Perrin Stryker in Sept. *Fortune Magazine*. Conclusion is that production of v.p.'s has gone on at such a vigorous rate that the title is beginning to have a "tinny ring." Most profligate with the title are ad agencies, McCann-Erickson being most brass-laden--84 v.p.'s, with average of 27 employees each--compared with, for example, General Motors' 31 who average 18,602 employees. Among largest industrial companies, range is from U.S. Steel's 93 to DuPont's 10. In TV-radio field, article says CBS pres. Frank Stanton gives as one reason for 19 v.p.'s in TV & radio divisions the "contamination by advertising agencies, since one vice president has to take another vice president to lunch." CBS has 27 more in other divisions. NBC lists 25 all

told, ABC has 17. RCA has 32. There seems to be 6 categories of v.p.'s, largest of which embraces "those who have been knighted for the sake of customer relations." Banks are most notable example of category; Bank of America leads with 149 v.p.'s.

TV-radio retail business failures declined in first 7 months to 122, with liabilities of \$3,000,000, from 185 failures & \$5,717,000 liabilities in first 7 months of 1954, reports Dun & Bradstreet. In July, 20 failures representing \$546,000 in liabilities were reported, compared to 27 & \$769,000 in June and 39 & \$1,010,000 in July 1954.

RCA Service Co. to be host Sept. 7-8 to about 75 independent local service organizations from all regions, to bring them up to date on color developments and to tour Camden, Cherry Hill & Princeton facilities.

Topics & Trends of TV Trade: Record industry has been thrown into turmoil by Columbia Records' newly-formed record-of-the-month subscription club (Vol. 11:34), with dealers either heartily endorsing or violently opposing—few taking middle ground. Extremes impelled pres. James B. Conkling to issue statement explaining club's formation as (1) necessary to prevent raiding of Columbia's talent, and (2) best means of creating new customers.

In New York, for example, one prominent dealer reported signing up 300 subscribers, while another said he was canceling all Columbia orders because of his opposition. In Philadelphia, many dealers were reported enthused; but Raymond Rosen & Co., RCA distributor, sent letter to dealers warning that mail order business in records "eventually eliminates the retailer, and while you may not be interested, the wholesaler, too!" Washington dealers generally favored plan, judging from reports. Opposition was said to be strongest in Los Angeles.

Conkling said Columbia was on verge of losing to opposition record clubs such contract properties as N. Y. Philharmonic, Philadelphia and Cleveland symphonies & Andre Kostelanetz. He said such "raids" would have raised hob with company's classical catalogs and depreciated dealers' inventories. He said further that record clubs are far better way than lowering prices to create demand among those who buy no records. He observed:

"The entire program is man-made and as such was certain to have a number of flaws . . . However, we will make refinements in its operation as we go along, as we ourselves see some of its shortcomings and as our dealers point them out to us."

* * * *

GE offers new finance plan to enable service dealers to sell picture & receiving tubes and installations on credit and be reimbursed in full immediately by GE tube distributor. Under plan, announced by tube distributor sales mgr. J. T. Thompson, customer pays minimum of \$5 and is given 6 months to pay balance. It covers tubes themselves, all parts needed for installation, dealer's labor costs & complete TV overhaul. GE Credit Corp. assumes all bookkeeping problems from dealers. Said Thompson: "Our surveys show that a great deal of dealer capital is tied up all times in sets which are fully repaired but unclaimed because their owners are without the cash to pay for the service performed. The new GE plan will enable dealers to eliminate this problem, and use all their capital for the development of their business." Another advantage, he said, lies in new service business to be created by more liberal financing. "We know as many as 1,000,000 TV sets are inoperative because of money problems," he said. "Now this dormant business will come to life and new service dollars will be created."

Britain's TVs, dominantly 14-in. with some 17-in. among the newer models, may trend to 21-in. soon as result of agreement this week whereby Sylvania and Thorn Electrical Industries Inc. will set up new company, Sylvania-Thorn CR Tubes Ltd., with investment of about £1,000,000, to produce them at expected rate of 500,000 annually. Thorn is Britain's largest producer of electric lighting products; is parent of Ferguson Radio Corp. Ltd., said to be country's largest TV set producer; has long had tieup with Sylvania in connection with lighting items, last year joined with Sylvania in setting up color TV labs. New project may mean Sylvania's entry on bigger scale into export field, with British plant handling some of present export business of U. S. firm. **Note:** While in London, Sylvania pres. Don G. Mitchell disclosed that Sylvania last year manufactured 2,500,000 CR tubes, said it's aiming to exceed that total this year.

Trade Personals: John Stevens promoted to director of engineering & manufacturing, Hoffman Radio div. of Hoffman Electronics; Charles Nichols, ex-Packard-Bell, named director of engineering activities under Stevens, Robert Unger continuing as director of industrial relations; Marvin Whitney promoted to new post of administrative asst. at Los Angeles headquarters . . . Emanuel Sacks, RCA staff v.p., off for Europe on business on the *Queen Elizabeth* Aug. 31 after 3 weeks delay; he returns Oct. 2 . . . Nathaniel B. Nichols, mgr. of Raytheon research div., promoted to mgr. of commercial equipment engineering activities . . . Edward Kantrowitz, Emerson Radio adv. mgr., promoted to asst. to Lester Krugman, v.p. in charge of marketing . . . Lewis D. Spencer, Motorola legal director, elected to board of Tax Executives Institute Inc. . . . Benjamin C. Bowker, onetime gen. mgr. of radio WLIB, N. Y., heading own public relations firm in Toledo recently, named public relations mgr. of DuMont manufacturing divs., succeeding Jacob H. Ruiter, now adv. & promotion mgr. of technical products div. . . . George S. Peterson, ex-Chicago district mgr. of GE TV-radio dept., named western sales rep for TV cabinets, headquartering in Chicago . . . Orville Barnes, ex-Philco Detroit, named Bendix Radio's Great Lakes regional mgr., Detroit . . . Frank Loring resigns as DuMont midwest regional sales mgr. . . . Robert Barnard promoted to Arvin service mgr., succeeding Arthur J. Richards, now chief radio engineer of electronics div. . . . Ed Manzo, from Atlanta office, named eastern sales mgr., General Precision Labs, headquartering at Pleasantville, N. Y. . . . Richard Johnson promoted to mgr. of Syracuse sales office, International Resistance Co.

* * * *

DISTRIBUTOR NOTES: Admiral appoints Tarbell-Watters Co., 144 Chestnut St., Springfield, Mass. (L. H. Tarbell, pres.), replacing own Boston factory branch . . . Emerson West Coast opens factory branch at 234 NW 14th Ave., Portland, Ore. (Ralph Sachs, mgr.) . . . Olympic Radio organizes Cardinal Distributors, 7155 Manchester Ave., St. Louis, as factory branch (Maurice L. Krieger, mgr.) . . . Graybar Buffalo (Crosley-Bendix) appoints Dwight Slade mgr. of major appliances . . . American Elite Inc., exclusive U. S. agent for German Telefunken radios, appoints Aaron Lippman & Co., Newark . . . Almo Radio Co., Philadelphia parts distributor, appoints Moe Eisenberg, ex-mgr. of Emerson Radio of Pennsylvania, as asst. to pres. & sales director . . . Lyon & Healy, Chicago, one of nation's largest music retail chains, appoints Donald Broman mgr. of TV-radio-phonos, replacing Gerald Ward, resigned.

Hoffman factory branches on west coast will start distribution of ABC laundry line this month, but pres. H. L. Hoffman insists company does not plan to manufacture laundry equipment or merge with any white goods producer. In message in company publication, he said: "However, we do believe that it makes sense for our sales corporation to distribute a top quality laundry line."

RETMA's fall meetings at New York's Plaza Hotel Sept. 13-15 to consider: Federal Trade Commission's new trade practice rules for TV-radio merchandising (Vol. 11:27); pending excise tax legislation; plans for National TV-Radio Week starting Sept. 18; military specifications for electronic components. All divisions and committees meet first 2 days, board final day.

Bendix Radio was hit by strike Sept. 1 as 4-week walkout at parent Bendix Aviation in Cleveland spread to TV-radio plant in Towson, Md. Some 3000 members of International Assn. of Machinists (AFL) rejected company's proposal for 18¢ hourly pay hike, spread over 3 years.

Financial & Trade Notes: United Business Service, Boston, in tabulating 200 stocks with "above-average growth prospects" on Aug. 29, lists these 17 under category of Electronics & Radio-TV:

	Recent Price	1954 Earnings	Price-Earnings Ratio	Div. Rate	% Yield
Allied Control	†14	\$1.31	10.7	\$0.80	5.7
American Electronics	†13	0.57	22.8	0.50	3.8
Beckman Instruments	†22	0.85	25.9	Nil	Nil
Clark Controller	†18	2.09	8.6	1.00	5.6
Collins Radio A	†19	1.77	10.7	0.35	1.8
Columbia Broadcasting A	26	1.56	16.7	0.80	3.1
Consolidated Engineering	†22	0.95	23.2	0.40	1.8
Daystrom, Inc.	27	2.61	10.3	1.20	4.4
Electronics Corp. of America	†14	0.23	60.9	Nil	Nil
Hazeltine Corp.	†42	3.99	10.5	2.00	4.8
Hoffman Electronics	22	2.08	10.6	1.00	4.5
International Tel. & Tel.	28	2.80	10.0	1.20	4.3
Motorola, Inc.	49	3.91	12.5	1.50	3.1
Norden-Ketay	†12	1.01	11.9	Nil	Nil
Radio Corp.	49	2.66	18.4	1.35	2.8
Sylvania Electric	44	2.93	15.0	2.00	4.5
Zenith Radio	123	11.53	10.7	3.00	2.4

† American Stock Exchange. ‡ Over-the-Counter. All others N. Y. Stock Exchange.

RCA may shortly borrow additional finances to cover "expanding business in electronics in the military and civilian fields," according to statement by chairman David Sarnoff following board meeting Sept. 2. "The issuance of \$100,000,000 of subordinated convertible debentures in anticipation of these future needs was discussed," he said, "but final decision as to the amount or the manner in which these funds would be raised has not yet been made. The corporation is carrying on discussions with Lehman Bros. and Lazard Freres & Co. with respect to its financing program."

RCA's capitalization now consists of \$200,000,000 in long-term notes held by insurance companies, 900,824 shares of preferred stock (\$1.50 div.), 14,031,016 shares of common. Its 1954 gross was record \$940,950,220, net after taxes \$40,525,459 (\$2.66 per share) vs. \$853,054,003 & \$35,021,778 (\$2.27) in 1953 (Vol. 11:9); for first 6 months this year gross was \$488,510,000, net \$22,061,000 (\$1.46), up from \$444,369,000 & \$19,268,000 (\$1.26) in same 1953 period (Vol. 11:31). Net assets were \$234,865,104 at end of 1954, up from \$130,902,127 at end of 1950.

Philco borrowed \$15,000,000 from John Hancock Mutual Life Insurance Co. this week through sale of 25-year 3½% sinking fund notes, financial v.p. Courtney Pitt stating it was to finance "expanded volume . . . in the advanced electronic and appliance fields, particularly with the coming of color TV and the mass production of transistors." It also took option to borrow another \$10,000,000 on same terms within next 18 months.

Teleprompter Corp. gross revenues went up to \$420,435 during first half of 1955 vs. \$217,886 in same 1954 period and \$533,661 for all 1954. Net earnings were \$34,081 vs. \$11,889; for all 1954 they were \$49,421. Chairman-pres. Irving B. Kahn, in Aug. 30 report, forecast "continuation of this excellent trend," noted that goal of 21 new installations per month has been exceeded so far in 1955, gave details of proposed merger of Teleprompter National Sales Corp. into parent firm, depending on stockholder approval at Sept. 8 annual meeting.

Dividends: Bendix Aviation, 50¢ payable Sept. 30 to stockholders of record Sept. 10; Canadian Westinghouse, 50¢ Oct. 1 to holders Sept. 15; Canadian GE, \$1 Oct. 1 to holders Sept. 15; WJR The Goodwill Station, 10¢ Sept. 16 to holders Sept. 6; Columbia Pictures, 30¢ Oct. 31 to holders Sept. 30; Loew's Inc., 25¢ Sept. 30 to holders Sept. 9; RCA, 25¢ Oct. 24 to holders Sept. 16.

American Electronics Inc. earned \$144,161 (29¢ per share) on sales of \$3,074,878 for 6 months ended June 30 vs. \$138,325 (27¢) on \$2,073,002 in same 1954 period.

Color Trends & Briefs: Distributors' attitudes on color prospects aren't deviating much from policies expounded by their manufacturer-suppliers, we find in a spot-check survey—following up on our recent poll of manufacturers (Vol. 11:33-34). RCA's distributors are among most optimistic, e.g., Raymond Rosen & Co., Philadelphia (Vol. 11:35). But distributors of GE, Philco & Admiral, who responded to our query, range from cautious to downright resentful about color.

John P. Stewart Jr., mgr., Southwest Radio & Equipment Co., Oklahoma City (Philco), sees color as eventual "very big boost" but not this year. He feels that price and stability of sets must improve before mass market emerges. W. G. Medaris, pres., Medaris Co., Dallas (Philco), calls current color push "premature," says it can lead to confusion and loss of black-&-white sales.

K. V. Martin, radio-TV-appliances sales mgr., GE Supply Co., states: "We are a very small and newer market with very little of the 'Cadillac trade' that RCA plans to hit." A. A. Demarest, appliance div. sales mgr., Stratton-Baldwin Co., New Orleans (Admiral), also called current color promotion "premature." "We all realize and agree," he says, "that color is inevitable and it does add to the enjoyment of TV, but why muddy the waters now? I think color TV should be looked upon as something for the immediate future only after prices and service problems have been dealt with."

Color Balop "that works" is the new device reported last week by WTMJ-TV, Milwaukee (Vol. 11:35). Developed by staff under chief engineer Philip B. Laeser, new "Colorbal" permits direct colorcasts from "live" art work, bypassing process of making 2x2-in. color transparencies. Advantages of device, as listed by Laeser:

- (1) Permits use of larger art work, reducing possibilities of faulty reception as color screens become larger.
- (2) Eliminates cost of making transparencies, which run \$4-\$5 each.
- (3) Avoids loss of color fidelity through aging of transparencies.
- (4) Employs very stable equipment.

"Colorbal" uses flying-spot scanner and 3 photoelectric cells, picking up 7½x10-in. cards. In addition to art work, unit also handles small and relatively flat packages or products, and it can be used for black-&-white. One limitation is that ambient light in rooms must be quite low.

Network color schedules for next 2 weeks: NBC-TV—Sept. 5-9, *Home* segments, 11:45-noon; Sept. 6 & 8, *Vaughn Monroe Show*, 7:30-7:45 p.m.; Sept. 11, *Color Spread*, "The Skin of Our Teeth," starring Helen Hayes, Mary Martin, George Abbott & Florence Reed, 7:30-9:30 p.m.; Sept. 12-16, beginning of regular *Howdy Doody* colorcasts, 5:30-6 p.m.; Sept. 17, NCAA football game, Miami vs. Georgia Tech, 3:30-6 p.m.; Sept. 19, *Producer's Showcase*, "Our Town," starring Frank Sinatra, Eva Marie Saint & Paul Newman, 8-9:30 p.m.

Market for some 250,000 color sets in New York area, at \$750, is implied in survey reported by Advertest Research. June poll of 751 owners of black-&-white sets shows: (1) "Less than 7%" willing to buy color now. (2) More than 20% have seen color. (3) About 70% know color sets are on the market. (4) "Most" feel it will be 4-5 years before they own color set. Applying the "less than 7%" figure to 4,000,000-plus TV homes in area gives market potential of approximately 250,000.

GE reports order from WJIM-TV, Lansing, Mich. (Ch. 6) for continuous motion color projector with dual projectors and dual slide equipment.

Newly leased Ziegfeld Theatre will be used by NBC-TV to originate N. Y. color programs in about year.

WITH DEADLINE for pay-as-you-look comments up next week, Sept. 9, FCC has little sense of urgency in disposing of the matter—being much more concerned with uhf-vhf-allocation problems (see p. 3). Formerly quite eager for quick action on pay-TV, Comr. Lee is now much more active in pursuit of solution to allocations matters. Only other commissioner who seemed anxious for speed was Comr. Hennock, no longer in office. At staff level, too, most would like to see allocations problems made first order of business.

Major parties to subscription-TV fight, meanwhile, are prepared to unload on FCC their summer's work of seeking loopholes in opponents' arguments. However, there won't be quite the deluge of paper that snowed FCC under when first comments were filed last June 9 (Vol. 11:24). Attorneys for parties generally indicate that their briefs will be considerably slimmer—though several will run 50-100 pages.

There have been few formal filings with Commission since June 9. One was request of off-air WFMZ-TV, Allentown, Pa. (Ch. 67) for permission to be "guinea pig" (Vol. 11:31). This week, theatre exhibitors' Joint Committee on Toll TV asked FCC not to grant request, stating that a grant would be "a premature determination of the matters at issue . . . and would moot some of the issues raised by the Commission."

Sept. 16 *Collier's Magazine* is out with article on toll TV by Bill Davidson, nicely timed with FCC deadline. After quoting principals' arguments, author says he noted lack of opinion from viewers who participated in tests conducted several years ago by Zenith in Chicago and Telemeter (Paramount Pictures) in Palm Springs, Cal.

He said he interviewed dozens, "found that out of 103 people from all walks of life, only 2 would not welcome toll TV on a permanent basis." He says that Earle Strebe, an exhibitor who cooperated in Palm Springs test, claims more than 50 other exhibitors have asked him how they can get in on the ground floor of pay TV. Davidson also reports Zenith hopes to get started within a year in Great Britain, Australia & New Zealand; that Skiatron has similar plans for Cuba; that Telemeter aims to start soon in Canada—in addition to starting wired systems in 2 U. S. cities.

Signs of the TV times: ABC-TV reports \$69,737,937 time sales (71 sponsors) on books for this year, which would compare with \$34,713,098 in 1954 (PIB figures; *TV Factbook No. 21*, p. 32). Of 1955 total, \$44,835,995 (52 sponsors) represents new business . . . It's news worth releasing, thinks So. Calif. Broadcasters Assn., when radio set sales exceed TVs; Electric League figures for 7 counties showed 59,673 radios (31,700 auto units) sold during July vs. 23,655 TVs . . . Radio Advertising Bureau, in new study by Fact Finders Associates Inc., shows 83% of all 1955 cars (totaling 7,000,000) are leaving dealers radio-equipped; that 5,800,000 new ones will go into service this year; that as of July 1 there were 31,000,000 autos with radios; that auto radio market alone comprises 27.5% of nation's total working radios . . . NBC's 5 owned-&-managed TV stations increased local sales 13% in July over year ago—with KRCA, Los Angeles, up 62% for that month alone and 22% for 7 months; 5 radio stations were up 27%, WMAQ, Chicago, leading with jump of 59%.

Power increases: WNCT, Greenville, N. C. (Ch. 9) went from 93-kw to 316-kw visual ERP; WMTV, Madison, Wis. (Ch. 33) from 17.1-kw to 209-kw visual ERP.

Aid to northeastern flood victims continued from all levels of trade this week, as consumers and dealers began enormous task of rehabilitation amid multi-million dollar disaster. Following Philco's emergency repair-replacement program for appliances (Vol. 11:35), Westinghouse instituted plan whereby major appliances would be returned to operating condition at nominal cost to consumer. Many dealers offered to suspend temporarily time payments on purchases of TV-radio-appliances; others provided delayed down-payment terms and special discounts. A Trenton dealer offered all merchandise to disaster victims at cost, with no down payment and up to 3 years to pay. One Philadelphia discount house offered free service for all flood-damaged merchandise bought at store. Meanwhile, TV-radio stations continued to win praise of public officials for their fund-raising programs. Red Cross chairman E. Roland Harriman said: "The entire broadcasting industry—both network and local—has rallied magnificently in support of the Red Cross campaign for flood relief."

DuMont applied to FCC this week for authority to transfer WABD & WTTG to projected new subsidiary, DuMont Broadcasting Co. (Vol. 11:33), stating as reason that "local TV broadcasting has constituted a business that is a separate and distinct part of this corporation's activities." Pro forma statement indicates 1,000,000 shares will be issued at \$1 par for 1-for-2½ distribution to present stockholders, does not state how many more will be marketed for new capital. Narrative statement accompanying application says DuMont "has been obliged to terminate and liquidate its TV broadcast network operations because they could not be operated profitably under the existing system of allocations and control of TV broadcast stations and affiliations." Besides the 2 stations, DuMont Tele-Centre at 205 E. 67th St., N. Y. will be taken over by subsidiary which is incorporating with present DuMont officers and directors.

Six new station applications, most in months, were filed with FCC this week. They include 3 by Video Independent Theatres Inc., Oklahoma City (Henry S. Griffing, pres., 50%), for Hot Springs, Ark., Ch. 9; Clovis, N. M., Ch. 12; Santa Fe, N. M., Ch. 2. Firm operates 140 theatres in 48 Okla. & Tex. towns, also owns 12½% of KWTW, Oklahoma City. Others filed: Minot, N. D., Ch. 10, by owners of KFYZ-TV, Bismarck; Youngstown, O., Ch. 73, by WFAR, Farrell, Pa.; Arecibo, Puerto Rico, Ch. 13, by WCMN.

U. S. Office of Education, Dept. of Health, Education & Welfare, has released its biennial *Directory of College Courses in Radio & Television 1954-55*, prepared again by Gertrude G. Broderick. Out of 1851 institutions surveyed, 857 responded, 334 reporting at least a radio and/or TV workshop and 2 courses, 81 reporting radio and/or TV majors leading to undergraduate and graduate degrees. Copies of the directory are available on request from Washington headquarters.

Opposition to studio boxing matches of WEWS, Cleveland by International Boxing Managers Guild is being explored for anti-trust angles by Justice Dept., which will place case before grand jury next week. Guild has been picketing station and reportedly warning studio boxers they'll be denied positions on other fight cards. Station has been staging Sat. 10-11 p.m. fights, sponsored by Pilsener Brewing Co., before audiences of 100 guests of sponsor.

TV film makers paid \$1,014,600 in royalties into Music Performance Trust Fund during 1954, while 852 recording companies contributed \$2,303,000, according to annual report just released. Since fund was established by American Federation of Musicians in 1948, it has allocated \$11,600,000 for local concerts designed to provide employment to members, \$9,000,000 from recordings.

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SUMMARY - INDEX OF THE WEEK'S NEWS — September 10, 1955

PAY-TV BATTLE narrows to 9 major participants in comments filed with FCC; arguments remain unchanged, but barbs get sharper (p. 1).

ALLOCATIONS CHANGES to be discussed by FCC soon, Bartley urging 8 more vhf channels be sought, Doerfer doubting value of deintermixture (p. 3).

INDUSTRIAL TV BOOM anticipated by industry, seen as \$10-\$20,000,000 business in next 5-10 years; 2 dozen manufacturers planning to supply equipment (p. 3).

CBS RECOMMENDED FOR GRANT in St. Louis Ch. 11 case over 3 locally owned applicants in initial decision praising experience, programs, management (p. 5).

"MIX" OF TV PRODUCTION changed upward by some set makers as alternative to direct price hikes. Motorola and DuMont increase list prices (p. 10).

PULITZER PRIZE FOR TV writing proposed by producer Worthington Miner to help keep medium vigorous and free, resist pressures to ape "movie standards" (p. 6).

NEW STATIONS BEGIN in Shreveport, La. and Sacramento, Cal., as Worcester, Mass. uhf suspends after 21 months; reports on upcoming stations (p. 8).

CODE REVIEW BOARD hits back at Kefauver recommendations for outside control of programs, saying they smack of unnecessary regulation (p. 16).

SUBSCRIPTION-TV ADVERSARIES SHARPEN AIM: Another step in the long toll-TV battle, which is still probably years from an end, was reached this week when major participants in FCC's proceedings filed "reply comments" aimed at tearing apart each other's arguments first broached formally in briefs filed June 9 (Vol. 11:24).

Struggle has simmered down to a matter of attrition among those parties whose pocketbooks are most directly affected. Compared with 30-odd who filed June 9, there were only 9 this week -- but they're the big ones. The dropouts apparently feel that major contestants are doing good job of stating their cases for them -- or they've simply lost interest in the whole business.

Still slugging it out is hard core of contestants who will probably stick it out to the end: Proponents -- Skiatron, Paramount's Telemeter, Zenith. Opponents -- ABC, CBS, NARTB, exhibitors' Joint Committee on Toll TV. In a class by itself is Jerrold Electronics Corp., vigorous opponent of scrambled telecasting, but an ardent proponent of pay-as-you-look via wired systems. Single station filing was KGUL-TV, Galveston, Tex., also an opponent. Notably absent is NBC -- though it did file vigorous opposition June 9, in statement by chairman David Sarnoff.

Basic arguments made by all are substantially same ones they advanced in original June 9 comments -- but with aim sharpened. Particularly noticeable is the fact that pay-TV proponents are concentrating fire on networks, charging monopoly, playing up FCC's and Congress' concern with plight of marginal stations.

Next move is up to FCC, which doesn't seem to find the matter very urgent (Vol. 11:36). Staff will now collate material, await decision on whether case will require oral hearings, demonstrations, etc. And there's distinct possibility that Congress, which finds issue a wonderful political football (Vol. 11:26), will take over. This would prevent FCC from making any really final decision. Following is essence of briefs filed this week:

* * * *

ABC (30 pages) -- (1) Pay TV would take most current program fare away from those least able to pay for it. (2) Congress should decide. "It is clear that the question of the authorization of subscription TV involves a major policy decision about a highly controversial matter and must in the long run be determined by political processes. The orderly procedure to accomplish this end is for the Commission to seek the guidance of Congress." (3) A special board should conduct "full inquiry," transmit findings to Congress.

CBS (61 pp.) -- (1) Toll TV, "if successful, would spell destruction of the best values of free TV" by blacking out free channels, dividing audience, siphoning off best talent. (2) Program promises of toll TV proponents are "vague and meaningless," while "limitations and safeguards" offered are illusory and futile. (3) FCC should hold full hearing. (4) "All that [a test of subscription TV] would prove is that if someone got the right to charge admission to what had been a public picnic ground, enough hungry people might need a place to eat badly enough to make the enterprise of charging admission a highly profitable one. This would be true even though fewer people could use the picnic ground and even though the people excluded might be those who needed it most." (5) FCC should dismiss whole business -- now.

JERROLD (40 pp.) -- (1) Scrambled telecasting is economically and technically unsound; coded signals can be "bootlegged with ridiculous ease." (2) Wired systems are secure, can be installed more cheaply than decoders can be distributed. (3) The 3 proponents are challenged to FCC-supervised demonstration of the vulnerability of their systems to code-breaking, using facilities of WCAU-TV, Philadelphia. (4) Announced plans to start commercial tests of wired pay system over community antenna systems, starting in March-April, in Casper, Wyo.; Tyler, Tex.; Muscle Shoals, Ala.; Key West, Fla. -- with cooperation of movie exhibitors and unidentified producers.

JOINT COMMITTEE ON TOLL TV (86 pp.) -- (1) Authorization of pay-as-you-look TV "inevitably would lead to substitution of fee for free TV." (2) FCC doesn't have legal authority to approve toll TV without further legislation by Congress. (3) In any event, full FCC hearings are required. (4) Toll TV offers little in programming not offered by free TV. (5) Pay-TV systems are technically deficient.

KGUL-TV, Galveston (11 pp.) -- (1) Subscription TV has characteristics of a public utility, would require FCC rate regulation. (2) FCC proceedings should be halted, matter turned over to Congress. (3) Public would end up paying for what it now gets free. (4) Systems may not be able to handle color.

NARTB (16 pp.) -- (1) FCC should stop now, turn proceedings over to Congress. (2) Pay TV would doom free TV. "This Assn. has no hesitancy in asserting [that] the economic power inherent in a subscription TV system will, in short order, afford a monopolization of every area of worthwhile talent." Telecasters would be forced to join pay-TV ranks. (3) Industry is "not in dire straits," needs no help from pay TV.

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SKIATRON (29 pp.) -- (1) Networks confuse self-interest with public interest. "It is only natural that these networks, now in secure possession of enormous captive audiences utilizable by them for their advertising sponsors, should see any competition for audience time as a threat to themselves and seek to translate that threat into a threat to the public whom they claim to represent." (2) There's relatively little opposition to subscription TV from individual station operators.

TELEMETER (18 pp.) -- (1) Everyone stands to gain from pay TV -- public, advertisers, stations. (2) Toll TV revenues will support several hundred more stations. (3) Industry is "dominated by NBC & CBS" and toll TV offers "a new competitive force from which the public will benefit."

ZENITH (53 pp.) -- (1) "Is the Commission obligated to deny, or can it justify denial of, an opportunity for subscription TV to gain public acceptance on the speculative grounds that it may have an adverse economic effect upon the networks and motion picture theatres?" (2) Telecasters are in "urgent need" of more revenues, which pay TV can supply. (3) Toll TV offers new competitive source of programs, to dilute "power and control of NBC & CBS over the industry...It is shocking that this great medium -- and the power to mold public opinion and to dictate what the public can or cannot see -- should rest in the hands of 2 or 3 network officials in New York City." (4) Free TV won't suffer, because subscription TV can succeed "only if it offers unique and high quality programs which are beyond the economic reach of producers of advertising sponsored programs." (5) "In the final analysis, all subscription TV asks is that the public itself be permitted to use the air it owns for the purpose of carrying programs it desires but which are not now available."

(Full texts of comments are available from principals or their attorneys, whose addresses are included in Special Digest of June 9 comments in Vol. 11:24).

FCC MEMBERS PONDER UHF & ALLOCATIONS: Willingness to explore allocations changes is evident among all FCC commissioners. Like Comrs. Hyde & Lee, who have already indicated direction they believe Commission should go (Vol. 11:35-36), others are urging quick consideration of all proposals, but they differ in emphasis.

Comr. Bartley was probably first to claim that more vhf channels, in addition to present 12, are the long-range answer. He states that 8 channels more would turn the trick. "They won't make a fully competitive system," he says, "but they'll at least give the local advertiser some sort of break." Possibility of obtaining such channels from other services, notably military, is not remote, he believes. "If Congress were made as aware of the problem as we are," he states, "I believe we'd get the channels." Bartley is somewhat leery of getting more vhf assignments from present 12 channels by cutting mileages, powers, etc. "We'd better be careful not to mess up what we have," he warns. "Besides, you can't get much relief that way, not where you need it most -- in Zone I."

Comr. Doerfer is ready to plunge into full-scale discussions of matter, but he also cautions: "This time, let's be careful. Let's not make a decision that will find us meeting ourselves coming back in a year or 2. The Commission can't be blamed for its allocation plan. It didn't have much information to go on then. We've got a little something now -- but we'd better have a good idea where we're going."

Acquisition of more vhf from the military isn't quite as enticing to Doerfer as to some other commissioners. "You still have a conversion problem," he says. "It's not as great as with uhf but there's a natural inertia of public to convert."

Deintermixture is still no panacea, as far as Doerfer's concerned. "Making a little dent with a few markets is no substantial solution," he says. "I don't think you need to move every one to uhf to do some good, but you've got to do more than create a few little uhf islands."

Commission won't begin discussions of problem for several weeks, has given staff no instructions on how it intends to proceed. However, staff has been busy working up material, ready to move in any direction dictated by Commission.

INDUSTRIAL TV—IS THE GIANT AWAKENING? Closed-circuit industrial TV is still pretty small potatoes in the electronics field -- but the manufacturers of ITV equipment foresee a boom market beginning this year or next and mushrooming for 10 years.

ITV field is now 10 years old, and there are only some 800-1500 installations now in use -- mostly relatively simple single-camera setups, though there are some elaborate systems using color and even 3-D. Total cost of equipment now in use is estimated at somewhere between \$4-\$8,000,000, including accessories.

This is small when you consider the virtually infinite number of uses in every field of industry, commerce, government, education and even agriculture; when you consider ITV's low cost and reliability; when you consider the number of important companies anxious to manufacture and sell the equipment.

Industry-wide prediction that the boom is near at hand is based on proven experience with the cheap and sturdy vidicon camera tube, and on the fact that nearly every current ITV installation is saving money, increasing efficiency or eliminating danger for its owner. Equipment manufacturers believe industrial TV could become a \$10-\$20,000,000 business within 5-10 years. But today it's still a sleeping giant.

Biggest user is the utility industry, with railroads, banks and steel industry believed to be runners-up.

Some 2 dozen companies are now manufacturing ITV equipment or plan to do so (they're listed on p. 313 of the Fall-Winter TV Factbook). But most of the business to date has been done by a handful of firms: Diamond Power Specialty Corp., DuMont, RCA, Dage div. of Thompson Products, Kay Lab Inc.

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Pioneer in ITV and still largest producer is Diamond Power Specialty Corp. of Lancaster, Ohio, whose main products are industrial soot blowers, gauges and water columns for utility industry. Diamond brought out its rugged Utiliscope in 1946 -- when the established electronics manufacturers were thinking only of entertainment

TV--and sold it to power companies for distant observations of gauges, smokestacks, boiler furnace interiors, etc.

Utiliscope was built around Philo Farnsworth's image dissector tube, is still the durable "Model T" of the ITV industry, with only 300 lines resolution. Tube is guaranteed for one year's continuous service, but some have been on 24-hour duty for 7 years without a failure, according to electronic sales mgr. W.I. McCord. Diamond has added new vidicon cameras to its line, but still has demand for "old reliable."

Diamond has over 600 installations in use--"twice all the rest put together," claims McCord, who sees ITV really beginning to snowball, with 1956 due to be "the first real big year." Diamond's ITV production line is now working round-the-clock.

Particularly proud that it's expanding beyond the power industry, Diamond points out that just a few years ago 85% of its customers were utility companies, but now the percentage is 65. Company recently ran ad in Wall Street Journal inviting inquiries about ITV; tabulation of response showed greatest number of inquiries from banking institutions, then railroads, steel industries, food processing and material handling concerns, in that order.

ITV installations range in price from \$975 (for simplified single-unit outfit without monitor, offered by several companies) to about \$4000, the median being \$2000-\$3000 for camera & controls, power supply and monitor. Cost of accessories, installation and engineering often exceeds cost of camera chain itself. For example, Diamond was asked to install camera gear on remotely controlled car stationed on an overhead track, so camera could look down into any of a number of silos.

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How do other manufacturers size up the future of ITV? R.T. Silberman, gen. mgr. of Kay Lab Inc., San Diego, Cal., which claims to have supplied 180 ITV installations, says: "The ultimate potential is limited only to one's imagination. It's hard to estimate how the market will expand but I believe it will increase in some sort of a geometrical progression. New sales each year could equal the total sales of all previous years combined. Technical improvements will probably feed impetus to this pace until the first sales plateau is reached in approximately 5 years."

Philco, a newcomer to ITV, offers this size-up by its industrial sales mgr. G.A. Hagerty: "I estimate that 1955 sales of industrial TV systems will top the \$4,000,000 figure. Since the uses of ITV are so varied and its effect in raising the level of operational efficiency so significant I am of the opinion that the surface has barely been scratched in this field. I anticipate a most healthy annual incremental gain in sales with volume reaching \$20,000,000 in the early 1960's."

RCA's theatre & industrial equipment mgr. J.F. O'Brien was recently quoted as saying: "The industry is enjoying its best year. I wouldn't be surprised if sales for 1955 came close to equaling everything the industry sold from 1946 through 1954."

Adds another ITV producer: "It's reasonable to expect that within 3, 5 or 10 years this will be a multi-million dollar business with annual volume of \$10,000,000 per year." The sales mgr. of another company which claims to have installed 100 of ITV systems now in use expects the field to become much larger market than broadcast equipment "simply because there are practically no limitations on ITV."

In addition to companies mentioned above, these others have shown ITV equipment: GE & CBS-Columbia (field-sequential color TV for medical demonstrations) General Precision Laboratory, Farnsworth Electronics (IT&T), Kaye-Halbert.

Note: American Institute of Electrical Engineers will devote entire broadcast session of its 1955 fall meeting to papers on closed-circuit TV (see below).

AIEE's committee on TV & aural broadcasting this week announced these officers for 1955-56 term: J. B. Epperson, Scripps-Howard TV, chairman; C. M. Braum, JCET, vice chairman; Carl E. Smith, consulting engineer, secy. TV-radio session at AIEE's fall meeting will be held Oct. 4 at Chicago's Hotel Morrison and will be devoted to closed-circuit TV, covering industrial, medical, research, education, large-screen and color phases, with papers by Jerrold's Max Kraus, AT&T's C. A. Bartlett,

Kay Lab's John Day, U of Kansas' Dr. Michael Klein, National Institute of Health's Dr. Murray C. Brown, Iowa State U's Carl H. Menzer, GE's C. L. Ellis.

New network affiliation: WGTH-TV, Hartford (Ch. 18) becomes basic CBS affiliate Oct. 1, following switch of WKNB-TV (Ch. 30) to NBC (Vol. 11:27); both stations are being sold to their respective networks, pending FCC approval (Vol. 11:2, 22, 26, 28). Pre-freeze WNHC-TV (Ch. 8), area's 3rd outlet, signed as ABC primary.

Personal Notes: Sylvester L. Weaver, NBC pres., flies to London Sept. 21 for start of commercial TV Sept. 22 and to address Institute of Advertising Practitioners Sept. 27; he will stay at the Savoy Hotel, may go to Rome before returning for his appearance on "1976" telementary Oct. 9 . . . Glenn Jackson elected a Storer v.p., continuing as managing director of WAGA-TV but relinquishing same duties for radio WAGA to station mgr. Claude Frazier, in separation of TV-radio functions . . . Frank Elliott Jr., ex-WCAU-TV, Philadelphia, named director of CBS-TV spot sales development, succeeding Jack Mohler . . . M. Franklyn Warren, gen. sales mgr. of KULA-TV & KULA, Honolulu, elected sales v.p. . . . Edward Stockman promoted to asst. NBC-TV sales mgr., Chicago, specializing in *Today*, *Home & Tonight* . . . Richard A. Moore, pres. of KTTV, Los Angeles, returned Sept. 6 from month's European tour . . . Walter E. Christenson, v.p. & editor, elected pres. of *Omaha World-Herald*, holding initial decision for Ch. 7 there; he succeeds Henry Doorly, who moves up to chairman . . . Walter L. Dennis, ex-WJNO-TV, Palm Beach, named mgr. of KCSJ-TV & KCSJ, Pueblo, replacing Russ Truesdell, now operations mgr. of KNTV, San Jose, Cal. . . . Danny Kirk, ex-WCHS-TV, Charleston, W. Va., named operations mgr. of KTRF-TV, Lufkin, Tex. . . . A. Fred Gibson promoted to asst. sales mgr., WSJS-TV, Winston-Salem, reporting to gen. sales mgr. Harry B. Shaw . . . Richard W. Bowman, TV copy supervisor of Norman, Craig & Kummel, in charge of Revlon's commercials on \$64,000 *Question*, promoted to v.p. . . . Jerry Molfese, ex-TV-radio timebuyer, Warwick & Legler, joins H-R Television Inc. . . . Gunnar Rugheimer, ex-national TV news service mgr., named CBC-TV senior sales rep . . . Wm. B. Colvin, ex-Aveco electronics div. & WLWA, Atlanta, joins sales promotion dept. of Television Bureau of Advertising . . . Wm. B. Rodgers, ex-KKTV, Colorado Springs, named merchandising & marketing consultant, Bradley Lane Adv., Denver . . . Donald Tykeson promoted to sales mgr., KPTV, Portland, Ore., replacing Charles White, now gen. mgr. of upcoming KLEW-TV, Lewiston, Ida.

John K. Herbert, onetime NBC v.p. in charge of network TV sales, serving since Jan. 1954 as exec. publisher of Hearst's *N. Y. Journal-American*, promoted to publisher of *American Weekly* and *Puck*, replacing Robert D. Levitt, resigned.

Colorado Gov. Edwin C. Johnson, former Democratic chairman of Senate Commerce Committee and long-time Senate expert on TV-radio-communications, was reported in satisfactory condition Sept. 7 after heart attack.

Gene L. Cagle's sale of 1/3 of KTOK, Oklahoma City (1000 kc, 5-kw, ABC) for \$37,000 to KTOK Inc., leaving Wendell Mayes and C. C. Woodson as equal partners, was approved this week. Cagle sold to devote time to Texas State Network, of which he is pres. & 20% owner. TSN operates KFDA-TV & KFDA, Amarillo; KFJZ-TV & KFJZ, Ft. Worth; and radio WACO, Waco & KRIO, McAllen. Mrs. Cagle owns 1/4 of KRBC-TV & KRBC, Abilene.

Georgia's ex-Gov. E. D. Rivers Sr. is principal in Dalworth Bestg. Co., Miami, buying Ft. Worth's independent KCUL (1540 kc, 10-kw D, 1-kw N) for \$400,000 from J. G. Ulmer, payments to be made over approximately 15 years. Rivers also operates WMIE, Miami, recently acquired WWPG, Palm Beach. Earlier, he disposed of TV interests by selling 3 CPs (Vol. 10:51, 11:20, 27).

Transfer of WPFH, Wilmington, Del. (Ch.12) and Philadelphia radio WIBG & WIBG-FM to one parent corporation, WPFH Bestg. Co. was approved this week. Firm takes over some \$2,000,000 in TV obligations from Paul F. Harron, who retains control of corporation (Vol. 11:33).

CBS WON INITIAL DECISION over 3 locally owned applicants this week in bitter contest for St. Louis' Ch. 11. Despite fact that networks are generally regarded as having toughest job of winning competitive grants outside of key origination points, examiner Thomas H. Donahue held CBS's qualifications superior on all major points.

In background and experience in broadcasting, Donahue called CBS "a giant among pygmies." As to programming, he also gave nod to CBS because of its "vast experience in TV programming," and he indicated the network also had the edge in management and operation proposals. "Except for policy consideration that may favor local applicants," the examiner said, "there are no preferences established by CBS's adversaries that have any noticeable effect on the very substantial conclusions of superiority drawn in its favor."

Defending his choice of a network over local non-radio applicants, he praised CBS for seeking station via competitive proceeding "and laying its record on the line." At conclusion of hearing, he noted, "it is apparent that, ironically enough, its only significant weakness is its size." In previous decisions Examiner Donahue has shown strong preference for broadcasters with long history of good operations. In Sacramento case last year he decided in favor of McClatchy interests because of their excellent broadcasting record, was reversed by Commission on "diversification" grounds. McClatchy has appealed to court.

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FCC just isn't having much luck in court cases these days. It was slapped down again this week by Appeals Court, which in effect ordered it to reinstate application of Jefferson Amusement Co. in hearing for Ch. 4 in Port Arthur, Tex. Commission had dismissed Jefferson's application after finding interlocking ownership with Lufkin Amusement Co., a previous applicant for same channel which had been dismissed with prejudice for allegedly "defaulting" on its application. Court held that Lufkin did not actually default within meaning of Commission rules, since applicant had petitioned to withdraw its application, and because FCC held no hearing on proposal to dismiss application with prejudice.

Commission started rule-making this week on allocations proposal which would permit Buffalo's WGR-TV (Ch. 2) to apply for uhf satellites in Clymer, N. Y. and Shinglehouse, Pa. (Vol. 11:25). It asked comments by Oct. 14 on changes which would add channels to the 2 towns and substitute Ch. 62 for 37 in Meadville, Pa.

Eugene P. O'Fallon, former owner of Denver's KFEL-TV (Ch. 2), this week withdrew opposition to shift of Ch. 3 from Pueblo to Alamosa, Colo. (Vol. 11:36), saying that his plans to file for Pueblo had changed.

Eldon Morrison petitioned Commission to add Ch. 71 to Cle Elum, Wash., stating he plans to apply for channel. KACY, Festus, Mo. (Ch. 14), off air since April 1954, dropped its CP this week.

Preliminary report on "Videotown" (New Brunswick, N. J.) 1955 TV viewing habits by Cunningham & Walsh (full study due in Nov.) reveals: (1) Women have switched maximum viewing time from morning to afternoon. (2) Average set is on 5 1/4 hours per day, 4 of them evening. (3) Father rules set when home, having first choice of programs. (4) TV seems to have wiped out back fence gossip and evening neighborhood bridge parties. (5) Viewers have found more time for reading without reducing TV time.

Telecasting Notes: Why not a Pulitzer Prize for TV writing? We agree heartily with producer Worthington Miner, who this week urged Pulitzer Prize Committee to treat TV writing as seriously as newspaper and dramatic writing. Said Miner: "TV is young—scarcely 8 years old—yet in that time it has encouraged more original, more creative and more courageous thought than motion pictures have in a half-century. But it is in a critical position; strong forces are being mustered to dampen that creativity and courage to enforce conformity, not with the standards of a national press or a free and vigorous theatre, but with the emasculated standards of motion pictures. Nothing could more effectively oppose the pressures exerted on TV today than a recognition by the Pulitzer Prize Committee of the best that TV has to offer" . . . Release of oldies from Columbia Pictures' vaults may be implied in the reports of merger talks between Columbia's Screen Gems and TPA, Sept. 7 *Variety* believes. Despite denials by both parties of any consolidation plans (Vol. 11:36), *Variety* says the mere fact that TPA was approached by Screen Gems indicates something in the wind. "Columbia has been held back in the past by virtue of the fact that Screen Gems, with its small sales force, wasn't set up to handle a large feature block property," it says, "while TPA, with its 35-man force and its track record on Edward Small's Peerless package, a gross to date of \$95,000 per picture on the average, would be ideal for the purpose" . . . Mergers of TV film distributors definitely are in prospect, trade press predicts. Sept. 10 *Billboard* reports it queried heads of 6 distribution firms (unnamed), found that all conceded time was ripe for mergers; 4 of them "admitted their own doors were open to any sound proposition." Sept. 7 *Variety* says "something's going to pop," reports virtually all major independent distributors feeling each other out for possible get-togethers . . . Conflicting reports on Tom O'Neil's immediate TV plans for RKO backlog continue to come with every issue of the trade press. *Billboard*, which last week reported "spirited bidding" by TV film distributors for RKO's vault features (Vol. 11:36), this week speculates that RKO will keep out of TV entirely until it has won its way back into good graces of movie exhibitors by releasing some good films. Hollywood *Daily Variety* reports O'Neil raising another \$15-\$20,000,000 to get theatrical production and distribution rolling, with vaults now being screened for reissue material . . . More new-to-TV features to be shown this fall on General Teleradio's KHJ-TV, Los Angeles, and presumably chain's other outlets; of the 25-film package, some were foreclosures acquired from Bank of America, others are property of M. & A.

Story of *TV Guide* gets feature play in Sept. 12 Time's press section under heading, "The Successful Upstart." Although profits aren't disclosed, mail & newsstand circulation is estimated at 3,000,000 weekly (2,378,000 stand sales make it biggest weekly seller). With company collecting 9¢ per copy, total gross revenue is estimated at \$270,000 per issue and advertising is expected to hit \$1,750,000 this year. Owned by Walter Annenberg, 47 (WFIL-TV, *Philadelphia Inquirer*, et al.), *TV Guide* employs 367 to produce 35 "local" editions (standard national section with local program & news insert). *TV Guide* seems completely unworried about competition. Publisher James Quirk says of Curtis' short-lived *TV Program Week*: "They put out all this publicity about how every TV owner ought to buy a TV magazine. And the public went out and bought *TV Guide*."

Network interconnections: WDXI-TV, Jackson, Tenn., Sept. 1; WKRG-TV, Mobile, Ala., Sept. 5. AT&T lines now link 371 stations in 246 cities.

Alexander. Included are *Strangers* (Ingrid Bergman, George Sanders), not yet being shown in U. S. theatres, *Man on the Eiffel Tower* (Charles Laughton, Franchot Tone, Burgess Meredith), *Ramrod* (Joel McCrea, Veronica Lake), *Casanova Brown* (Gary Cooper, Teresa Wright), *Tomorrow Is Forever* (Claudette Colbert, Orson Welles), *Woman in the Window* (Joan Bennett, Edward G. Robinson, Raymond Massey) . . . Large-scale film production planned by NBC-TV for its full-hour daytime color series *NBC Matinee Theatre*. Current plans call for filming, in color, of at least 2 shows beginning next month, with 10 more to follow if first efforts prove successful. Most of the *Matinee* shows are slated to be telecast live, however . . . "Spectacular"—in its TV sense—has made the dictionary, according to *Variety*, which reports publishers of Webster's Collegiate Dictionary requested verification from NBC pres. Pat Weaver for definition of the noun form of the word as a big, lavish TV production; *Variety* says NBC officials credit it with originating usage . . . CBC has spectaculars, too; its weekly *First Folio* series beginning Sept. 25 Sun. 10-11:45 p.m. with new production of "Macbeth," will be followed in subsequent weeks by original comedies, musicals, documentaries and live performances of at least 2 operas . . . First prize in TV film category at Venice Film Festival has been won by London-produced "The Gallant Little Tailor," one of series of *Animated Fairy Tales*, distributed in U. S. by General Teleradio . . . When polio epidemic postponed opening of Milwaukee schools, WTMJ-TV offered time to public and parochial schools for TV classroom sessions. Public schools began with four 15-min. daily sessions, Lutheran schools with 2 periods, to continue until schools open . . . Britons will see these U. S. programs via their new commercial TV service, which begins Sept. 22: *I Love Lucy*, *Liberace*, *Ford Theatre*, *My Hero*, *Ray Milland Show*, *Eddie Cantor Theatre*, *I Led 3 Lives*, *Dragnet*, *Lassie*, *4 Star Playhouse*, *Roy Rogers*, *Person to Person*, *Ozzie and Harriet*, *Inner Sanctum*, *Amos 'n' Andy*, *Range Rider*, *Science Fiction Theatre*, *Mr. District Attorney*, *Hopalong Cassidy* . . . Running simultaneously in U. S. and England will be *Adventures of Robin Hood*, *Scarlet Pimpernel*, *Lilli Palmer Theatre* . . . NBC-TV spectaculars may go to England in film or kine versions in exchange for filmed *Wide Wide World* pickups from England, according to one industry report . . . DuMont's WABD, N. Y., unveils its "new look" next week with addition of "more than 30 new programs." Also coming up is Sept. 25 debut of Sun. noon-6 p.m. children's spectacular *Wonderama* and opening of "highbrow" show *The Lively Arts* early next month, Sun. 7-9 p.m., featuring opera films, live chamber music, discussions of painting and literature, etc.

New 35mm version of Electronicam, DuMont's live-film camera system, is now in use, having hit the big time as filming started for Jackie Gleason's new series, *The Honeymooners*, at New York's Adelphi Theatre. "Our results already are so good that I'm sure the Electronicam will revolutionize our whole approach to simultaneous telecasting and motion picture filming," said Gleason. His half-hour show is filmed before live audience of 1200 in just a little more time than it takes to view it, following 2-hour rehearsal period. Other current and upcoming Electronicam projects: Lambert Pharmacal's 105 *Les Paul-Mary Ford* 5-min. shows; first 2 of 13 one-hour TV films for Disabled American Veterans; second 90-min. film in Warren Wade's *Broadway TV Theatre* series; films in *Modern Romances* series.

Controlling interest in Green Mt. TV Corp., operator of community antenna system in Burlington, Vt., has been taken over by Butcher & Sherrerd, Philadelphia investment firm.

Network Accounts: Spiraling cost of network TV shows is pinpointed by Sept. 5 *Sponsor Magazine*, reporting at least 13 shows this fall will cost more than \$100,000 each for talent and production alone—whereas 2 years ago \$40,000-\$50,000 per show was considered very high. Highest-priced show is NBC-TV's *Color Spread*, estimated at \$265,000 for 6 sponsors; highest weekly show is NBC-TV's *Caesar's Hour* (\$112,900); lowest-priced weekly show is CBS-TV's *Uncle Johnny Coons* (\$3500) . . . **General Motors**, for its United Motors, AC Spark Plug & Guide Lamp divs., extends sponsorship of 90-min. bi-weekly *Wide Wide World* to one hour starting Oct. 16, Sun. 4-5:30 p.m., thru MacManus, John & Adams; first of 20 programs will cover 11 geographical areas, showing underwater swimming, attempt of Donald Campbell to break own speedboat record and other attractions . . . **Morton Salt** bought last remaining segment of *Mickey Mouse Club* on ABC-TV starting Oct. 3, Mon.-thru-Fri. 5-6 p.m., thru Needham, Louis & Brorby; show represents \$15,000,000 in gross billings . . . **Whitehall Pharmacal Co.** to sponsor *Midwestern Hayride* on NBC-TV starting Sept. 21, Wed. 10:30-11 p.m., thru Biow-Beirn-Toigo . . . **Herbert Tareyton** cigarettes to sponsor *Justice* on NBC-TV starting Oct. 2, Sun. 10:30-11 p.m., thru M. H. Hackett Co., N. Y. . . **Kellogg Co.** to be alt. sponsor (with Campbell Soup) of *Lassie* on CBS-TV starting Sept. 11, Sun. 7-7:30 p.m., thru BBDO . . . **Serta Mattress Co.** buys alt. Mon. 10-10:15 a.m. segment of *Garry Moore Show* on CBS-TV, Mon.-thru-Fri. 10-10:30, thru Bozell & Jacobs . . . **Maxwell House Coffee** buys 51 partic. in Sept. and Oct. on NBC-TV's *Today*, *Home & Tonight*, thru Benton & Bowles . . . **International Shoe Corp.** (Peters shoes) buys 13 weekly partic. on *Pinky Lee Show* on NBC-TV starting next Feb., Mon.-thru-Fri. 5-5:30 p.m., thru Henri, Hurst & McDonald

Station Accounts: More evidence of TV sales pull from June survey of 745 N. Y. TV homes by Advertest Research, as part of its continuing series, *The Television Audience of Today*: More than 40% purchased products in June as direct result of seeing them advertised on TV; **Lucky Strike** commercials were best-remembered and best-liked, with Westinghouse's second in both best-remembered and best-liked categories, **Chesterfield** third in best-remembered, **Kraft** third in best-liked . . . **Schlitz** is first sponsor to contract for ABC Film Syndication's entire "Anniversary Package" of 15 feature films, many J. Arthur Rank productions; it bought series on WTMJ-TV, Milwaukee, starting in fall, thru Lennen & Newell . . . **Latin American** sponsorship for Ziv syndications: **Sears Roebuck** buys *Science Fiction Theatre* in Mexico City & Monterey; **Philips of Eindhoven** sponsors *Favorite Story* in Monterey and upcoming Guadalajara; **Uppmann Tobacco** buys *Mr. District Attorney* on Havana stations . . . **Bowman Biscuit Co.** buys *Dr. Hudson's Secret Journal* in 16 southwestern markets, thru Ball & Davidson Inc., Denver . . . **Bethlehem Steel** buys Harry Wismer's sport roundup, *Bethlehem Sports Time*, on WRCA-TV starting Sept. 14, Wed. 6:30-6:45 p.m., thru Radio Reports Agency, N. Y. . . **WLWT**, Cincinnati, to carry 53 Redlegs' baseball games next year, sponsors **Hudepohl Beer** & local **Ford Dealers Assn.** switching from WCPO-TV, thru Stockton, West & Burkhardt, Cincinnati; **Berger Beer** continues on radio via WSAI . . . **Ideal Toy Corp.**, N. Y., allots \$375,000 to fall TV campaign, sponsoring programs in 20 markets and preparing "TV time table" promotion kit for dealers, thru Grey Adv. . . **Sealy Mattress Co.** plans New England saturation campaign with sponsorship of filmed 30-min. *Waterfront* on several stations, thru Tarler & Skinner Inc., Boston . . . Among advertisers currently reported using or preparing to use TV station time: **Twin City Shellac Co.**, Brooklyn (Dan Dee floor polish & wax),

. . . **Lionel Toys** buys 7 *Paul Winchell-Jerry Mahoney Shows* on NBC-TV in pre-Xmas campaign, Sat. 10:30-11 a.m., thru Grey Adv. . . **Trans World Airlines** to sponsor **Walter Winchell** commentary on MBS in all cities served by airline, starting Oct. 2, Sun. 6-6:15 p.m., thru BBDO . . . **NBC-TV** drops **Arlene Francis' World at Home**, Mon.-thru Fri. 10:45-11 a.m., following purchase of *Hollywood Backstage*, 10:30-11 a.m., by **Charles Antell**.

Rate increases for 9 CBS-TV affiliates in smaller markets under Extended Market Plan (Vol. 10:49) were announced this week by station relations director Edward P. Shurick. Under EMP, top network programs are extended to small markets at minimum cost as means of building circulation. Shurick said increased rates were justified by rising set circulation. He added that 35 national advertisers are currently buying some or all of the 22 EMP stations, which he declared have aggregate of 368,000 sets in use. Stations whose EMP rates will be increased Oct. 1: **WDXI**, Jackson, Tenn., increased from \$100 to \$125 an hour; **KVEC-TV**, San Luis Obispo, Cal., \$50 to \$60; **WBOC-TV**, Salisbury, Md., \$50 to \$70; **KGVO-TV**, Missoula, Mont., \$50 to \$60; **KVOS-TV**, Bellingham, Wash., \$70 to \$100. Increases effective Oct. 9: **WTVY-TV**, Dothan, Ala., \$50 to \$100; **KLAS-TV**, Las Vegas, \$75 to \$85; **WKNY-TV**, Kingston, N. Y., \$65 to \$100; **WJDM-TV**, Panama City, Fla., \$50 to \$70.

Old problem of agency men taking accounts with them cropped up again this week with resignation of Don Paul Nathanson as Weiss & Geller v.p. Effective Dec. 1, he sets up own Chicago agency, taking with him the big Toni account, estimated at \$5,000,000 a year. Nathanson was Toni adv. director for 5 years before joining Weiss & Geller in 1952.

thru Weiss & Geller, N. Y.; **Selchow & Righter Co.**, N. Y. (games & puzzles), thru Norman, Craig & Kummel, N. Y.; **American Pencil Co.**, N. Y., thru Doyle Dane Bernbach, N. Y.; **Pharma-Craft Corp.**, N. Y. (Fresh stick deodorant), thru J. Walter Thompson, N. Y.; **Custom Paint & Chemical Co.**, Pennsauken, N. J. (Yearlon floor finish), thru Fiore & Fiore, Jersey City, N. J.; **Kimco Mfg. Co.**, Portland, Ore. (auto accessories), thru Wilson-Markey, San Francisco; **West Disinfecting Co.**, Long Island City, N. Y. (Prompt disinfectant), thru Paris & Peart, N. Y.; **Golden State Co. Ltd.**, San Francisco (dairy products), thru Guild, Bascom & Bonfigli, S. F.; **Samuels Shoe Co.**, St. Louis (DeLiso Debs women's shoes), thru Marjorie Wilten Adv., Clayton, Mo.; **Food Specialties Inc.**, Worcester, Mass. (Appian Way pizza mix & sauce), thru John C. Dowd, Boston, and Dowd, Redfield & Johnstone, N. Y.; **Carac Co.**, Freeport, N. Y. (fertilizers & insecticides), thru Mann-Ellis, N. Y.; **Tony Downs Foods Inc.**, St. James, Minn. (Duncan Hines frozen poultry), thru Alfred Colle Co., Minneapolis; **Hesmer Foods Inc.**, Evansville, Ind. (Hesmer's potato chips), thru General Adv. Assoc., Evansville; **Brunswick-Balke-Collender Co.**, Chicago (bowling equipment), thru McCann-Erickson, Chicago; **Arnold, Schwinn & Co.**, Chicago (Schwinn bicycles), thru Ted Fenberg & Assoc., Chicago; **Avochem Inc.**, Minneapolis (Softize for laundry), thru Olmsted & Foley, Minneapolis; **Reading Plastics Co.**, Reading, Pa. (Kwik-Fix glue), thru Ted Black Adv., Reading; **Pressman Toy Corp.**, N. Y., thru Ehrlich, Neuwirth & Sobo, N. Y.; **Western Tool & Stamping Co.**, Des Moines (**Homko** power mowers), thru Rothbardt & Haas Adv., Chicago.

One-day spot drive will be used by *New York Times* Sept. 24 to publicize its serialization of Harry Truman memoirs starting following day, buying 7 spots on WCBSTV starting at 5 p.m. and running thru *Late Late Show*.

TWO NEW VHF OUTLETS have gone on the air—in Shreveport and Sacramento—and long-established uhf WWOR-TV, Worcester, Mass. suspended operation Labor Day to stop continuing losses.

KTBS-TV, Shreveport, La. (Ch. 3), city's second outlet, began NBC programming Sept. 3, wires pres.-gen. mgr. E. N. (Newt) Wray, whose family owns station. It has DuMont 25-kw transmitter, RCA antenna on 1051-ft. Truscon tower near Mooringsport, La. Charles Saltsgaver is production mgr., with remainder of staff transferred from radio KTBS: Patrick J. White, station mgr.; Mrs. Marie Gifford, commercial mgr.; C. H. Maddox, chief engineer. Base hour is \$400. Rep is Petry.

KCRA-TV, Sacramento, Cal. (Ch. 3) started test patterns Sept. 2, using temporary single-bay antenna sidemounted 200-ft. above ground on Ideco 450-ft. tower, authorized by STA to permit special Calif. State Fair telecasts. Station will beam NBC programs with full 100-kw ERP as soon as 6-bay RCA antenna can be erected. It's city's 3rd outlet, 2nd vhf. Pres.-gen. mgr. Ewing C. Kelley owns 50%, remainder held by v.p. C. Vernon Hansen and family. Frank M. Devaney is station mgr.; Robert E. Kelly, program mgr.; W. Herbert Hartman, chief engineer. Base hour rate is \$650. Rep is Petry.

WWOR-TV (Ch. 14) is 18th uhf station to leave air this year (though 3 have resumed operation), making total of 48 formerly operating uhf outlets now dark. Pres. John Z. Buckley indicates station will retain its license, which expires April 1957, and resume if climate becomes more favorable to uhf. Commercial mgr. Leonard V. Corwin says outlet had built up about 40% conversion (110,000 sets), in its 21 months of operation, is up-to-date on current obligations, having spent about \$750,000 to build and operate station. Principals are investment firm Fox, Wells & Co. (which also controls San Diego's KPFD-TV and several community antenna systems), with v.p.-gen. mgr. Ansel E. Gridley and woolen manufacturer Ralph K. Hubbard holding smaller interest. ABC-affiliated outlet was bucking competition of 2 Boston vhfs.

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In our continuing survey of upcoming stations, these are latest reports from principals:

WUTV, San Juan, Puerto Rico (Ch. 6, educational) is still surveying site but has not ordered equipment as yet and does not expect to get started before Jan. 1956, reports R. Delgado Marquez, TV-radio mgr. for Puerto Rico Dept. of Education, located at Hato Rey. A civil engineer and ex-mgr. of Puerto Rico Communications Authority, Senor Marquez was recently gen. mgr. of WKAQ-TV. He reports also that FCC has been asked for change in call to WIPR-TV.

WHTN-TV, Huntington, W. Va. (Ch. 13), with 5-kw RCA transmitter due shortly, now plans Sept. 25 test patterns, Oct. 2 start as ABC interconnected, writes v.p.-gen. mgr. Fred Weber, ex-WFPG and now-silent WFPG-TV, Atlantic City (Ch. 46). With custom-built RCA 18-gain antenna due Oct. 25 at Eighth St. Hill site, WHTN-TV will operate for first few weeks with temporary antenna. Control is held by A. B. Hyman, pres., and head of local theatre group. Base rate will be \$450. Rep will be Petry.

WOSU-TV, Columbus, O. (Ch. 34, educational), though it has its 12-kw RCA transmitter and completed Ideco 550-ft. tower and antenna over year ago, still has

no target date, reports WOSU director Robert C. Higgy. It was last reported preparing for "late fall" debut.

CFCY-TV, Charlottetown, P.E.I. (Ch. 13) does not expect to begin operation until spring of 1956, reports CFCY mgr. R. F. Large. Equipment has not yet been ordered, but 500-ft. site has been selected and construction of studio-transmitter building started. Reps will be All-Canada and Weed.

Equipment shipments: From RCA, 25-kw transmitter Aug. 31 to KTVO, Kirksville, Mo. (Ch. 3), due late this month, and 25-kw amplifier Sept. 2 to KFDX-TV, Wichita Falls, Tex. (Ch. 3); from GE, 3-bay antenna this week to KLEW-TV, Lewiston, Ida. (Ch. 3), with Nov. 1 on-air target. GE reports order from WSM-TV, Nashville (Ch. 4) for 2 studio camera chains, for Oct. 1 delivery.

WTSK-TV, Knoxville, Tenn., plans to change call to WTVK as it enters new 3-story studio-transmitter building on Sharps Ridge and boosts ERP to 314-kw in Nov.

"Whither UHF and the VHF-UHF Allocation Situation" will be major panel topic during IRE symposium in Washington's Hotel Hamilton, Sept. 23-24; participants will be FCC Comr. Webster, consulting engineer C. M. Jansky Jr. and an experienced vhf-uhf broadcaster to be selected. Other TV subjects: vhf & uhf propagation, by FCC engineers Edward W. Allen, Wm. C. Boese, Harry Fine & Edward W. Chapin; color studio switching, by H. W. Morse, GE; WFAA-TV & KRLD-TV candelabra antenna, by L. J. Wolf, RCA; 50-kw transmitter, by John Ruston, DuMont; color-monochrome integration, by Philip B. Laeser, WTMJ-TV, Milwaukee. Also included will be several papers on TV-radio automatic programming and remote control—by R. A. Isberg, Ampex; A. C. Goodnow, Westinghouse stations; Roger E. Peterson, WNBF-TV, Binghamton; Edgar F. Vandivere Jr., Vandivere, Cohen & Wearn. Chairman of steering committee is Oscar Reed Jr., 1735 DeSales St. NW, Washington.

Rate increases: WMAR-TV, Baltimore, Oct. 1 raises base hour from \$1100 to \$1250, min. \$200 to \$275; WSPD-TV, Toledo, has added new Class AA hour (7-9:30 p.m. daily) at \$1000, min. at \$225, Class A hour remaining \$850; KPTV, Portland, Ore., base hour from \$550 to \$700, min. \$110 to \$120, having added new Class AA min. only rate (7:29-10:31 p.m. daily) at \$180; WGTH-TV, Hartford, hour from \$350 to \$500, min. \$70 to \$100; WTVT, Tampa, Oct. 1 raises base hour from \$400 to \$500, min. \$80 to \$100; WATE, Knoxville, raises hour from \$400 to \$500, min. \$80 to \$100; KIMA-TV, Yakima, has raised hour from \$300 to \$400, min. \$60 to \$80; WIS-TV, Columbia, S. C., has new Class AA hour (7:30-10:30 p.m. daily) at \$400, min. \$100, Class A hour remaining \$350.

"Completely packaged closed-circuit TV broadcasting systems for small community TV stations" is being offered by Paramount's Telemeter Corp. through its Ampli-Vision community antenna equipment subsidiary. Equipment includes camera chains and low-powered transmitters for wired systems, distributed by Graybar. "Extensive plans for opening new avenues to profitable local TV stations on a wired rather than broadcast basis will shortly be announced," says Ampli-Vision.

New rep offices: McGillvra has opened Atlanta office at 267 East Pace's Ferry Rd. NE, with Edward T. Newton as mgr. (Exchange 1490); Burke Stuart Co. has new Chicago office at 75 E. Wacker Dr., with Edward Paro, v.p. (Dearborn 2-0826).

Hazeltine's Bernard D. Loughlin will be presented SMPTE's 1955 David Sarnoff Gold Medal Award for outstanding contributions to field of color TV at 78th semi-annual convention Oct. 4 at Lake Placid Club, N. Y.

NEARLY 55% of Iowa's farms have TV sets—the heaviest penetration of farm TV in any of the 16 states for which 1954 figures have been tabulated to date by U. S. Census Bureau (Vol. 11:28 et seq.). County-by-county figures are being compiled in govt.'s current Census of Agriculture, with TV statistics based on 20% sample in Oct.-Nov. 1954. Of Iowa's 192,933 farms, 105,809 are TV equipped. Some 16 stations are receivable in various parts of the state. The county-by-county farm TV census for Iowa:

IOWA			
County	Total Farms	Farms with TV	
Adair	1,932	990	
Adams	1,355	722	
Allamakee	1,898	383	
Appanoose	1,692	507	
Audubon	1,661	1,100	
Benton	2,434	1,596	
Black Hawk	2,199	1,427	
Boone	2,174	1,576	
Bremer	1,917	730	
Buchanan	2,218	1,080	
Buena Vista	2,019	962	
Butler	2,236	915	
Calhoun	1,930	1,090	
Carroll	2,045	1,307	
Cass	1,984	1,316	
Cedar	2,101	1,663	
Cerro Gordo	1,988	1,032	
Cherokee	1,765	1,112	
Chicksaw	1,948	695	
Clarke	1,260	626	
Clay	1,783	655	
Clayton	2,715	910	
Clinton	2,518	2,045	
Crawford	2,364	1,363	
Dallas	2,123	1,498	
Davis	1,535	364	
Decatur	1,561	412	
Delaware	2,177	1,030	
Des Moines	1,394	817	
Dickinson	1,204	318	
Dubuque	2,042	981	
Emmet	1,199	396	
Fayette	2,818	1,195	
Floyd	1,766	716	
Franklin	2,076	1,306	
Fremont	1,321	1,118	
Greene	1,914	1,461	
Grundy	1,765	1,066	
Guthrie	2,045	1,193	
Hamilton	2,046	1,518	
Hancock	1,974	835	
Hardin	2,021	1,391	
Harrison	2,152	1,609	
Henry	1,703	875	
Howard	1,661	435	
Humboldt	1,410	910	
Ida	1,403	996	
Iowa	1,939	1,165	
Jackson	1,992	1,235	
Jasper	2,696	1,802	
Jefferson	1,601	555	
Johnson	2,244	1,238	
Jones	1,959	1,272	
Keokuk	2,140	1,077	
Kossuth	3,070	1,226	
Lee	1,751	781	
Linn	3,133	2,152	
Louisa	1,119	858	
Lucas	1,345	593	
Lyon	1,878	740	
Madison	1,857	1,131	
Mahaska	2,320	746	
Marion	2,106	1,071	
Marshall	2,151	1,755	
Mills	1,209	936	
Mitchell	1,658	758	
Monona	1,825	1,314	
Monroe	1,317	436	
Montgomery	1,397	967	
Muscatine	1,713	1,362	
O'Brien	1,948	1,030	
Osceola	1,268	451	
Page	1,824	1,110	
Palo Alto	1,833	475	
Plymouth	2,722	1,887	
Pocahontas	1,907	770	
Polk	2,329	1,788	
Pottawattamie	3,330	2,610	
Poweshiek	1,991	1,157	
Ringgold	1,544	584	
Sac	1,894	1,125	
Scott	2,030	1,590	
Shelby	1,978	1,427	
Sioux	2,842	1,151	
Story	2,123	1,663	
Tama	2,537	1,446	
Taylor	1,839	912	
Union	1,376	489	
Van Buren	1,532	491	
Wapello	1,610	516	
Warren	2,081	1,305	
Washington	2,057	1,110	
Wayne	1,618	386	
Webster	2,463	1,806	
Winnebago	1,629	685	
Winneshiek	2,580	615	
Woodbury	2,784	1,930	
Worth	1,463	632	
Wright	1,855	1,256	
State Total	192,933	105,809	

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36).

Jewish Theological Seminary of America is sponsoring formation of a national TV committee to "seek to utilize TV to its fullest to visually develop a greater awareness of religion as a vital part of everyone's daily lives." Chairman is George Friedland, vice chairman of Food Fair Stores.

Radio WBEN, Buffalo celebrated silver anniversary this week by playing host to all in listening area who were born Sept. 8, 1930, at special 45-min. audience show and luncheon. Owner *Buffalo News* began operating WBEN-TV May 14, 1948.

Jessel-Roberts Production Corp. is new TV film organization formed by toastmaster George Jessel and producer Robert L. Roberts. First series is *Guest of Honor*, featuring Jessel presiding at dinners honoring various people.

Television Bureau of Advertising schedules first annual convention Nov. 11 at Ambassador East, Chicago.

NBC radio affiliates this week heard network's 3-point plan to extend weekend *Monitor* format to all daytime programming—then returned home to consider plan in light of what affiliates chairman Robert D. Swezey, WDSU, New Orleans, called "individual operating situations." NBC offered this proposal: (1) Extend concept of commercially successful *Monitor* with its partic. sales patterns, to all daytime programming Mon.-thru-Fri. 10 a.m.-6 p.m. (2) Open top-rated evening programs such as *Dragnet*, *Great Gildersleeve*, *Radio Fan Club* & *One Man's Family* to partic. sponsorship (only *Fibber McGee and Molly* now has partic. sponsors). (3) Provide 25% "revenue adjustment" to affiliates to make compensation competitive with CBS. New daytime programming would be tailored to women listeners. NBC next week will forward necessary contracts to affiliates incorporating its ideas, with possibility that new plan will be launched Nov. 7. After NBC pres. Sylvester L. Weaver outlined programming plans of new service, exec. v.p. Robert W. Sarnoff gave sales pattern. He said there would be substantial increase in local availabilities for station sales, with 9 min. of commercial time daily between noon-3 p.m. for stations' local sales. Network will make available to stations 4 additional min. of commercial network time per hour. Swezey conducted own survey of affiliates' sentiment in advance of meeting, reported overwhelming support of plan.

TV nosed out newspapers in 1954, was very close second to magazines, as favorite medium of national advertisers who spent more than \$1,000,000 each, according to study in Sept. 9 *Printers' Ink*. Of \$1,137,477,388 spent by the "millionaires," 27.1% went to magazines, 25.9% to TV, 25.2% to newspapers. In 1953, respective percentages were 28.3%, 19.7% & 27.1%. TV was also most heavily dependent on biggest advertisers for its national revenues, getting 92% from that source, vs. 88.2% for radio, 54% for magazines, 48.3% for newspapers. Study covers 1950-54, shows number of millionaire advertisers increased from 222 to 259, their expenditures rising from \$839,471,253 in 1951 to \$1,137,477,338 last year. Stating that "Today's booming advertising business depends more than ever on its millionaires," magazine notes that group's share of all national advertising in 7 major media rose from 50.8% in 1951 to 54.3% last year.

Course for TV-radio timebuyers is planned by committee of Radio-TV Executives Society, co-chaired by Frank Pellegrin, H-R Television Inc., and Mary McKenna, radio WNEW. Weekly courses are scheduled to begin in Oct. U of So. Cal. also offers TV-radio timebuyer course this fall, instructed by Frank Crane, managing director of S. Cal. Bcstrs. Assn., aided by Wallace Hutchinson, Weed & Co.

Broadcast ratings are confused and "not worth a hoot," Lawrence Nolte, adv. mgr. of White King Soap Co., told Hollywood Ad Club last week. He presented chart comparing ARB, Pulse & Nielsen ratings, charging variations up to 300% between services. Nolte urged broadcasters, advertisers & agencies to "research the research" to get facts—then to set up one standard system.

Russia is still trying to jam Voice of America broadcasts with 1000 full-time transmitters despite apparent thaw in cold war, director Theodore C. Streibert reported last week. Voice plans no basic policy change and could use more money, he said after visit with the President.

Seagoing TV station, under consideration by South African technical experts & businessmen, would beam signals from ship 3 miles offshore to Durban, Capetown, East London & Port Elizabeth.

NARTB's TV transmission tariffs committee (Richard Salant, CBS, chairman) meets Sept. 13 at N. Y.'s Waldorf-Astoria.

HOW THE 'MIX MASTERS' INCREASE PRICES: There's more than one way to raise TV prices -- and set makers are determining that changing the "mix" of their production, to permit greater concentration on higher-priced models, is just as effective as increasing list prices. Several are using both methods.

Current production statistics bear out this trend. Output of 24-in. models in Sept. shows 3-fold increase over Sept. 1954, while 17-in. output is substantially below year ago. Perhaps even more significant, there has been a marked upward trend to production of higher priced 21-in. sets -- even though the 21-in. category has shown no increase in share of total output in last 12 months, still remaining far-&-away the most popular screen size. Net result is that bargain shoppers looking for low-end sets find them unavailable -- or with higher price tags.

RCA and Philco, both industry pace-setters, have thus far preferred to alter their production "mix" rather than increase lists -- though both continue to hold the door open to direct price increases this year. Several others who haven't hiked prices yet are hoping to get by with fewer low-end receivers.

Motorola and DuMont increased prices this week -- joining Admiral, Emerson, Stromberg-Carlson, Packard-Bell, Trav-Ler and a few smaller firms which had raised them previously. Motorola's increases, predicted 2 weeks ago (Vol. 11:35), were \$10-\$30 on 13 models. DuMont's hikes, affecting all but the 24-in. de luxe console and 21-in. color set, averaged \$20 across-the-board. Both companies attributed the increases to higher labor and materials costs (details on p. 12).

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This looks like a record TV production & sales year -- with considerable talk now of output around 7,700,000. The record is 1950's 7,463,800. Philco pres. James H. Carmine, back from Europe, this week forecast production of 7,500,000-8,000,000. Motorola v.p. Edward R. Taylor predicted output around 7,700,000 -- "the biggest year in TV's exciting history." Another major manufacturer, who preferred not to be identified, said "TV can't miss a record this year."

National TV-Radio Week starting Sept. 18, a concentrated merchandising drive by all levels of trade, is expected to give retail sales a big shot in the arm and help assure a record retail sales year. Not that sales are doing badly anyway. The normal seasonal slumps this year were not nearly as severe as in past -- and Aug. sales were described as "just excellent" by one of trade's leading statisticians. He said the figures were still incomplete.

Brief highlights of other major trade developments this week:

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Economic Boom: A 3-part report on nation's economic prosperity was issued this week by Commerce Dept., showing new records in employment, personal income and construction. Here are highlights: (1) Employment reached record total of 65,488,000 in Aug., increase of 493,000 in month and 3,211,000 in year. Unemployment dropped to 2,237,000, decline of 234,000 in month and 1,008,000 in year. (2) Personal income soared to annual rate of \$304.5 billion in July, increase of \$3 billion over June and \$14.5 billion over July 1954. Most of increase was attributed to pay hike of Federal employes, though private industry payrolls were also higher by \$1 billion over year ago. (3) Construction in Aug. was at annual rate of \$41.7 billion, exceeding the \$37.6 billion for all of 1954, with new records set in building of homes, commercial offices and stores, schools, utilities and highways. (4) Average factory pay rose to \$77.11 a week in Aug., up 75¢ over July, on average 40.8-hour work week.

Whirlpool Merger: Forewarning of tougher competition in white goods was sounded this week by GE in anticipation of approval of Whirlpool-Seeger-RCA merger by stockholders Sept. 12. Story in GE News house organ said: "Competition in the major ap-

pliance business -- which is keener now than ever before, and tougher than in many industries -- is to get even hotter. During the past 2 months, two large mergers have taken place in the appliance industry that are sure to have their effect on the torrid race to capture the public's buying habit. The first of these mergers -- and the one that really rocked the industry -- linked together the Whirlpool, Seeger and RCA corporations into a single company that will be one of the biggest in the industry. The second merger combined Easy Washing Machine Co. with the Union Chemical & Materials Corp. Both mergers were brought about by pretty much the same idea -- the growing trend toward offering the public a complete line of appliances from a single source. The mergers will exert tremendous new influences in the appliance market. Both will undoubtedly affect the realignment of customer preferences. Both will bring added economic pressure to bear on the present manufacturers whose quality, style or price is not in line with consumer expectations."

Fair Trade: Big slash in Westinghouse prices by several dept. stores followed company's action last week in abandoning fair trade pricing (Vol. 11:36). Big stores in Chicago advertised 25% reductions in Westinghouse small appliances -- and similar cuts were announced in other metropolitan centers. Discount houses were said to be meeting competition with even sharper price reductions. GE and Sunbeam are only big manufacturers still practicing fair trade -- and they insist they'll keep battling.

Production: TV output totaled 185,114 week ended Sept. 2, compared to 167,471 preceding week and 180,094 week ended Aug. 19. It was year's 35th week (8 months by RETMA calculations) and brought TV output for year to date to about 5,000,000 vs. 4,100,000 in same 1954 period. Radio production totaled 226,774 (71,147 auto) week ended Sept. 2, down from 239,401 preceding week and 255,855 week before. For 35 weeks, radio output totaled 8,950,000 vs. 7,000,000 in corresponding period of 1954. Another RETMA report, released this week, placed official TV production for 7 months at 4,173,088, of which 63,466 were uhf-equipped at factory. Radio output for same period was 7,777,378, including 718,489 in July.

Topics & Trends of TV Trade: Those TV-radio merchandising rules adopted recently by Federal Trade Commission (Vol. 11:27) are still causing some grumbling in trade--particularly among manufacturers--despite fact that they were based on 4 years of tortuous industry-wide hearings. Indicating set makers' agitation, RETMA is preparing full-dress review of rules at its fall meetings in New York's Plaza Hotel Sept. 13-15, with possibility that a new appeal will be made to FTC for revision of requirement that all used picture tubes must be designated as "seconds" or "rejects."

It's known that FTC staff was split on question of whether used tubes should be so designated. FTC attorney H. Paul Butz, who conducted lengthy public hearings and visited tube plants, reportedly recommended against such designation but was overruled by higher authorities. Feeling of some in RETMA hierarchy is that appeal might prove successful, considering the split. FTC has already rejected an earlier RETMA appeal to make all rules effective Feb. 1. The rules relating to picture tube designation, disclosure of cabinet finishes and measurement of tubes are effective Feb. 1; all others went into effect Aug. 1.

Dealers generally report they're living with rules, noting little inconvenience. NARDA managing director A. W. Bernsohn said "we have heard of no violations or complaints of violations. I don't believe anybody's been hurt by the rules--so far, at least."

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RCA Service Co. opens new facility at 419 W. 54th St., N. Y., Monday for repair, modification or overhaul of all RCA commercial & industrial electronic equipment, under management of J. J. Brown.

Hallcrafters Canada Ltd. introduces 9 TV models ranging from \$190 for 17-in. table to \$530 for 3-way combination.

TV set sales by Canadian factories in first 7 months totaled 273,512, production 362,852, reports RETMA of Canada. This compares with 207,724 & 225,869 in same 1954 period. Projected production estimate for Aug.-Nov. period is 263,371 more sets. July sales totaled 27,595 at average price of \$304, production 25,483. Inventory at end of July was 137,224 vs. 139,336 at start of month. Montreal led in 7-month sales with 49,915; Toronto, 43,735; British Columbia, 28,055; other Ontario, 23,355; Manitoba, 22,609; Nova Scotia, 18,140; Alberta, 17,028; Ottawa & eastern Ontario, 15,072; Quebec, 13,071; Hamilton-Niagara, 13,011; New Brunswick & Prince Edward Island, 10,144; Saskatchewan, 7804; Windsor, 7317; Newfoundland, 2688; other Quebec areas, 1568.

Six-point TV-radio ad code was adopted by group of leading Philadelphia distributors and dealers, acting as advisory committee of local Better Business Bureau. New code will be publicized by BBB in newspaper ads urging consumers to be cautious when TV set is advertised at "a ridiculously low price." Verner S. Gaggin, gen. mgr. of local BBB, which will enforce code, said 120,000 complaints and inquiries about appliances had been received from area consumers in last 12 months. Co-chairmen of committee are Jack Rosen, v.p. of Raymond Rosen & Co., RCA distributor, and W. G. Peirce, pres. of Peirce-Phelps, Admiral distributor.

Canadian TV-radio manufacturers exhibiting at Canadian National Exhibition last week in Toronto: Admiral, GE, Marconi, Westinghouse, Avco of Canada (Crosley), Dominion Electrohome, Emerson Radio, Hallcrafters, Motorola, Northern Electric, Philco, Philips Industries, RCA Victor, Sparton, Stewart-Warner, Sylvania.

RCA's TV div. holds quarterly meeting with field reps Sept. 12-15 at Philadelphia's Warwick Hotel to discuss 4th quarter merchandising and promotion plans.

Trade Personals: Brig. Gen. David Sarnoff will be given "Applause" award of N. Y. Sales Executives Club Sept. 13 at Hotel Roosevelt luncheon, to be highlighted by "The David Sarnoff Story," dramatic presentation prepared by editors of *Life Magazine*; he addresses Washington Ad Club Sept. 20 . . . Robert A. Seidel, RCA exec. v.p. for consumer products, left Sept. 9 for 6-week inspection of RCA facilities in Europe . . . James H. Carmine, Philco pres., who returned Sept. 8 from European tour, addresses seminar of Washington chapter of American Marketing Assn. Oct. 25 . . . Burton B. Stuart, New England district mgr., Raytheon equipment marketing div., promoted to product planning mgr. of industrial sales dept. . . . Paul A. Ryan, ex-Product Presentation Inc., named Capehart-Farnsworth sales planning mgr. . . . Eugene MacNaboe promoted to mgr. administrative services, DuMont receiver sales div., succeeding Joseph Mann, now asst. controller, Fedders-Quigan . . . Paul L. Harvey named Federal Radio export sales mgr. . . . Ben H. Irwin promoted to director of Arvin's new research & advanced engineering dept., succeeded as director of electronics engineering by Eugene C. Hittle; Weldon L. Payne, sales mgr. of radio div., promoted to western sales mgr. of electronics & appliances div., Craig C. Britton to eastern sales mgr.; Richard H. Williams, from electric housewares div., named sales director of electronics & appliances . . . R. C. Jenkins, ex-RCA, named gen. mgr. of Sylvania TV-radio cabinet div., High Point, N. C. . . . Edward Taylor, ex-Electric Sales & Service Co., Atlanta, named Bendix Radio southeastern regional mgr., succeeding Paul McLaughlin, now mgr. northeastern region . . . John F. Conger named Capehart-Farnsworth Denver district merchandising mgr. . . . Donald E. Vedder, sales training mgr., Sylvania TV-radio div., named Kansas City district sales mgr. . . . Robert W. Felber, ex-Stewart-Warner, named mgr. of new community TV div., American Phenolic . . . John S. Kane, mgr. of International Resistance Co. plant at Boone, N. C., transferred to mgr. of Asheville plant . . . Norman M. Howden, ex-Rochester Democrat & Chronicle, named asst. public relations director, Stromberg-Carlson.

Glen McDaniel, RETMA gen. counsel, reappointed chairman of legal committee; H. J. Hoffman, Machlett Labs, renamed head of membership & scope committee. Robert C. Sprague Jr., Sprague Electric, was reappointed chairman of RETMA industrial relations dept., with Harry Houston, DuMont, as chairman of its eastern committee; Jack M. Ferren, Zenith Radio, central; Paul G. Kaponya, Cannon Electric, western.

What makes a TV line attractive to a dealer? NARDA surveyed its membership on question, got these requirements: (1) public acceptance of brand; (2) freedom from excessive or unsavory competition; (3) quality merchandise requiring minimum service; (4) discount structure that allows a reasonable profit; (5) good factory service policies; (6) good distributor-dealer relations (with tight controls on "back-door selling"); (7) strong promotions and sales training.

DuMont raised prices on all models in its line except 24-in. de luxe console and 21-in. color set. Each set was raised by \$20, except one 21-in. table model (raised \$10 from \$200 to \$210) and one 24-in. open-face console (raised \$30 from \$300 to \$330). New prices range from \$190 for 21-in. ebony table to \$360 for 21-in. de luxe limed oak open-face console.

Motorola's price increases (see p. 10) were on 13 models: two 21-in. tables and four 21-in. consoles, up \$10; one 24-in. table and two 21-in. consoles, up \$20; one 24-in. console, up \$25; one 21-in. console and two 24-in. consoles, up \$30.

DISTRIBUTOR NOTES: Sylvania appoints Washington Wholesalers, 2052 W. Va. Ave. NE, Washington (Milo Chavez, gen. mgr.) . . . Emerson Radio of Texas, Dallas, opens branch at 605 S. Flores St., San Antonio . . . Bendix Radio appoints John W. Walter Inc., Long Island City, N. Y. . . . RCA Victor Distributing Corp., Detroit, appoints Reid Donaldson sales mgr. for home instruments, succeeding George Mansour, now with record div. of RCA Victor Co. Ltd., Montreal . . . G. W. Onthank Co., Des Moines (Admiral) appoints Frank A. Hutton sales promotion mgr. . . . Victor H. Meyer Distributing Corp., N. Y. (Sylvania) appoints Sol Feir, ex-DuMont N. Y., as key account sales rep . . . GE Supply Co., Cincinnati, reports resignation of sales mgr. Norbert Foster . . . Canadian Westinghouse Supply Co. appoints A. McGruther sales mgr. of Alberta district, J. A. Comeau for Calgary . . . Lehigh Valley Distributors, Hazleton (Capehart-Farnsworth) takes on 11 additional northeast Pa. counties to bring distribution to 35.

Picture tube sales in first 7 months totaled 5,429,817, valued at \$104,391,728, compared to 4,471,584 worth \$93,088,884 in corresponding period of 1954, reports RETMA. July sales were 515,793 worth \$9,498,169, compared to 706,890 at \$13,244,499 in 5-week June and 514,346 at \$10,102,903 in July 1954. Receiving tube sales in first 7 months totaled 254,842,000, valued at \$189,849,000, compared to 189,856,000 worth \$138,670,000 in first 7 months of 1954. July sales were 28,340,000 at \$21,167,000 vs. 40,821,000 at \$31,256,000 in June and 24,146,012 at \$17,949,210 in July 1954.

Westinghouse TV-radio output was halted by strike of 2100 IUE workers at Metuchen, N. J. plant, who walked off jobs Sept. 8 in sympathy with month-long strike of IUE members at company's E. Pittsburgh plant. Union officials said all Westinghouse plants would be shut down by next week. Meanwhile, strike at Bendix Radio plant in Baltimore, an outgrowth of walkout at parent Bendix Aviation, went into its 3rd week as we went to press, with no settlement in sight.

More than 1,000,000 old tubes have been smashed in the 3 weeks since Philco launched its drive to keep old tubes out of hands of racketeers by allowing 5¢ credit on each old tube turned in (Vol. 11:33-34), reports James J. Shallow, gen. mgr. of accessory div., saying cooperation of its distributors and dealers has been "unanimous."

Facts & figures on the \$9 billion electronics industry, together with charts, graphs and tables delineating TV, radio and component production, employment, etc., are featured in new 26-p. *Radio-TV-Electronics Industry Fact Book* just published by RETMA and available upon request at 777 14th St., NW, Washington.

Big increase in 24-in. sales next year is foreseen by Westinghouse's Dan Halpin, telling group of Memphis dealers and servicemen Sept. 10 that 24-in. "easily could represent 20% of the industry's total unit sales in 1956." He also predicted sale of 350,000 color sets next year, representing \$250,000,000.

Motorola v.p. Edward R. Taylor is profiled in Sept. 10 *Tide Magazine*, which credits him with revitalizing company's distributor-dealer structure as key to raising sales from \$205,000,000 last year to estimated \$225,000,000 in 1955.

Kay Labs' "Videophone," 2-way TV telephone, was demonstrated over one-mile link at recent WESCON show in San Francisco, with mayors of San Francisco and Palo Alto at each end of line.

Sparton's new "Royal Scot" line of 5 TVs, introduced last week at Jackson, Mich., plant, consists of 21-in. mahogany table at \$250, 21-in. consoles at \$340 & \$350, 24-in. consoles at \$360 & \$370.

Financial & Trade Notes: Among officers' & directors' stock transactions reported by SEC for July: Ernest L. Nye bought 225 ACF Industries, holds 825; Wm. F. Van Deventer bought 225 ACF, holds 425; E. Chester Gersten bought 500 American Broadcasting-Paramount Theatres, holds 500; Robert E. Kintner bought 500 AB-PT, holds 3500; George D. Macbeth sold 2000 Corning Glass, holds 18,000; Benjamin Abrams bought 500 Emerson Radio, holds 220,000 personally and 79,639 thru trusts; Louis G. Pacent Jr. bought 300 Emerson Radio, holds 300; Henry V. Erben sold 200 GE, holds 9605; Henry Ford II bought 100 GE, holds 100; C. J. Hendon bought 1125 GE, holds 2415; Wm. R. Herod bought 1638 GE, holds 6576; George L. Irvine sold 389 GE, holds 1048; Cramer W. LaPierre bought 1695 GE, holds 4093; Wm. C. Wichman sold 1000 GE, holds 997; Elliott V. Bell sold 200 General Precision Equipment, holds 100; Frederick D. Herbert Jr. bought 8249 General Precision Equipment, holds 19,602; John Slezak bought 100 Hazeltine, holds 110; Joseph S. McGee sold 250 Hoffman Electronics, holds 250; Charles A. Maynard bought 100 Indiana Steel Products, holds 1110; Frank M. Freimann bought 300 Magnavox, holds 49,685; Robert W. Galvin sold 300 Motorola, holds 156,257 personally and 186,696 thru trust; Edward R. Taylor bought 300 Motorola, holds 2460; Ely A. Landau bought 200 National Telefilm Assoc., holds 80,450 personally and 20,000 as voting trustee; Thomas A. Kennally bought 4987 Philco, holds 11,984; Emanuel Sacks bought 100 RCA, holds 545; George L. Langreth bought 200 Raytheon, holds 300; Kurt Widder sold 200 Skiatron, holds 11,750; George B. Storer bought 500 Storer Bcstg. Co. common, holds 14,640 common and 1,486,500 Class "B" common; Milton R. Schulte bought 500 Tung-Sol, holds 2945; Jean E. Witbeck bought 200 Tung-Sol, holds 3251.

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Atomic Development Mutual Fund Inc., Washington, D. C., open-end diversified management investment company specializing in atomic securities, including a number of electronic stocks (Vol. 11:15), lists net assets of \$44,512,375, or \$14.37 a share, as of June 30, compared to net assets of \$19,854,643 (\$13.91) on March 1. In existence since Dec. 14, 1953, Fund's portfolio of June 30 shows that during preceding 5 months it added 29,400 shares of General Dynamics at market value of \$1,738,275 and 3300 Daystrom at \$99,000. It also added to holdings in Sylvania, GE, Westinghouse, Philips (of Holland), ACF Industries, General Precision Equipment, Blaw-Knox, Abbott Laboratories, Atomic Instrument Co., Beckman Instrument, Consolidated Engineering, Norden-Ketay, Nuclear Instrument & Chemical Corp., Tracerlab Inc. Dropped during 5-month period were Panellit Inc. and Victoreen Instrument Co.

RCA is appraised as "the leading unit in one of the fastest growing segments of our economy," in 6-p. analysis by Wm. Kurtz, of Paine, Webber, Jackson & Curtis, 25 Broad St., N. Y. For long term, RCA earning power is seen rising to \$7 per share by 1960. "Near-term developments," report says, "such as large scale promotion of color TV and possible introduction of commercial electronic computers should focus investor attention on this issue over the next few months." Note: Report on RCA last week (Vol. 11:36) should be corrected to indicate that RCA's capitalization is \$150,000,000, preferred dividend \$3.50 per share; net working capital, not assets, was \$234,865,104 at end of 1954.

Telecaster Edward Lamb's grants, totaling \$10,000 since 1950, have been parlayed into stocks worth \$12,260 by students of Gannon College, Erie, Pa., for whom Lamb had established fund to give "practical experience" in stock market.

"Stockholder census" in recent *Forbes Magazine* shows electronics-communications firms widely held, but with only GE and Raytheon showing any appreciable gains in number of share owners between 1953 & 1954 and even RCA, called "favorite of small investors," ending 1954 with fewer stockholders than at start of year. DuMont & CBS also declined numerically. Following are culled from categories headed communications and electrical equipment & electronics (figures in parentheses denoting total assets in millions of dollars):

	1954	1953	% Change
AT&T (12,849.6) -----	1,307,215	1,265,461	+ 3.3
General Electric (1,692) -----	295,945	246,467	+22.3
Westinghouse (1,329) ---	111,107	111,424	- 0.3
IT&T (637) -----	56,937	57,437	- 0.9
RCA (548.3) -----	172,551	177,199	- 2.6
Avco Mfg. (200.9) -----	61,462	65,994	- 6.9
Sylvania (191.4) -----	29,026	28,270	+ 2.7
CBS (169.3) -----	15,276	16,327	- 6.4
Philco (164.6) -----	17,909	17,478	+ 2.5
Admiral (109.1) -----	5,279	5,546	- 4.8
Motorola (94.5) -----	4,381	4,606	- 4.9
Raytheon Mfg. (93.6) ----	9,063	8,433	+ 7.5
DuMont Labs (63.3) ----	12,095	14,102	-14.2

Television-Electronics Fund has become first single industry "open-end" or mutual investment program to pass \$100 million mark, Sept. 7 *N. Y. Times* reported in article on mutual funds. Starting with assets of \$112,000 about 8 years ago, fund has ballooned past \$112,000,000. In allied field of nuclear energy, Atomic Development Mutual Fund Inc. has had even more spectacular growth—from \$2,226,997 to \$44,512,375 in 12 months, with shares increasing from 204,613 to 3,096,829.

Film exhibitors are doing well, generally, reports *Variety*, with first-run and the more important neighborhood houses showing marked upturn in boxoffice since about July 4. United Paramount's 650-theatre chain is having third quarter slightly better than year ago, and conviction prevails "people will stay at home for TV only if program is above routine." Movie business also is benefiting from lower excise taxes, exhibitors having absorbed recent Treasury decrease.

Philco is touted as investment by broker Talmage & Co., its Aug. 31 report saying "further recovery is looked for in this stock, reflecting the prospects for a return of its former rating as a growth stock, and in prospect of larger earnings soon." It adds: "Philco's research work on color TV may place it in a leading position when the public demand for color sets reaches large proportions."

Raytheon will offer stock to officers & other key employees as part of "Key Employee Incentive Plan," under terms of statement filed with SEC last week seeking registration of 189,165 shares of \$5 par common stock. Of total, 20,800 shares have been purchased by optionees, 117,965 are held under option, and 50,400 are reserved for option.

General Precision Equipment Co. reports consolidated net sales of \$70,238,745 for first half of 1955 vs. \$54,305,196 for same period 1954. Net profit went down to \$1.95 per share (1,022,882 shares) from \$3.37 (700,352), reports chairman-pres. H. G. Place. Unfilled orders as of June 30 totaled \$105,230,000.

American Phenolic Corp. earned \$442,984, or \$1.11 a share, on sales of \$11,821,191 in first 6 months of 1955, compared to \$252,277 (63¢) on \$12,465,721 in corresponding period year ago. Second-quarter earnings were \$238,533 (60¢) on sales of \$5,814,948 vs. \$204,451 (51¢) on \$6,006,243.

Electronics Reports: Search for new civilian markets by electronics manufacturers, now that military demand is not growing so rapidly, is subject of long discussion by Ben Weberman in New York *Journal of Commerce* which observes that "the instrumentation and servomechanisms branches of the industry are now breaking through the barrier which has confined most output to military devices" and states "growth of industrial lines is expected to be at a sensational pace."

Julian K. Sprague, pres. of Sprague Electric Co., is quoted as estimating that industrial control and instrumentation was a \$200,000,000 business in 1954, half of it for laboratory or special purpose use, half for true production control devices. Comparing electronic expenditures with estimated \$1 billion spent last year for other kinds of controls—mechanical, electrical, pneumatic, hydraulic—Sprague said: "It is apparent we have only just scratched the surface in this field."

J. G. Shennan, pres. of Elgin National Watch Co., which recently went into electronics, said automatic production instrument field alone has shown 21% annual rate of growth and pre-tax return of 40% on investment. United Shoe Machinery Co. and Admiral Corp. are mentioned for their automation developments; also discussed are Airborne Instruments Laboratory Inc.'s electronic analyzer, which checks gears emerging from a gear grinder; Belock Instrument Corp.'s electrically operated gear grinder; Giddings & Lewis Machine Tool Co.'s "Numericord" system whereby work cycles are controlled by magnetic tape.

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Special 24-p. report on mechanized production of electronic equipment, by assoc. editor John Markus, is featured in Sept. *Electronics Magazine*. Editor W. W. MacDonald states: "Now the electronics industry has made up its mind about mechanized production with sufficient unanimity to get going. It has finally concluded that regardless of product, or size of run, some sort of mechanization more closely approaching a pushbutton age is necessary." Report is in 5 parts, covering etched wiring, component preparation, machine assembly, dip soldering, automatic testing.

Automation will increase employment, H. L. Hoffman, pres. of Hoffman Electronics and RETMA pres., predicted at recent WESCON show in San Francisco, noting that "actually, the electronics industry has been manufacturing such components as TV picture tubes, capacitors and resistors by automation techniques for nearly a decade." During that time electronics employment increased 2½ times and TV-radio set prices have gone down.

GE's "Ham of the Year" nominations are open in annual search for amateur who rendered greatest public service in 1955. Letters of nomination will be accepted until end of year by Edison Award Committee Secretary, GE Tube Dept., Schenectady, N. Y.

Reo Holding Corp. has called special stockholders meeting Sept. 28 in New York to vote on proposed merger with Nuclear Consultants Inc., St. Louis, to form new corporation to be known as Nuclear Corp. of America, specializing in atomic energy and electronics fields. New company's board would include present 6 directors of Reo, plus pres. Sam Norris of Ampere Electronic Corp., accountant Herman P. Edelman and another to be named.

Clarostat Mfg. Co. profit was \$69,046 (17¢ a share) on sales of \$3,009,328 in first 6 months vs. \$68,182 (16¢) on \$2,819,151 in same 1954 period.

Aircraft Radio Corp. sales were \$3,860,377 in first half of 1955 vs. \$4,488,749 in same 1954 period; net income was \$214,469 (\$1.02 per share) vs. \$316,080 (\$1.13).

Panellit Inc., Chicago, is setting up English affiliate to be called Panellit Ltd., half owned by itself and half by Hall Telephone Accessories through subsidiary James Gordon & Co. Hall is leader in Britain's automatic vending field and, according to its chairman, Maj. Oscar Guest, wants to increase participation in the "rapidly growing field of automation, electronics and instrumentation." Hall manufactures machines for Coca-Cola, Gordon makes automatic controls for Esso, Vauxhall, et al.

Simplified closed-circuit TV system is claimed by Siegler Corp., Centralia, Ill. space heater manufacturer which recently acquired Hallamore Mfg. Co., Long Beach, Cal., maker of electronics and communications devices. Siegler did \$10,471,144 business in year ending June 30, earned \$774,571 (\$1.53 per share) and Hallamore div., hitherto heavily in defense, plans to expand commercial production, particularly scintillometers & geiger counters.

New ceramic receiving tube has been developed by Eitel-McCullough Inc., San Bruno, Cal., under Air Force sponsorship. Revolutionary in design, it is less than one-fourth the size of the glass 6SN7, which it replaces, is said to be 20 times as rugged and, due to high life expectancy, can be soldered directly into circuit. Company says it can be priced competitively with glass tubes when in mass production. First production is due early next year.

Upcoming IRE meetings: Professional Group on Vehicular Communications, Sept. 26-27, Multnomah Hotel, Portland, Ore.; East Coast Conference on Aeronautical & Navigational Electronics, Oct. 31-Nov. 1, Emerson & Lord Baltimore Hotels, Baltimore. In Portland, FCC Comr. Robert E. Lee will speak at banquet, while FCC chief engineer Edward W. Allen will deliver paper on propagation in 30-50 mc band.

Electronic aircraft detector to help spot low-flying enemy planes has been developed by Air Research & Development Command Center, Rome, N. Y. Mounted on hard plastic hats worn by ground spotters, device has small antenna, topped by horizontal cylinder. Short "rabbit ear" sticks out in back and volume control clips to wearer's lapel.

Electronic Associates Inc., Long Branch, N. J., which earned \$244,600 profit in 1954, or approximately \$1 on each of its 245,000 common stock capitalization, should earn \$400,000 this year on revenues of \$6,000,000, according to report by McDonnell & Co., N. Y. investment firm. Its specialty is analog computers.

Electronic typewriter capable of 36,000 characters a minute, employing magnetic core memory storage unit, has been developed by Potter Instrument Co., 115 Cutter Mill Rd., Great Neck, L. I.

IT&T plans first west coast manufacturing operation for its Federal Telephone & Radio Co., with 36,000-sq. ft. plant in San Fernando Valley projected as first part of \$2,500,000 building plan.

Emerson Radio earned \$1,584,812 (82¢ per share) after taxes for 9 months ended July 30 vs. \$1,146,676 (59¢) in same 1954 period. Profit before taxes was \$3,205,948 vs. \$2,066,820. Sales were not disclosed; 1954 sales for same period were \$54,701,441.

National Co. had net loss of \$88,405 on sales of \$2,332,746 in first half of 1955, compared to profit of \$267,379 (\$1 a share) on \$4,640,119 in first half of 1954. Pres. Joseph Quick attributed loss to sharp curtailing of defense billings, predicted improvement in second half.

20th Century-Fox had net income of \$2,790,800 (\$1.06 a share) in 26 weeks ended June 25 vs. \$3,096,545 (\$1.17) in like 1954 period. Second quarter earnings were \$1,366,989 (52¢) vs. \$1,048,515 (40¢).

Color Trends & Briefs: RCA captured one military prize in competition with CBS-GE over govt. contracts for color equipment (Vol. 11:4)—selling \$425,800 three-channel system and 30 sets to be installed in Washington at Walter Reed Hospital, Armed Forces Institute of Pathology and Army Medical Service Graduate School.

Maj. Gen. Leonard D. Heaton, commander of Walter Reed Medical Center, said installation will be made next year and eventually extended to other govt. hospitals and military medical installations—to be used for consultation, teaching and research.

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Further disclosing color plans, CBS-TV announced that all *Climax* and *Red Skelton* shows will be in color—making total of 73 major color programs scheduled to date, vs. 19 last year. Previously set for color were *Shower of Stars*, *Ford Star Jubilee*, most *Omnibus* programs, plus Orson Welles series. Still to be announced, among others, is series of daytime color shows.

Network color schedules for next 2 weeks: NBC-TV—Sept. 12-16 & 19-23, *Home* segments, 11:45-noon, and *Howdy Doody*, 5:30-6 p.m.; Sept. 17, NCAA football game, Miami vs. Ga. Tech, 3:30-6 p.m.; Sept. 19, *Producers' Showcase*, "Our Town," starring Frank Sinatra, Eva Marie Saint & Paul Newman, 8-9:30 p.m. CBS-TV—Sept. 24, *Ford Star Jubilee*, starring Judy Garland & David Wayne, 9:30-11 p.m.

Six major musical comedies will be colorcast in NBC-TV's *Max Liebman Presents* series starting Oct. 1, Sat. 9-10:30 p.m., with first production a musical version of "Heidi." "Great Waltz" is scheduled for Nov. 5; "Dearest Enemy," Nov. 26; "Babes in Toyland," Dec. 24; "The Cat and the Fiddle," Feb. 18; "Sweethearts," March 17. Two more will be announced later.

Contest promoting "Our Town," to be colorcast by NBC-TV on *Producers' Showcase* Sept. 19, 8-9:30 p.m., offers Mercury station wagon or Ford Thunderbird for best letter on "Why I Like to Live in Our Town." Newspaper readers are asked to send entries to designated TV editors, and RCA "Seville" color receiver will be given editor whose reader wins.

British have novel technique for showing viewers whether poor reception of signal from Norwich station is due to receiver or to quality of off-air pickup from London station. When signal is usable but below satisfactory quality, a white bar is telecast for 2 seconds every 3 min., superimposed on program.

Raytheon to build lab at White Sands Proving Grounds, Las Cruces, N. M., to test and evaluate electronic equipment for Army ordnance. Lab is being integrated with Raytheon's guided missile test facilities at Pt. Mugu, Cal., managed by J. H. Leiper.

Dr. David B. Parkinson, mgr. of design & production engineering, and John H. Harris, director of manufacturing production control, elected v.p.'s of Brush Electronics Co. (Clevite).

William H. Martin, who retired at end of 1953 as Bell Labs v.p. to become deputy Asst. Secretary of Defense, on Sept. 1 became Army's director of research & development.

S. B. Withington, Avco v.p. & pres. of its Lycoming div., named gen. mgr. of newly formed advance development div., with labs at Everett, Mass. and Stratford, Conn.

Rear Adm. Arthur S. Born, USN Ret., joins Collins Radio as asst. to v.p. for research & development.

John B. Gray, ex-Hughes Aircraft, named chief engineer, Berlant Instruments, Los Angeles.

Following lead of NBC's WRCA-TV, N. Y. and WNBQ, Chicago (Vol. 11:26), Milwaukee's WTMJ-TV has informed sponsors that all station breaks adjacent to or within regular color programs must convert to color by next July 1 or risk losing positions. Station has also started daily color 3-3:30 p.m. *Women's World*, which with *NBC Matinee Theatre* and *Howdy Doody* gives it 2 hours of color each afternoon.

DuMont Vitascan closed-circuit demonstrations at Gimbel's, N. Y. (Vol. 11:21, 33) were huge success, reports store, which says they stimulated "impulse buying"—particularly of high-priced goods not ordinarily bought on impulse. Other stores are said to be interested trying system.

Power consumption of typical color set, RCA 21-in., is 525 watts—compared with 280 watts for average black-&-white set (Vol. 11:35). That means annual power bill of about \$20 a year, assuming it's turned on average of 35 hours weekly for color and/or black-&-white.

For paper on "CBS Color TV Staging & Lighting Practices," Richard S. O'Brien, CBS senior project engineer, has won 1955 Journal Award of Society of Motion Picture & Television Engineers, to be presented at convention in Lake Placid Club Oct. 4.

Color mobile units, 72-ft. long, to be used by both NBC and CBS in New York, are expected to get special parking privileges. Network officials told city authorities units are needed to supplement color studio facilities.

Color manual for servicemen, a 36-p. supplement to its *Practical Color TV for the Service Industry*, has been issued by RCA Service Co., Camden. It's devoted primarily to details of new RCA models 21CT661 & 21CT662.

Seeking single color standard for all Europe, as well as single black-&-white standard in uhf, CCIR Study Group 11 of International Telecommunications Union is expected to visit U. S. next year.

Fully equipped for color now—network, local live, film and slide—KMTV, Omaha announces it's 15th in the nation so prepared.

Claiming a "first," School of Radio Technique, N. Y., is installing RCA's TK-41 color camera equipment for closed-circuit use.

American Electronics Inc. acquires R-C Scientific Instrument Co., Playa del Rey, Cal., by exchanging 13,500 shares of its common stock for all of R-C assets; it will be operated as subsidiary under name of Reed-Curtis Nuclear Industries.

Philco's Lansdale Tube & Transistor Co. has purchased 80,000-sq. ft. plant of Apex Hosiery Co., Spring City, Pa., to be used primarily for research and production of transistors.

"Transistor Specification Chart", 8-p. special section of Sept. *Tele-Tech Magazine*, shows technical characteristics of transistors, divides them into 5 categories according to use.

Roy J. Benecchi elected v.p. & gen. mgr. of Lear Inc. Grand Rapids div., succeeding Andrew F. Haiduck, now exec. v.p. in charge of manufacturing of Lear's 4 divisions.

Phaotron Co., Pasadena, Cal. plans to market new hermetically sealed transistor and vacuum-tube voltmeter as part of expansion in electronics fields.

Russell D. Gawne, ex-Crescent Industries, named sales mgr. of G-C Electronics Mfg. Co., new General Cement subsidiary.

Frank S. Schaumburg promoted to asst. sales mgr. of electronics div., Elgin National Watch Co.

Perry R. Roehm, engineering & sales v.p., named exec. v.p., Norden-Ketay Corp.

NARTB CODE REVIEW board hit back this week at Kefauver subcommittee's recent Interim Report recommending greater non-industry control over programming (Vol. 11:35). Following 2-day meeting in Washington, board chairman G. Richard Shafto, WIS-TV, Columbia, S. C., declared:

"Some of the conclusions in the Interim Report, we believe at first glance, are based upon the improper premise that a voluntary industry effort such as this should be—in a sense—'regulatory'. Such a thesis does not hold in other similar professional efforts—such as the American Bar Association, for example—and we do not believe it should apply in the broadcasting industry.

"Other Interim Report recommendations, however, are helpful in establishing guideposts for the board's activity and reflect the thoroughness with which the Committee studied the industry. At all events, we are grateful for such comment from the Congress, as we welcome it from citizen sources. Appraisal by the public and its representatives is, after all, the best index to continued program advances."

Shafto said board did not have sufficient time to make an intensive review of committee's recommendations and ordered Edward H. Bronson, director of code affairs, to prepare comprehensive report for code board's next meeting in Jan.

Board adopted new procedure for tightening code observance in film programming. In future, all code subscribers will be notified via advisories when films are found by NARTB staff to be "not consistent" with code and will be asked to review such films. Shafto said difficulty arises when suppliers distribute films produced before establishment of code and which were designed for theatres, not home viewing.

In another action, board directed staff to continue investigation of practice of promoting theatre attractions on commercially sponsored TV programs. Board noted "strong trend to insert promotional material, including actual filmed portions, of current Hollywood product in programs already utilizing the maximum allowable commercial time standards suggested within the TV code."

✓ "Lopsided concept of a licensee's responsibilities" was blasted by FCC Comr. Doerfer as he dissented from majority's grant of renewal to radio WTIW, New Orleans. Noting lack of religious, educational or discussion programs, Doerfer stated: "While the Commission is proscribed from exercising powers of censorship, it does have the duty to require a broadcast licensee to program in the public interest . . . The setting of minimum standards of program quality and overall program policies of a licensee is not censorship. On the contrary, it is a safeguard against the use of a broadcast frequency solely for personal considerations. In this case, the program format indicates the sole desire to use the station for the purpose of making every possible dollar that time on the air will permit." Doerfer backed up dissent by quoting Commission's famed "Blue Book"—its much-attacked *Public Service Responsibility of Broadcast Licensees*, issued in 1946.

✓ Children's TV shows are improving but still have long way to go, Philadelphia school board's 5-month survey of 3000 parents reveals. Many objected to casting of a parent, relative or teacher as "incredibly stupid" and majority were concerned over TV influence on behavior and attitudes of children. About 60% of parents said children were reading less but weren't able to pin it directly on TV.

High-tower compromise may be in the wind as joint TV-aviation-govt. study group (Vol. 11:3, 5) winds up 8-month study. Seven-member fact-finding subcommittee, named by CAA chairman Fred B. Lee and FCC Comr. Robert E. Lee, is due to report next week, with full group's final report considered likely following week. It's understood that military and aviation representatives on the committee have indicated they'll go along with proposals for towers as high as 2000 ft. if committee recommends regulations "with teeth" requiring antenna farms and multiple antenna towers be used wherever possible. Meanwhile, fact-finding group, together with 12 members of Air Coordinating Committee's ad hoc study group on tower marking and lighting, this week went to Louisville to observe WHAS-TV's experiments in new tower lighting systems.

Republican TV campaign will be repeat performance of 1952 tactics—scheduling speakers immediately following big-audience shows—party strategists disclosed this week after Washington conclave addressed by Carroll Newton, BBDO v.p. Earlier in week, Republican chairman Leonard Hall staged minor hassle with networks over "equal time" after ex-President Truman's Labor Day speech over NBC, CBS & ABC. Hall demanded party get chance to answer. ABC offered time, CBS refused and NBC said it "was considering it." By end of week, rhubarb apparently had reached cooling off stage.

Four applications for new TV stations were filed with FCC this week, bringing total pending to 155 (19 uhf). Week's applications: For Redding, Cal., Ch. 7, by KXOA, Sacramento; for Billings, Mont., Ch. 8, by KGHL; for Juneau, Alaska, Ch. 8, by Wm. J. Wagner, owner of KINY, Juneau, and 5 other Alaska AMs; for Lead, S. D., Ch. 8 (satellite), by KOTA-TV, Rapid City, S. D. [For details, see *TV Addenda 21-1* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 21* with Addenda to date.]

San Francisco Seals baseball team has been purchased by S. H. Patterson, owner of KSAN-TV, San Francisco (Ch. 32), and son Norwood, subject to Pacific Coast League approval. Since start of broadcasting March 1, 1954, KSAN-TV has specialized in programming all Seals games and training activity and bills itself as the "Bay area's first & only sports station." Patterson will inherit bill of \$30,000 for back salaries, another \$30,000 owed league, \$19,000 tax bill, \$50,000 bank loan.

TV-radio's "Great Man" (Vol. 11:34), new book by Al Morgan (Dutton, 317 pp., \$3.50), is panned harshly in Sept. 9 column by Herald Tribune Syndicate's John Crosby, as a "dirty book" which misleads public in concept of industry. Crosby calls for honest story of TV-radio, saying: "The world of radio and television is a marvelously complex and intricate one, and God knows there is a good novel in it for the right guy. What is needed is an Arnold Bennett. Are there any around?"

FCC's detailed tables on network-station 1954 revenues and profits—filling out initial report (Vol. 11:25)—will be issued as they're prepared, starting in 2-3 weeks with table on metropolitan areas with 3 or more stations each.

All FCC commissioners will be guests of honor, along with Vice President Nixon, at Radio-TV Executives Society luncheon Sept. 14 in Roosevelt Hotel, N. Y. No Commission meetings will be held next week.

Annual outing of Federal Communications Bar Assn. is scheduled for Oct. 15. Locale is Lohnes farm in Vienna, Va., as usual—widow of attorney Horace Lohnes telling Assn. she'd be pleased to have outings continue there.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
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Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS — September 17, 1955

BIG 4 SELL 45% of TV sets: RCA, Philco, Admiral, Motorola. Runners-up are Zenith, GE, Emerson, Westinghouse. Outlook for the smaller manufacturers (p. 1).

TREND TO FREE BROADCASTING in Europe may be sparked by Britain's new independent TV, McConaughy says in summing up impressions of tour (p. 2).

REPUBLIC PICTURES agrees to formula for releasing 3-year-old features to TV, as 10 other movie firms prepare for trial in govt. films-to-TV suit (p. 3).

LONDON COMMERCIAL service starts Sept. 22, other ITA stations to be completed early next year; Warner Bros. has interest in new program contractor (p. 5).

OVER-ALL ALLOCATIONS review predicted by FCC chairman, beginning early next month, as Commission maps out tough schedule for fall-winter (p. 5).

CBS "SEGMENTATION" PLAN disclosed to radio affiliates, breaking up evening programs into 5-min. sales units at \$2100 each; 17 already sold (p. 6).

SATELLITE OPENS UP new So. Dakota market—KDLO-TV, Florence (Ch. 3). Mexico's 7th station, Monterrey's XHNL-TV (Ch. 10) begins operation (p. 8).

HIGH-TOWER CONTROVERSY seen near end as members of industry-govt. study groups reach informal agreements on tower marking and height problems (p. 9).

OUTPUT OF 8,200,000 TVs, retail sales of 8,000,000 forecast for record 1955 by RETMA pres. H. L. Hoffman. The "whys" of boom business (p. 10).

AUTO-PHONO AND RECORD package, called "Highway Hi-Fi," produced by CBS-Columbia for optional equipment in Chrysler's 1956 auto line (p. 12).

WAR ON TUBE RACKETEERS now industry-wide—Sylvania, RCA, GE and others joining Philco in fight to smash \$100,000,000 bilking of public (p. 13).

ELECTRONICS BOOM rescuing New England from industrial oblivion; area garners 15% of business, 50,000 displaced workers finding new jobs (p. 13).

APPRAISAL OF ADMIRAL bullish despite loss of defense business; Glore, Forgan & Co. compares sales growth and pre-tax profit margins of selected majors (p. 14).

3-V INDUSTRIAL COLOR TV demonstrated by RCA, which will market it next year; closed-circuit TV seen founding "University of the World" (p. 15).

REPORTS ON TV SPOT advertiser expenditures, by companies & brands, from TvB starting with last 1955 quarter; advance estimate \$275,000,000 (p. 16).

NETWORK BILLINGS dip to 12-month low in July—but PIB report shows TV aggregates \$227,172,548 for 7 months, radio \$69,976,389 (p. 16).

TOP 4 OF TOP 20 DOMINATE TV SET MAKING: As in the automotive field, a handful of companies dominates TV production and sales -- though the proportions are quite different. Whereas the Big 3 (General Motors, Ford, Chrysler) account for 95% of automobile output, the Big 4 of TV (RCA, Philco, Admiral, Motorola) combine to represent about 45%. Remainder is shared by 60-odd other companies (see TV Factbook No. 21).

The 4 top TV manufacturers rank in that order, too, with RCA accounting for about 18% of sales during most of last year and 1955, Philco about 11%, Admiral slightly more than 8%, Motorola just under 8%. Their percentages of sets-in-use, meaning their share of the 35,000,000 or more in the hands of the public, vary somewhat from those figures because Philco and Admiral at one time claimed to be making and selling about the same number of sets as RCA.

Foregoing figures are from a highly competent source, and they seem to jibe with findings of the "1955 Consolidated Consumer Analysis" covering 20 markets (Vol. 11:21). This source says runners-up are Zenith, GE, Emerson, Westinghouse -- without divulging percentages. Nobody else is credited with as much as 3% of the market.

And after the foregoing 8, next top dozen (not necessarily in this order) are said to be DuMont, Crosley, Silvertone (Sears Roebuck), Magnavox, Sylvania, Capehart-Farnsworth, Muntz, Hallicrafters, Hoffman, Packard-Bell, Stromberg-Carlson, Olympic.

* * * *

What's happening in the manufacturing industry, actually, is that the big are getting bigger -- competing like blazes with one another -- while the smaller fellows are finding it next to impossible to catch up. Their share of the market is at best fractional, and it has long been thought many would be squeezed out.

But fewer economic casualties have occurred than you might expect. Aside from Tele-tone, which rode high in TV's early days but went under, all of the top dozen or so set-making pioneers are still in business. Recently, Muntz, Majestic, Transvision, Regal, Shaw, Kaye-Halbert, Fada, Trad and a few others have been in and out of bankruptcy courts -- but several of these are still producing.

Two companies quit TV production in last 12 months, neither one due to economic difficulty. Arvin dropped TV output in favor of concentrating on radios, particularly auto radios (Vol. 11:13). Stewart-Warner quit TV-radio fields in U.S. but kept at them in Canada (Vol. 10:52). Neither was a major TV producer.

* * * *

We asked some of the middle and smaller producers recently how they appraised their present positions and future prospects. One of the most pertinent replies was that of Raymond W. Durst, pres. of Hallicrafters, now heavily in private label:

"We're riding on a hard circuit in TV in competing with the majors. The pressures and resources of the big boys are hard to cope with. But we can survive. We just need to adjust our sights and put heavier reliance on diversification. We go into high fidelity, govt. products, communications equipment, and just hold on to our small share of the TV market. I'll summarize by saying this: The situation gets harder all the time; it looks difficult but it is far from hopeless."

Raytheon has also gone in more heavily for private label business, and all who can are expanding their govt. business. Harold Shevers, pres. of Gotham Television Corp., which makes Hyde Park brand for Macy's, said "the outlook for the smaller manufacturer lies in specialties." Leslie W. Roberts, pres. of Philharmonic, which makes AMC, May Co., Allied, ISE brands, said "the smaller TV manufacturer can exist only through proper diversification, otherwise the outlook is dim."

"In private label," said another, who preferred anonymity, "we can produce higher-priced sets without fear of making them competitive. We don't have to be in the rat race." And Setchell-Carlson gen. mgr. H.E. Tyler, writing from the little town of New Brighton, Minn., where it's located, said that so far as his company is concerned the future looks good. "Being a small manufacturer," said Mr. Tyler, "has its distinct advantages in that we can reduce our production to a point where the market will absorb it completely...As of [now] our inventory is practically nil."

McCONNAUGHEY'S VIEWS ON EUROPEAN TV: Increasing awareness of superiority of free and independent broadcasting in European countries was cited by FCC Chairman Geo. C. McConnaughey as an outstanding impression of his recent communications inspection tour of England, France, Germany, Switzerland, Netherlands, Norway & Sweden.

He returned "more convinced than ever that we -- with all our problems, vexatious as they may be -- have the best system of broadcasting ever devised."

The introduction in Britain next week of a modified form of commercial TV, McConnaughey believes, will be watched very closely by other European countries which haven't yet decided how much freedom their new TV systems are to be allowed. When we asked him his impressions of European broadcasting, he held out great hope for Britain's new Independent TV Authority (ITA) as a force for creating more popular programming in England -- and "a very hopeful sign for all of Europe."

"Given time and a minimum of govt. interference, ITA is going to be a marked success," he predicted, despite such obstacles as receiver conversion. Out of some 5,000,000 sets-in-use, only 1,000,000 have been converted to receive second channel. Advent of commercial TV, he said, should put BBC on its toes, the competition forcing it to improve programs. "The BBC," he added, "hasn't given the people what we consider a good variety of programs."

In France, he found TV picture technically "excellent," but was disappointed with calibre of talent and programming, which he felt was "hampered by the strong tie-in with govt. operation." As an example, he cited a one-hour program he viewed during prime Saturday evening time -- entirely devoted to bridge lessons.

West Germany is "very alert to the broadcasting picture," he stated, "and we can expect to see pretty substantial improvements in the next year or so." German TV has started out on semi-commercial basis under complex state-private partnership

arrangement. German radio, now almost entirely converted to FM, he described as "perfectly delightful," keyed by good music and excellent reception.

In Sweden, where control of TV has not yet been decided, he perceived strong undercurrent of sentiment for independent operation as opposed to strict govt. control. In Norway and the Netherlands as well as Sweden, he was impressed by alertness to broadcasting and anxiety to begin TV on soundest possible basis.

He found many misconceptions about American broadcasting in general, and the role of the advertiser in particular, wherever he went. On one occasion when he was being interviewed on Oslo radio, he was asked: "Is it true that the advertisers run broadcasting in the United States?" He then proceeded to explain role of FCC, how broadcast licensing operates, etc.

In good-natured discussion over the teacups, he was asked this question by a BBC executive: "How can you justify a program like 'The \$64,000 Question'?" The FCC chairman replied that he couldn't see anything seriously wrong with such a program, and that, indeed, it may even have some educational value. Then, with a smile, he added: "We often wonder about your Irish Sweepstakes."

Note: British and French TV interests are now reported negotiating with producer Louis G. Cowan for foreign versions of the giveaway.

(For Chairman McConnaughey's approach to allocation controversy, and his plans for Commission consideration of the issue, and separate story on British commercial TV debut Sept. 22, see p. 5.)

WILL GOVT. SUIT INCREASE FILMS FOR TV? On eve of the trial of 12 movie companies for alleged conspiracy to keep films off TV in Govt.'s 3-year-old "16mm suit", Republic Pictures -- which has already offered some 300 of its features to TV -- agreed to make arrangements to continue releasing pictures 3 years old and over.

Real importance of consent decree -- in which Republic in effect agreed to do what it already has been doing -- is that (1) it indicates Govt. still intends to press the controversial suit originated by Truman Administration, and (2) similar agreements with other movie makers conceivably could be forthcoming, although both Republic and Govt. deny participating in a "pilot decree."

Sizing up significance of decree as regards other movie makers, authoritative Motion Picture Herald said Sept. 17: "The other defendants are under considerable pressure to agree to a consent decree along the lines to which Republic submitted. This is true because when a defendant agrees to a consent judgment prior to taking of testimony in any anti-trust case, that consent decree cannot be used by a plaintiff in a private suit."

Trial opens Sept. 20 in Los Angeles Federal Court for remaining 10 defendants: 20th Century-Fox, Warner Bros. & its Warner Bros. Distributing Corp., Columbia and its TV subsidiary Screen Gems, Universal and its United World Films, RKO, plus independents Film Inc. and Pictorial Films Inc. (Vol. 8:30). Neither Paramount nor MGM is involved in Dept. of Justice action.

Consent decree requires Republic (and subsidiary Republic Productions) to offer to TV within 90 days 80% of the feature films produced before Aug. 1, 1948 to which Republic holds TV rights. This portion of the decree is meaningless as far as more-films-to-TV is concerned, since Republic has already licensed at least 80% of such features for TV showing.

Company also is ordered to begin "necessary negotiations" (unions, etc.) toward clearing post-1948 pictures for TV. Within 2 years after negotiations are completed, Republic is required to make available to TV 25% of films that have been in release 3 years; thereafter it must release annually at least 50% of the films shown in theatres during preceding 3 years.

Formula for decree apparently was tailored to fit Republic's past practices and future plans with regard to TV -- but movie industry is wondering whether Govt. now plans to use same 3-year yardstick in suit against remaining defendants.

Note: If other defendants are awarded more favorable terms after trial, Republic is entitled to apply for modification of decree.

Personal Notes: Charles Singer, with WOR & WOR-TV for 28 years, recently its chief engineer, has joined Page Communications Engineers Inc., Washington, as director of operations; Ross Bateman, since 1946 chief of ionospheric research of Bureau of Standards' Central Radio Propagation Labs, has also joined Page as director of research . . . A. E. Towne resigns as chief engineer of KPIX, San Francisco, to form own San Francisco electronic development and consultant firm, A. E. Towne Assoc. Inc.; Thomas T. Ely, asst. chief engineer of Westinghouse's WBZ-TV, Boston, becomes KPIX chief engineer, Wm. Burgess promoted to asst. chief engineer, Ray Holtz succeeding him as transmitter supervisor . . . Mitchell Wolfson, co-owner of WTVJ, Miami and head of Wometco chain of theatres, will be keynote speaker at Theatre Owners of America convention in Los Angeles Biltmore Oct. 6; he's ex-TOA pres. & chairman . . . Mrs. Fanny Neyman Litvin, FCC examiner, retires Sept. 30 after 30 years of service; she will continue to make her home at 3850 Tunlaw Rd., Washington . . . Thomas B. McFadden, NBC Spot Sales v.p., flies to England Sept. 20 for opening of ITA commercial TV system Sept. 22; NBC pres. Pat Weaver will be there, too (Vol. 11:36), speaks Sept. 27 before Institute of Advertising Practitioners . . . Sol Taishoff, publisher of *Broadcasting-Television*, sailed Sept. 14 on the *Queen Elizabeth* for England to be present at start of commercial TV; he will also tour Europe . . . Jack R. Poppele, asst. director for broadcasting, U. S. Information Service, back Sept. 12 from 6-week flying trip to Voice of America European operations . . . Robert B. Hanna Jr., mgr. of GE broadcasting dept. (WRGB & WGY), also designated to serve as gen. mgr. of Maqua Co., GE-owned printing firm, one of largest in country, employing 800 . . . Leslie C. Johnson, WHBF-TV, Rock Island, named chairman of NARTB employer-employee relations committee, succeeding Robert D. Swezey, WDSU-TV, New Orleans . . . Fred W. Wagenvoord, v.p. & gen. mgr., WGTH-TV, Hartford, has resigned and General Teleradio has assigned Jack Downey as operations chief; station's sale to CBS pends FCC approval (Vol. 11:28) . . . George R. Snell, ex-WLEX-TV, Lexington, Ky., named program & operations mgr. of up-

coming WHTN-TV, Huntington, W. Va. (Ch. 13), due Sept. 25; George A. Miller Jr., ex-WSAZ-TV, Huntington, local & regional sales mgr.; Chester A. Siegrist, ex-WCNY-TV, Carthage, N. Y., studio-transmitting engineer . . . John Henry promoted to sales mgr., KCSJ-TV, Pueblo; Jack Wells, ex-WKY, Oklahoma City, named program coordinator . . . Morton Lowenstein named v.p. in charge of new Forjoe office in Philadelphia . . . Larry Lowenstein, ex-Benton & Bowles, joins CBS-TV as press information director . . . Clinton F. Wheeler, onetime TV-radio director of Ogilvy, Benson & Mather, promoted to Kenyon & Eckhardt v.p. . . . Rodney Albright, ex-Biow-Beirn-Toigo, joins Sullivan, Stauffer, Colwell & Bayles as TV production supervisor . . . Jacob A. Evans, ex-v.p. of *Sponsor*, now with McCann-Erickson, to direct TV-radio clinic of adv. & selling course to be conducted by N. Y. Ad Club . . . Gerald Green promoted to producer of NBC-TV's *Today*, Mon.-thru-Fri. 7-9 a.m., succeeding Robert Bendick, now working on *Wide Wide World*, twice-monthly Sun. 4-5:30 p.m. . . . Abe Greenberg promoted to adv. & sales promotion director, Howard Wormser to publicity director, KTLA, Los Angeles . . . Harry Beaudouin resigns from NBC publicity dept. to become asst. director of TV-radio publicity, Republican National Committee . . . John F. White, v.p. of Western Reserve U, Cleveland, named gen. mgr. of educational WQED, Pittsburgh, replacing Wm. A. Wood, now consultant to several educational stations . . . James Agostino, ex-KHQ, named sales mgr. of KXLY-TV & KXLY by v.p.-gen. mgr. Richard E. Jones . . . Robert A. Mortenson, ex-N. W. Ayer, named gen. mgr. of upcoming WIIC, Pittsburgh (Ch. 11), with Roger C. Rice, also from that agency, as sales mgr.; they will report to pres. O. M. (Pete) Schloss . . . Fred Gregg, recently detached to Avco, returns to Crosley Bestg. Co. as asst. gen. sales mgr. under sales v.p. Harry Mason Smith . . . Frank E. Mitchell, mgr. of KIMA, Yakima, Wash., adds duties as business mgr. of KIMA-TV; satellite KEPR, Pasco; upcoming KLEW-TV, Lewiston, Ida. . . . Joseph M. Allen, ex-TV-radio director of Assn. of National Advertisers, promoted to v.p. . . . Wm. F. Wetmore Jr. and Robert B. Yorty become junior partners of Pierson, Ball & Dowd, Washington attorneys.

Rev. Malcolm Boyd, once with Republic Pictures and Samuel Goldwyn Productions, formerly associated with Mary Pickford & Buddy Rogers in their TV-radio activities (which include one-third ownership of WSJS-TV, Winston-Salem, N. C.), elected to board of Cathedral Films, 140 No. Hollywood Way, Burbank, Cal. He's now taking graduate studies at Union Theological Seminary, N. Y., and writing a book on the relation of church to media of mass communications. He took his Episcopalian orders in 1951, was graduated last year from the Church Divinity School of the Pacific.

Marvin Miller, star of *The Millionaire*, on CBS-TV, has been designated by William J. Grede, national chairman, 1955 Bible Week, as an honorary chairman to represent TV industry. Edward Stanley, NBC public service programs mgr., heads special events phase of all-faiths National Bible Week, Oct. 17-23.

Mims Thomason, UP v.p. in charge of newspictures, promoted to gen. business mgr., succeeded by his asst. Frank Tremaine. Jack Bisco has resigned as v.p. & gen. mgr. of UP, and plans to acquire a newspaper or radio station.

Robert Butler, 58, ex-ambassador to Cuba and Australia, chief owner of WTCN-TV, Minneapolis, until its recent sale to Bitner interests, died in N. Y. Sept. 15 following a heart attack.

David Kingsley, managing director of National Film Finance Corp., set up by British Govt. to finance movie production and export, was in N. Y. recently to look into reasons why British films aren't more successful in the American market—including brief look-see at TV, which has used them profusely. He's also treas. of British Lion Films, following only Rank and Associated as biggest distributor in the UK, and wholly owned by the govt. corporation since it ran into financial trouble. NFFC backs about 40% of all British film production.

U. S. delegates to UNESCO conference in Tangier, Morocco, Sept. 19-30, to promote international cooperation between films and TV: James Nelson, asst. to NBC pres. Pat Weaver; Paul Wagner, exec. director of Film Council for America; Paul Talbot, pres. of Freemantle Overseas Radio & Television Inc.; Maurice Mitchell, pres. of Encyclopedia Britannica Films.

Dr. Filiberto Guala, director general of RIA, the Italian broadcasting system, and his delegation were guests of Voice of America's industry advisory committee at Washington luncheon Sept. 15; administrative-program-technical group includes Dr. Francesco S. Gilente, Dr. Franco Passigli, Dr. Aldo Passanti, who will tour U. S. TV-radio centers for about month.

Gerard Gingras, Montreal investment executive, appointed to CBC board of governors, now consisting of 10 members, with one vacancy left.

B RITAIN'S COMMERCIAL TV system gets under way Thu., Sept. 22, under aegis of Independent TV Authority with 2 of the 4 private program contractors combining to present 7:15-11 p.m. schedule, transmitted by newly completed 10-kw visual, 2½-kw aural transmitter at Croydon built by Marconi. At last reports, advertisers had purchased 18 minutes of commercials at time-&-half rates, all first-night profits (expected to run about \$28,000) to go to charities. Base rate is £1000 (\$2800) per minute.

On eve of opening of London area service—that from Birmingham being due to start next Feb. and from Manchester in May or June—ITA disclosed that its fourth contractor would be Associated British Picture Corp., in association with Hulton Press, which publishes 5 newspapers in the Midlands. It is taking over the franchise recently surrendered by the Kemsley-Winnick group, which quit because of costs involved, and will serve Midlands, Yorkshire and Lancaster areas from Birmingham & Manchester outlets.

Associated British is part-owned by Warner Bros., but ITA regulations require programs be predominantly British to protect against too much American programming. ABPC managing director C. J. Latta is due in N. Y. next week on visit to Warner home office. His company has already set up TV subsidiary called Associated British Cinemas (TV) Ltd.

Under the contract setup, Associated-Rediffusion Ltd. will utilize time on London station Mon. thru Fri.; Granada TV Ltd. on Manchester station Mon. thru Fri.; Associated Broadcasting Co. Ltd. on Birmingham station Mon. thru Fri. and London Sat. & Sun. New ABPC group presumably will take over the Kemsley-Winnick time allotment of Sat. & Sun. on the Birmingham & Manchester stations.

London reports interest running high in upcoming commercial service, with the highbrow element (spearheaded by *London Times*) eyeing the project askance but the man-in-the-pub generally favorable to the idea of competition, as we reported in our own on-the-spot roundup of last autumn (Vol.10:45). Lots of Americans are to be on hand for opening (see Personal Notes) and the interest of the Anglo-American advertising fraternity is particularly keen.

Here's comparison of BBC program schedules and the combined efforts of Associated-Rediffusion and of Associated Broadcasting for opening night Sept. 22, as listed in parallel columns in *Commercial Television News* of London:

BBC

- 7 p.m. News.
- 7.15 p.m. Weather and Programme parade.
- 7.20 p.m. Topical spot.
- 7.30 p.m. Outside broadcast.
- 8 p.m. "Disneyland" film.
- 8.30 p.m. "Animal, Vegetable or Mineral?"
- 9 p.m. Play.
- 10 p.m. Eurovision from Paris.
- 10.30 p.m. (approx.). Close down.

ABC/A-R

- 7.15 p.m. The Guildhall banquet.
- 7.30 p.m. Sir John Barbirolli and the Hallé Orchestra.
- 7.43 p.m. National Anthem.
- 7.45 p.m. Speeches by the Lord Mayor, the Postmaster-General, and Sir Kenneth Clark, ITA chairman.
- 8 p.m. Wood Green Empire all-star variety.
- 8.40 p.m. Half an hour of filmed drama.
- 9.10 p.m. Boxing.
- 10 p.m. News.
- 10.15 p.m. May Fair Hotel; interviews with famous stars.
- 10.30 p.m. All-star cabaret.
- 10.50 p.m. Trallars.
- 11 p.m. Close-down, with a 2-minute religious epilogue.

Note: For data on BBC & ITA, and for addresses and names of principals of ITA program contractors, see p. 246, *TV Factbook No. 21*.

A LLOCATIONS ECONOMICS—including the plight of uhf, the deintermixture issue, vhf drop-ins, etc.—loomed as biggest and toughest problem for coming season as FCC met informally for a good look at the substantial matters to be placed on its agenda. McConnaughey told us earlier that he hopes Commission will be able to get right to work on allocations problems, meeting on them "early in October."

"The Commission is going to have to take a pretty hard look at the over-all picture," the chairman said. "We're cognizant of the problems and they're bigger than just isolated cases." He said he has formed no personal conclusions on the answer. "We're going to have to ask the advice of a lot of people, and get some unbiased opinions."

McConnaughey's statement of his opinions on allocations problems, coupled with views of other Commissioners as reported in 3 preceding issues (Vol. 11:35-37), indicate FCC's look at allocations will not only be an "over-all" look but also a long look.

Due to get under way in earnest soon, too, is Commission's network investigation, for which Congress appropriated \$80,000. In a related step, chief Harold Cowgill of FCC's Common Carrier Bureau, has been collecting data on AT&T network rates. Study of rates has been recommended by Senate Commerce Committee Chairman Magnuson (D-Wash.) and Committee's Plotkin Report.

* * * *

Commission held no formal meeting this week, Comr. Webster being in Europe and other commissioners attending Radio-TV Executives Society luncheon in New York (see p. 6) on regular meeting day. Only FCC action dealing with TV was release this week of order (FCC 55-931) turning over Ch. 5 & 6 in Alaska and Hawaii to non-broadcast use. Commission noted there had been no opposition to this proposal. Neither channel is allocated in either of the territories.

Three more eastern Pennsylvania uhf stations joined Harrisburg's WHP-TV in opposing proposed purchase by Triangle Publications (WFIL-TV, Philadelphia, WNBFTV, Binghamton) of off-air WLBR-TV, Lebanon, on Ch. 15 (Vol. 11:31), asking that Commission hold hearing. Charging that station would essentially be satellite of WFIL-TV, hurting local community stations, were WCMB-TV & WTPA, Harrisburg & WHUM-TV, Reading. Lebanon County Chamber of Commerce petitioned for quick grant of transfer.

Maximum of 1000 TV stations "when the industry has reached its peak point of performance" is foreseen by NARTB pres. Harold Fellows—even though original allocation plan provided for 2000. Paying tribute to TV at testimonial luncheon in N. Y. honoring RCA Chairman Sarnoff, he said: "This medium has done so much to change the lives of so many people already that it indeed challenges the imagination to anticipate any further inroads it might make on the experience of living. Surely, we can anticipate in the near future live TV on an international scale." He also predicted that current 2748 radio stations will rise to "a final count of something in the neighborhood of 3000." He said radio has become more of a "community service" than a "national service."

Sam Gallu, producer of *Navy Log* on CBS-TV, which premieres Sept. 19 at Washington's Carter Barron Amphitheatre, to be presented with citation as honorary admiral in the Navy by Secy. of Navy Thomas; show starts Sept. 20, Tue. 8-8:30 p.m., with Maytag and Shaeffer Pen as alt. sponsors.

NETWORK RADIO keeps searching for a comeback formula. Following NBC's plan last week to extend *Monitor* concept of programming to weekdays 10 a.m.-6 p.m. (Vol. 11:37), CBS this week disclosed its "segmentation" plan to affiliates meeting in Detroit.

As outlined by sales v.p. John Karol, CBS plan would open to 5-min. sales such weekday programs as *Bing Crosby Show*, *Tennessee Ernie*, *Jack Carson Show* & *Amos 'n' Andy Music Hall*, and the weekend *Edgar Bergen*, *Galen Drake* & *Robert Q. Lewis* shows. A single 5-min. segment costs \$2100 in time & talent, with usual frequency discounts on multiple sales. Karol said 17 segments had already been sold, with Philip Morris and Hallmark Greeting Cards among first sponsors.

"Each of you remembers when the network buying formula was largely 15-minute strips and half-hour shows," he stated. "These, in radio, were like the one-page ads in magazines. But the patterns of listening have changed and we have modified our programming to capitalize on this change. The final step, obviously, had to be a shift in sales philosophy to allow the advertiser to buy in relation to the changing habits of listening. This shift means that now an advertiser can buy the equivalent of the half-page ad or the one-column ad."

He said CBS Radio was in strongest competitive position in its history, adding that "on the basis of business now on the books, our estimate for an average week in October 1955 shows that CBS Radio is running about 90% ahead of NBC in total hours sold." [For comparative PIB figures for first 7 months of 1955, see p. 16.]

Earlier, pres. Frank Stanton told record gathering of 230 network and station officials that CBS has budgeted 29% increase in network radio programming in 4th quarter over earlier estimates. Of radio's future, he said:

"Radio's future is not depressed but radio has problems which we deceive ourselves if we do not admit. I think we will work out our problems gradually. But we will work them out. We won't sit them out . . . Our comfortable patterns have been pulled apart. Our security has been shaken. But the elements of a new stability are at hand."

VICE PRESIDENT NIXON, following pattern of CBS pres. Frank Stanton's proposal last May (Vol. 11:22), this week advocated TV debates between opposing political candidates (15 min. each) for Senate, House, local offices—but he didn't go into "Lincoln-Douglas" type meetings on presidential level as suggested by Stanton. Addressing Radio & Television Executives Society at N. Y. luncheon Sept. 14, he said key to political success is informality—fireside chats, debates, audience participation. TV will end reign of old-time "stump speaker," he predicted, and will cut through artificiality, permitting sincerity to come through. "Whistle stop" tours will become passe, he said, "because they cannot compete with TV in reaching a mass audience."

Mr. Nixon flatly rejected use of written texts or prompters in TV campaigning, saying that while off-the-cuff speaking required twice as much preparatory work, it was much more effective. He suggested candidates buy frequent TV spots for 5-min. & 1-min. talks to make their names and faces familiar to audience. Stations themselves are best qualified to achieve "proper balance" among parties in non-election year free time, he said, but "there is no such thing as a non-political speech by a politician. Sell him the best time for drawing an audience, even if it costs twice as much. Candidates should be prepared to spend as much money on building up a program, through advertisements and organization work, as they do on air time."

Affiliates adopted resolution, at close of meeting, commending CBS for "its continuing efforts to maintain the high quality of the radio operation." These affiliates board officers were elected: chairman, Kenyon Brown, KWFT, Wichita Falls, succeeding John Patt, WJR, Detroit; vice-chairman, F. C. Sowell, WLAC, Nashville; secy-treas., Max Rider, WBRY, Waterbury, succeeding Arnold Schoen, WPRO, Providence. New board members elected were Frank Fogarty, WOW, Omaha, and Worth Kramer, WJR.

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NBC affiliates' reactions to *Monitor* extension followed no pattern—some pro, many con—but network went on with plans to extend to weekday service as of Nov. 7. NBC reported that 39 out of 200-odd affiliates had agreed informally to extension.

Epitomizing opposition was sharply critical letter from Westinghouse stations v.p. Donald H. McGannon to affiliates chairman Robert D. Swezey declaring: "Westinghouse stations cannot continue to carry *Monitor* on the weekends unless the entire compensation structure is substantially revised upward and certain program changes made so as to achieve a larger share of audience. WBC will not accept *Monitor* during weekday periods because it is essential to the future operation of these stations that they continue to receive national spot revenue in order to survive, and it is clear that broad extensions of *Monitor* can only result in the drying up of national spot revenue for the individual stations."

NBC Radio affiliates executive committee elected these officers: chairman, James Gaines, WOAI, San Antonio, succeeding Robert D. Swezey, WDSU, New Orleans; vice-chairman, Chris Witting, Westinghouse; secy-treas., George Harvey, WFLA, Tampa. Other members are George Wagner, KFI, Los Angeles; Harold Hough, WBAP, Ft. Worth; J. Leonard Reinsch, WSB, Atlanta; Ben Larson, KDYL, Salt Lake City; Lester Lindow, WFDF, Flint; David Baltimore, WBRE, Wilkes-Barre. It's noteworthy that all save Lindow also operate TV stations, and his parent company (Bitner) operates 3 TV outlets.

RCA-NBC Chairman Sarnoff, responding impromptu to presentation of N. Y. Sales Executives Club's "Applause Award" for "outstanding salesmanship and public service" Sept. 13, observed that 81% of his company's anticipated 1955 volume of \$1 billion represents goods and services that didn't exist 10 years ago. He referred specifically to TV, which wasn't even on the market in 1945 yet now accounts for about half of RCA's gross (counting NBC as well as receiver, tube, transmitter & component's businesses). He predicted that today's \$10 billion electronics industry, ranking 13th in volume in the nation, would not be recognizable a decade hence. Harold Fellows, NARTB pres., speaking at same luncheon, noted the many other honors that have been bestowed upon Gen. Sarnoff and observed: "I believe this is the first occasion he has been singled out for his selling ability—and I say that it is high time." Meeting also saw series of photographs on screen titled "The David Sarnoff Story," prepared by *Life Magazine*, with commentary on his 50 years in the industry.

Printers' Ink July index shows national advertising as a whole achieving new records, up 11% for first 7 months of this year over same 1954 period; July alone was 12% ahead of July 1954. Network TV was ahead 28% for the month, network radio off 8%.

BM's ever-popular clinics start next Feb. 26, end June 15, with 2 teams of speakers covering 42 meetings in 40 states.

Station Accounts: Color commercials are being used on WRCA-TV by 7 major advertisers for their 10 & 20-sec. spots adjacent to network color programs. Using color adjacencies are RCA, thru J. Walter Thompson; Oldsmobile, thru D. P. Brother Inc.; Ford Dealers Assn., thru J. Walter Thompson; L&M Cigarettes, thru Cunningham & Walsh; Benrus Watch Co., thru Biow-Beirn-Toigo; B. T. Babbitt Co., thru Dancer-Fitzgerald-Sample; Castro Convertibles, thru Newton Adv. . . . Clock watchers: Spurred by success of its *Count Sheep* sign-off program, Mon.-thru-Fri. 1-1:05 a.m., WRCA-TV Oct. 31 will launch sign-on program, *Eye Opener*, Mon.-thru-Fri. 6:55-7 a.m.—with humorist Martin Levin, dressed in pajamas, satirizing day's news developments . . . Big sponsor for a little station: Sears Roebuck, for its 6 mail order offices in east Texas, buys *Waterfront* on KTRE-TV, Lufkin, independently-operated satellite of Houston's KPRC-TV . . . Among advertisers currently reported using or preparing to use TV station time: Mildred's of California, L. A. (girls' apparel), thru Harvey Waldman & Assoc., L. A.; Summit Hall Turf Farm, Gaithersburg, Md. (Meyer Z-52 Zoysia grass plugs), thru Henry J. Kaufman & Assoc., Washington; Gini Products, San Gabriel, Cal. (Pinware pincurl permanent wave), thru Benet Hanau & Assoc., San Jose, Cal.; Chun King Sales Inc., Duluth (Oriental foods & canned frozen foods), thru J. Walter Thompson, Chicago; Malt-O-Meal Co., Minneapolis (cereal), thru Campbell-Mithun Adv., Minneapolis; Research for Better Living Inc., N. Y. (T-W-O reducing aid), thru Wexton Co., N. Y.; Dormeyer Corp., Chicago (appliances), thru John W. Shaw Adv., Chicago; Manitowoc Equipment Works, div. of Manitowoc Co., Manitowoc, Wis (freezers & cabinets), thru O'Grady-Anderson-Gray, Chicago; T. W. Burlison & Son, Waxahachie, Tex. (Burlison's honey), thru Rogers & Smith, Dallas; Englander Mattress Co., Chicago, thru Leo Burnett Co., Chicago; S. B. Thomas Inc., N. Y. (Thomas protein bread), thru David J. Mahoney Inc., N. Y.; National Shoe Stores Inc., N. Y., thru Emil Mogul; Hanover Canning Co., Hanover, Pa., thru Arndt, Preston, Chapin, Lamb & Keen, Philadelphia.

Merger of 2 major TV-radio sponsors: Gillette Co., which purchased Toni in 1947, this week agreed to purchase Paper-Mate Pen Div. of Frawley Corp., Culver City, Cal. for \$15,500,000 cash. Paper-Mate, budgeted for about \$5,200,000 in advertising, sold \$26,000,000 worth of its products last year, claims it has 80% of ball point market. It agency is Foote, Cone & Belding.

Rate increases: WSJS-TV, Winston-Salem, Oct. 1 raises base hour from \$450 to \$550, min. \$90 to \$110; WKNB-TV, New Britain-Hartford, raises hour from \$400 to \$500, 20 sec. \$80 to \$100; WILK-TV, Wilkes-Barre, has raised hour from \$250 to \$300, min. \$40 to \$50.

Gold Mail Box Award for 1955 for year's best direct mail advertising was bestowed on NBC this week by Direct Mail Advertising Assn., and accepted by Edwin Vane, national sales promotion mgr.

Crackdown on free airline plugs was ordered this week by CBS-TV program v.p. Hubbell Robinson Jr., who said policy henceforth will be to give brief aural credit only—no more pictures of airplanes.

"Oscar" movie awards of Academy of Motion Picture Arts & Sciences will be on NBC-TV March 21 (sponsored by Oldsmobile), with nominations tentatively scheduled Feb. 15.

Power increases: WSJS-TV, Winston-Salem (Ch. 12) Sept. 10 to 316-kw; KDUB-TV, Lubbock, Tex. (Ch. 13) Sept. 11 to 316-kw; KCOP, Los Angeles (Ch. 13) Sept. 12 to 170-kw ERP.

Network Accounts: CBS-TV is reported to have sold to unidentified sponsors 2 new Victor Borge shows and a new Jackie Gleason program, both to be on irregular schedules in mid-week. They're 3 of 12 mid-week 60 or 90-min. "specials" planned by CBS this season — remainder being 6 *See It Now* programs (2 sponsored by Pontiac), 2 Orson Welles films and an adaptation of *Nutcracker Suite* . . . Oldsmobile to introduce its 1956 line in gala 30-min. \$125,000 monochrome variety show on NBC-TV Nov. 2, Wed. 10:30-11 p.m., starring Perry Como and Patti Page, thru D. P. Brother Adv. . . . American Home Products to sponsor *Wanted* on CBS-TV starting Oct. 20, Thu. 10:30-11 p.m., thru Biow-Beirn-Toigo; it will also be co-sponsor of *Midwestern Hayride* on NBC-TV starting Sept. 28, Wed. 10:30-11 p.m. . . . Ralston Purina to sponsor *Ethel & Albert* as replacement for *Name's the Same* on ABC-TV starting Oct. 14, Fri. 10:30-11 p.m., thru Guild, Bascom & Bonfigli, San Francisco . . . Chunky Chocolate Corp. to be alt. sponsor of *Super Circus* on ABC-TV starting Sept. 25, Sun. 5-6 p.m., thru Hilton & Riggio . . . Telechron buys one-fourth sponsorship of *Ozzie & Harriet* on ABC-TV starting Sept. 30, Fri. 8-8:30 p.m., thru N. W. Ayer . . . Olin Mathieson Chemical Corp. (flashlights & batteries) buys several partic. on NBC-TV's *Tonight* for 13 weeks starting Sept. 16, Mon.-thru-Fri. 11:30 p.m.-1 a.m., thru D'Arcy . . . Carrier Corp. (air conditioners) buys 30 partic. on *Today & Home* on NBC-TV starting next April, thru N. W. Ayer . . . Dodge buys Cotton Bowl game from Dallas on NBC-TV Jan. 2, starting at 3 p.m., thru Grant Adv. . . . New title of repeats of *I Love Lucy* is *The Lucy Show*, switching to Sat. 6:30-7 p.m. on CBS-TV starting Oct. 8 . . . Ronson Corp. and Pall Mall cigarettes switch *Douglas Edwards and the News* to Mon.-thru-Fri. 7:15-7:30 p.m. on CBS-TV starting Sept. 26 . . . Toni and Paper-Mate switch Ark Linkletter's *People Are Funny* to Sat. 9-9:30 p.m. on NBC-TV starting Sept. 24.

Top 25 agencies in network TV billings last year, according to tabulation prepared by Leading National Advertisers Inc. for *Advertising Agency Magazine*, accounted for \$246,553,898 out of \$320,154,274 in total placements, or 77%. (For network breakdowns by months, see Vol. 11:6, p. 16.) The top 25: BBDO, \$24,699,614; Young & Rubicam, \$23,111,797; Wm. Esty Co., \$22,255,451; J. Walter Thompson, \$18,576,676; Leo Burnett, \$15,671,948; Biow-Beirn-Toigo, \$13,927,498; Benton & Bowles, \$13,100,349; McCann-Erickson, \$10,902,583; Dancer-Fitzgerald-Sample, \$10,537,829; Ted Bates & Co., \$9,682,478; Compton Adv., \$8,241,905; Sullivan, Stauffer, Colwell & Bayles, \$7,783,465; Lennen & Newell, \$7,229,719; Maxon, \$6,559,278; Cunningham & Walsh, \$6,513,444; Foote, Cone & Belding, \$6,255,860; Kenyon & Eckhardt, \$5,734,552; N. W. Ayer & Son, \$5,435,862; Kudner, \$5,392,296; Weiss & Geller, \$5,051,116; Edward Kletter Assoc., \$4,524,402; Cecil & Presbrey, \$4,217,546; Needham, Louis & Brorby, \$3,880,893; MacManus, John & Adams, \$3,665,643; D'Arcy Adv., \$3,601,694.

"Television has become the greatest of the advertising media and since the great industries of America have found it very beneficial, we have decided to enter it not only because it will be an important factor in our income, but simultaneously we will be able to advertise and promote our own pictures. If other great corporations can increase the sales of their products through TV, we can similarly appeal to a large portion of the family trade and recapture their lost patronage, thus restoring prosperity to the motion picture theatre box office."—Spyros P. Skouras, pres. of 20th Century-Fox in statement to stockholders, officially announcing new subsidiary TFC Television Productions Inc.

NEW TV MARKET—Florence, S. D.—opens up this week-end with start of KDLO-TV (Ch. 3), testing in preparation for regular programming that begins with World Series carried off-air from sister station KELO-TV, Sioux Falls, S. D. (Ch. 11), located about 100 miles southward. Semi-satellite station, under same ownership, will carry about 25% local programming, rebroadcasting KELO for most part.

KDLO-TV has KELO-TV's former 5-kw RCA plant with new 6-bay RCA antenna on 750-ft. Ideco tower at site near Garden City, about 20 mi. west of Watertown. This week, corporate name was changed to Triple City Broadcasting Co. to indicate coverage of triangle formed by Watertown, Huron & Aberdeen. Owners N. L. Bentson, Joseph L. Floyd & Edmund R. Ruben earlier this year acquired radio WLOL, St. Paul (Vol. 11:18) where Bentson formerly owned time-sharing WMIN-TV, now combined into WTCN-TV. Florence outlet has Les Froke as chief engineer, is sold in combination with KELO-TV, with H-R Television as rep.

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That makes 449 stations now on air, 107 of them uhf. This week came word of another starter worth recording—XHNL-TV, Monterrey, Mexico (Ch. 10), country's 7th station and 6th operated by O'Farrill-Azcarraga interests. It began Sept. 2 as film-only outlet, operating 6:30-10 p.m. daily without live or studio facilities and using mainly kinescopes from Mexico City. Monterrey (pop. 300,000) is about 140 mi. south of Laredo, Tex. Low-power transmitter supplied by Cia. General de TSF, of France, supplies 300 watts ERP from Topo Chico site. Only fulltime employe is mgr. Mario Quintanilla, also mgr. of local radio XEFB. Base rate quoted is 450 pesos per half hour.

Only equipment shipments and orders reported this week were 20-kw amplifier from GE to WITN, Washington, N. C. (Ch. 7), due on air later this month; 10-kw transmitter with 12-bay antenna and other equipment due to be delivered by GE within 90 days to upcoming KOSA-TV, Odessa, Tex. (Ch. 7); 50-kw amplifier from DuMont to on-air WTVD, Durham, N. C. (Ch. 11).

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In our continuing survey of upcoming stations, these are latest reports from principals:

KTVO, Kirksville, Mo. (Ch. 3) has 25-kw RCA transmitter and antenna on hand, expects to meet Sept. 28 test pattern and Oct. 1 CBS programming targets, writes station mgr. Berg Allison. As of Sept. 15, it had 100-ft. of 1101-ft. Stainless tower erected at site near Lancaster, Mo., about halfway between Kirksville and Ottumwa, Ia., latter being business address for TV and site of radio affiliate KBIZ. Principal owner with $\frac{2}{3}$ control is attorney James J. Conroy, who also controls Wisconsin radios WBIZ, Eau Claire & WLCX, LaCrosse. Base hour will be \$300. Rep not chosen.

WDBJ-TV, Roanoke, Va. (Ch. 7) has installed 5-kw DuMont transmitter and expects to meet Sept. 22 test pattern target, writes operations director Ray P. Jordan for owner *Roanoke Times* and *World-News*. It has 6-section RCA antenna 667-ft. above ground on former tower of WROV-TV, plans to start CBS programming early in Oct., with interim 25-kw visual ERP. Work has already begun on plant, which will enable station to boost power to 316-kw ERP early in 1956. Base rate will be \$450, with jump to \$600 scheduled in April, 1956. Rep will be Free & Peters.

WITN, Washington, N.C. (Ch. 7) expects to meet Sept. 20 test pattern target, reports pres.-gen. mgr. W. R.

Roberson Jr., whose family recently acquired control (Vol. 11:33). On Sept. 26, it begins as NBC basic, replacing WNCT, Greenville (Ch. 9), only outlet within 90 mi. of Washington. Alford 5-bay 102-ft. antenna was to have been installed on 818-ft. Stainless tower week of Sept. 12; now it's working on 20-kw GE transmitter at site near Grifton, some 25 mi. southwest of city. Robersons also operate local radio WRRF and Wm. S. Page, other principal stockholder, controls WELS, Kinston, N.C. Base hour will be \$325. Rep will be Headley-Reed.

KRBB, El Dorado, Ark. (Ch. 10) has Oct. 15 test pattern target, plans to start with NBC programming Nov. 1-15, reports $\frac{1}{3}$ owner-gen. mgr. Wm. M. Bigley. Near state's southern border, it has 6-bay RCA antenna installed on 600-ft. Skyline tower, with 5-kw RCA transmitter purchased from Terre Haute's WTHI-TV (Ch. 10) scheduled to be ready by Oct. 1. Base hour will be \$200. Rep will be Pearson.

KMVI-TV, Wailuku, Hawaii (Ch. 12), doesn't expect GE transmitter and 6-bay RCA superturnstile antenna to arrive until mid-Oct., now plans test patterns by "mid-Nov. or later," reports pres. J. Walter Cameron for owner, the semi-weekly *Maui News* (KMVI). It will have transmitter atop Haleakala Crater, will re-transmit Honolulu's KONA programs in much same way that KGMB-TV programs are picked up and rebroadcast by on-air satellite KMAU, also on Haleakala (Vol. 11:16). Rep will be NBC Spot Sales.

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CKNX-TV, Wingham, Ont. (Ch. 8), about 20 mi. east of Lake Huron, now plans test patterns Oct. 15, programming Oct. 30, reports gen. mgr. W. T. Cruickshank. It will use 2-kw RCA transmitter, 12-slot wavestack antenna on 600-ft. Stainless tower to beam 36-kw visual ERP. Base hour will be \$200. Reprs will be Adam Young and All-Canada.

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Gerald A. Bartell family is buying KCBQ, San Diego (1170 kc, 5-kw D, 1-kw N, ABC) for \$250,000 from Tucson attorney Timothy D. Parkman & Stanley N. Schultz, subject to FCC approval. It's second radio station in major market to be purchased within month by Bartells, other being WBGE, Atlanta for \$100,000, also pending FCC approval (Vol. 11:35). They also operate WMTV, Madison (Ch. 33) and own Wisconsin radios WOKY, Milwaukee & WAPL, Appleton.

Community antenna microwave application to feed 3 channels of Nashville programs to system at Paducah, Ky. was filed with FCC this week by Blackhills Video Co., Rapid City, S. D., which estimated installation cost at \$71,445, maintenance & operation \$10,000 a year, first year's revenues \$12,000. Blackhills is currently involved in hearing with competitive applicant for microwave to serve Rapid City community system with Denver signals (Vol. 11:22).

With 28 TV stations on air and 8 more building, more than 75% of Canada's population now has service available and more than 40% of families have sets, CBC chairman A. Davidson Dunton told Canadian National Exhibition last week. In discussing operating costs, Dunton said advertising had been unable to support all programming and hinted possible increase in 15% excise tax on receivers.

Frank C. Carman has acquired full ownership of KUTA, Salt Lake City, by acquiring 62 $\frac{1}{2}$ % of stock for \$150,000 from Grant Wrathall and E. O. Powers in deal handled by Blackburn-Hamilton. Sale of his interest in KUTV (TV) to *Salt Lake Tribune* and *Ogden Standard-Examiner* interests has also been negotiated (Vol. 11:31).

Westinghouse tube div., having recently entered image orthicon and power tube fields, is preparing to market vidicons early next year.

Telecasting Notes: Movieland's invasion of TV showed some end results this week with premieres of Warner Bros. and MGM efforts on ABC-TV. Reaction of critics was mixed, but nearly every one remarked on amount of time given to plugs for the moviemakers. The more ambitious show, *Warner Bros. Presents*, featured new film made for TV based on characters and settings of "King's Row," with plot and performances a cut above soap opera calibre. Film ran about 45 min., with about 10 min. devoted to ballyhooing Warners' theatrical features . . . MGM Presents has been described as a "half-hour commercial" for MGM films (plus the program's paying sponsors)—but nevertheless the film clips from past movie successes provided some good entertainment . . . It's too early to generalize on the movie majors' programs; undoubtedly there'll be patching-up and revisions on basis of reaction to efforts to date . . . Next moviemaker-produced show to debut will be Disney's *Mickey Mouse Club* on ABC-TV beginning Oct. 3, Mon.-thru-Fri. 5-6 p.m., then *20th Century-Fox Hour* on CBS-TV beginning Oct. 5, alt. Wed. 10-11 p.m.—originally slated to begin Sept. 21 but postponed 2 weeks because of production problems . . . "That program" continues to monopolize ratings—this week's \$64,000 *Question* rolled up 49.6 Trendex to 3.3 for NBC-TV's *Truth or Consequences* and 1.9 for ABC-TV's *Name's the Same* . . . Giving away money, even if it sometimes goes as high as \$64,000, makes for inexpensive programming. In \$64,000 *Question's* first 13 weeks, it gave away \$183,000 plus 2 Cadillacs (retail value \$4000 each), making cost of prizes awarded to date average out to only about \$14,700 a week . . . Smash-hit scored with community by WRC-TV, Washington, with its series on the polluted Potomac (Vol. 11:35) is being followed up with another splendid public service feature, announced by v.p.-gen. mgr. Carleton D. Smith: Series titled *Y.O.U.—Years of Usefulness*, produced in collaboration with D. C. Dept. of Public Health, deals with medical, social & economic problems of the aging . . . Another Peabody Award candidate: KNXT's *Crisis Over Los Angeles*, aired in Class AA time 7:30-8 p.m. Sept. 13 to tell people about dangers of smog . . . Unusual journey: 3 WBNS-TV newsmen covered "local" story in Genoa, Italy, returning Sept. 15 with 30-in. statue of Christopher Columbus, miniature of 20-ft. statue which will be presented as gift next Columbus Day from people of Genoa to people of Columbus, O. . . . All-night TV for New York: WOR-TV next week inaugurates daily 1-7 a.m. *Night Time New York*, live show packaged by Hank Leeb Productions . . . How to cheat at cards and other gambling games is subject of new weekly 10-min. *Honestly Dishonest* series on San Francisco's non-commercial KQED, featuring Bob Haskell, San Francisco expert on detection of crooked gambling . . . Jewish Theological Seminary of America plans 13 film shows for TV, telling story of Judaism; Milton Krents, producer of NBC's *Eternal Light*, will produce . . . Harriet Van Horne, TV-radio writer for *N. Y. World-Telegram*, has own show now on WABC-TV, Sat. 6:30-6:45 p.m., taking viewers behind scenes in TV.

ABC-TV to "project" all its film shows from Hollywood, New York & Chicago via microwave-coaxial this season, becoming first network to go "live-film" for all recorded shows. Using 35mm prints for all 32 of its weekly film programs, ABC figures on savings in 16mm print costs and transportation as well as better control over quality of projection. Same films will be microwaved regionally to interconnected points from each of the 3 origination points.

Screen Actors Guild voted 4357-573 to ratify new contract with TV film producers which ended 12-day nationwide actors' strike (Vol. 11:32-34).

END OF HIGH-TOWER controversy between military-civilian aviation and the telecasting industry seemed closer than ever this week as result of agreements within 2 separate industry-govt. study groups—on tall towers and on lighting & marking.

A 7-man subcommittee of Joint Industry-Govt. Tall Structure Committee reported this week on a "flexible agreement" which could end the stalemate between Pentagon and telecasters over towers higher than 1000 ft. Still-secret report will be submitted Oct. 3 to full committee, is understood to require FCC rule-making, therefore would be subject to industry comments before final adoption.

As predicted last week (Vol. 11:37) it's understood to involve use of antenna farms wherever possible, but set no limits on permissible height of towers.

Long-standing ad hoc proposals of new tower lighting and marking standards have been submitted to technical div. of Air Coordinating Committee, with recommendation that no new standards be finalized until they are subjected to exhaustive tests on actual TV towers of various heights. Proposals are complex, involve new principle of daytime high-intensity lighting (20,000-180,000 effective candle power) on days when visibility drops to 1-3 mi.

Other daytime marking proposals involve solid white circle 150-200 ft. in radius at base of towers, rotating ground markers at guy anchor points, black bands on towers between the conventional white and orange bands. New night lighting rules are also proposed.

Adding emphasis to new "era of good feeling" between military aviation and telecasting industry, military and civilian members of Washington Airspace Subcommittee joined this week to approve proposals by Boston's WBZ-TV for new 1199-ft. tower—the second over-1000-ft. tower okayed by Pentagon since it imposed its unofficial "ban" on such towers last Jan. (Vol. 11:4). First was 1110-ft. for KWVL-TV, Waterloo, Ia. (Vol. 11:22).

Meredith Publishing Co. discloses, in report for fiscal year ended June 30, that 17.1% of its \$42,753,555 gross (\$7,309,857) was derived from its broadcasting operations, which consist of 4 TV and 4 AM stations (see *TV Factbook No. 21*, p. 53). Gross compared with \$41,298,782 in preceding year, of which 12.7% (\$5,244,945) came from TV-radio. Big Des Moines publishing house (*Better Homes & Gardens, Successful Farming*) earned net of \$3,623,865 (\$2.81 per share) vs. \$3,682,470 (\$2.85) in fiscal year ended June 30, 1954.

Guild Films sales for 9 months ended Aug. 31 exceeded 1954 total by \$500,000, and unbilled gross contracts now total \$3,785,000 vs. \$2,164,960 a year ago. Surplus has increased to \$1,403,000 vs. \$1,124,000 at end of last fiscal year. Pres. R. R. Kaufman also announced appointment of Joseph M. McDaniel Jr., secy., Ford Foundation, as chairman of Guild Films advisory committee on new business development and corporate expansion.

First \$1,000,000 gate for closed-circuit TV was predicted this week for Sept. 20 Marciano-Moore heavyweight championship bout, based on reports of heavy advance ticket sales by 127 theatres scheduled to carry telecast in 92 cities—greatest number ever booked for a theatre-TV event. About half the theatres carrying bout reportedly will use mobile projection equipment rented from Theatre Network TV Inc., which is presenting the theatre-telecast.

Signing up Los Angeles' KTTV for *Suzy and Halls of Ivy* series, TPA reports that it has done \$858,000 worth of business with that single station in last 2 years; KTTV specializes in film programming.

SCARCELY A CLOUD ON THE TRADE HORIZON: From RETMA pres. H. Leslie Hoffman come some amazing statistical projections which attest to the vitality of TV-radio business this year. In interview at RETMA quarterly meeting in N.Y. this week, he predicted:

TV production of 8,200,000, retail sales of 8,000,000 this year; radio output of 12,300,000, retail sales of 12,500,000. The TV figures, of course, represent new records -- exceeding the 7,463,800 produced in 1950 and 7,300,000 sold last year. Radio figures fall short of record but surpass the 10,400,000 made and sold in 1954.

Predictions presuppose normal seasonal uptrend in last 4 months of year, he said, noting that "from now until Christmas is usually our best season and there is no reason why it will not live up to this reputation in 1955". Hoffman then gave us these reasons why retail TV sales are so high:

(1) Robust economy: "People have money or credit and they're using it to buy the things they want most -- and TV is very close to the top of their preferences."

(2) Desire for entertainment: "A TV set is a seat to a show and everybody wants to see a show. And, I might add, the shows have never been better."

(3) Increased wear-out rate: "Replacement sales are booming because many, many sets are deteriorating to the point where it's impractical to repair them. It proves far more expedient and cheaper in the long run to buy a new set."

(4) Program competition: "The practice of networks in programming high-rated shows in competition with each other in same time position is stimulating second-set sales. The father may want to watch a ball game, the mother a dramatic show, and the kids a children's program -- all at the same time. So they buy second sets."

Hoffman's optimism was generally shared by virtually all manufacturers, big and small, attending RETMA sessions. So high was their exuberance, in fact, that only scant attention was paid to record-high inventories of 2,500,000 TVs.

There are few kicks these days from distributors and dealers, either. Thus there doesn't seem to be a cloud on the trade horizon as industry celebrates National TV & Radio Week starting Sept. 18 -- and it looks like smooth sailing in the near future at least.

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Revising production "mix" upward, to permit concentration on higher-priced sets where profit margins are greatest (Vol.11:37), is common practice in industry now -- but Emerson pres. Benjamin Abrams warns that it can be overdone. He told us that the practice, if abused, could result in artificial attempt to force production of higher-priced sets faster than public buys them. Next step, he said, would be to dump the excess on the market at cut-rate prices.

"The only way to raise prices is to raise them," he insists. Emerson is one of several companies which have recently increased lists -- others being Admiral, Motorola, DuMont, Stromberg-Carlson, Trav-Ler.

Abrams believes the 24-in. is a real comer, though -- and says Westinghouse's Dan Halpin "wasn't far off base" in last week's prediction that 24-in. would account for 20% of TV sales next year. Several other set makers, while agreeing that 24-in. is making headway, opined next year's figure would be 10-15%.

There's disagreement on whether 24-in. will gain at expense of 17 or 21-in. So far, the 24 gains have been the 17 loss -- but there are some who contend 17-in. market will stabilize itself and low-end 21-in. tables will lose ground.

Brief highlights of other major trade developments this week:

* * * *

DuMont Subsidiary: National distribution subsidiary, called DuMont National Distributors Inc., was established this week as means of shoring up distribution in "markets where we are unable to get strong independent distributors." DuMont system

is patterned on RCA Victor Distributing Corp., and its new pres. is Wm. H. Kelley, DuMont v.p.-gen. mgr. Fritz P. Rice, operations director of consumer products, is v.p. of new subsidiary. Explained Kelley: "We can't afford to ignore those markets [where independent distribution is not available] in the light of our long-range program for increased volume and product diversification." He said DuMont prefers independent distributors where available, plans to surrender factory distribution to a strong independent outlet subsequently in any market served by new subsidiary.

Tinkertoy: Emerson is still aiming to be first on market with "Tinkertoy" or modular, TV set (Vol.11:23-24). Pres. Benjamin Abrams told us he's still shooting for Jan. 1 as introductory date of Tinkertoy set, reported progress thus far as "very satisfactory." From several other manufacturers, however, come objections to Tinkertoy set in its present form. H. Leslie Hoffman, pres. of Hoffman Electronics, and Robert S. Bell, exec. v.p. of Packard-Bell, said they had found modular sets to be too inflexible in that they did not permit use of common components and would thus prove hardship in servicing. Hoffman stressed, however, that no engineering development should be ruled out forever. "The important thing," he said, "is to evaluate it in its present stage of development. Perhaps someone will come along with a refinement to make it entirely practical for our industry."

Whirlpool Merger: Distribution wheels began to churn in white goods industry this week, following overwhelming approval by stockholders of new Whirlpool-Seeger Corp. in which RCA and Sears Roebuck each owns about 20% (Vol.11:29-30). Rumors of impending distribution shift in Minneapolis flew thick and fast within hours after merger approval by 99% of stockholders of Whirlpool and Seeger. Minneapolis reports were that RCA distributor F. C. Hayer Co. would take Whirlpool line from Reinhard Bros., which would in turn take Norge line from W.R. Beamish Co. Though principals declined comment, reports were regarded as highly authoritative. You can look for similar shifts to pop up -- though RCA corporate exec. v.p. Charles M. Odorizzi, a director of Whirlpool-Seeger (along with RCA pres. Frank M. Folsom), has cautioned that distributor changes won't be abrupt (Vol.11:30).

Labor: Westinghouse strike ended Sept. 15 after month-long dispute idling 44,000 workers and halting production in 28 plants organized by IUE, including TV factory at Metuchen, N.J. Thirty factories with AFL or independent unions were not affected, including tube plant at Elmira. Strike started in big E. Pittsburgh plant and spread later to other IUE facilities in the sprawling Westinghouse organization. Rep. Kearns (R-Pa.) said he will sponsor amendment to Taft-Hartley Act to prevent such sympathy strikes in future. Meanwhile, strike at Bendix Radio in Baltimore entered 4th week as we went to press, with little sign of settlement. Negotiations between International Assn. of Machinists and company appeared deadlocked, despite efforts of Federal Conciliation and Mediation Service to get parties together. On another labor front, Raytheon this week signed new contract with IBEW in all Mass. plants calling for 3% wage increase this year and next.

Fair Trade: GE keeps fair trade fires burning almost single-handedly these days, following Westinghouse's decision to leave field (Vol.11:36). In Milwaukee, company asked Federal Judge Tehan to reconsider his earlier refusal to grant an injunction against Milwaukee Boston Store to prevent big retail outlet from cutting prices on GE small appliances. And in Portland, Ore., GE filed notice of appeal to State Supreme Court in effort to reverse Circuit Court decree dismissing its complaint against R.H. Whale Co. on price-cutting charges. Sept. 12 Advertising Age editorialized: "It is our personal impression that fair trade will become progressively weaker as long as the economy is as vigorous and as healthy as it seems to be at present. That is because the fair trade concept is relatively less important in good times than in times of stress. Fair trade was invented as a tool to equalize competition between the 'giant chains' and the 'small independent' in the days when the struggle for business survival was earnest and intense to [a] painful degree."

Production: TV output totaled 183,912 week ended Sept. 9, compared to 185,114 preceding week and 167,471 week ended Aug. 26. It was year's 36th week and brought TV production to date to about 5,175,000 vs. 4,300,000 in same 1954 period. Radio

production totaled 234,812 (96,394 auto units) week ended Sept. 9, slightly up from 226,774 in preceding week but under the 239,401 in week before. For 36 weeks, radio production totaled 9,100,000 vs. 7,200,000 in corresponding period year ago.

Retail Sales: More new records were piled up in first 7 months, RETMA report showing 3,584,562 TVs sold at retail in Jan.-July period, 13% higher than in record 1954 when 3,174,394 sets were sold. July sales set record of 381,567, only little under the 430,347 sold in 5-week June and above the 368,634 of July 1954. Radios sold in first 7 months, excluding auto sets, totaled 2,732,983 vs. 2,822,090 in corresponding 1954 period. July sales were 303,965, compared to 421,387 in June and 411,197 in July 1954.

Trade Personals: R. Lee Waterman, ex-Montgomery Ward, named gen. mgr. of Corning Glass consumer products div., succeeding John Carter, now v.p.-gen. mgr. of new products div.; Stannard H. McKibben promoted to supervisor of TV bulb applications engineering and packaging, Corning electrical products div. . . Bruce W. Bragg, ex-RCA, named asst. sales mgr., Westinghouse TV-radio div.; Russell W. Johnson, ex-DuMont, named asst. adv. mgr. . . John D. Thuet, Sylvania regional mgr. for Philadelphia & Pittsburgh, named radio sales mgr. of TV-radio div., replacing Aaron Bowser, resigned . . Alfred C. Werner promoted to mgr. of Raytheon's new Pittsburgh sales & service office, reporting to Harold N. Herndon, Cleveland district mgr. of equipment marketing div. . . John H. Riddel, ex-Capehart-Farnsworth, named merchandise planning mgr., Sylvania TV-radio div. . . Robert M. Van Brundt, Motorola adv. mgr., moderated panel discussion on manufacturer-to-dealer direct mail ad techniques Sept. 14 at Chicago convention of Direct Mail Adv. Assn. . . James E. McGarr promoted to gen. mgr., Sylvania tungsten & chemical div., reporting to operations v.p. John B. Merrill . . John E. Riesenfeld, home merchandising mgr., *Good Housekeeping Magazine*, becomes pres. & publisher, *Radio and Television Weekly*, succeeding Edward H. Davis, who remains as consultant . . Robert G. Hess appointed Sparton eastern Mich. zone mgr., Port Huron . . J. A. (Shine) Milling, Howard W. Sams Co., and Norman A. Triplett, Triplett Electrical Instrument Co., named co-chairmen of RETMA jobber relations committee . . Wm. Griffith resigns as Bendix Radio New England regional mgr., his duties assumed by eastern mgr. Paul McLaughlin . . Edward Kedziora promoted to v.p. in charge of Sonora contract sales . . Thomas M. Schubert named staff attorney, International Resistance Co.

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Packard-Bell exec. v.p. Robert S. Bell says recent decisions of some TV manufacturers to design "California-style" receivers for exclusive marketing on west coast (Vol. 11:33) justify his oft-stated position that "there's no need for a western manufacturer to go east; they're coming out to us." He told us Packard-Bell has no plans to extend its distribution beyond its present 11 western states and Hawaii. "To sell in the east you need an eastern facility," he said. "Coming in as a newcomer would be highly unprofitable—at least at the start." Packard-Bell this week added one 21-in. table model at \$180 and four 21-in. consoles at \$200, \$250, \$300 & \$330.

James Emanuel Hahn, 63, founder of old DeForest Radio Corp. of Canada, later known as DeForest-Crosley, died last week at his summer home in Cambellton, N.B. He was pres. of John Inglis Co. Ltd. and English Electric Co. of Canada when he retired in 1951. Surviving are wife, 2 sons and a daughter.

Wallace L. Gifford, a v.p. & director of Raytheon, recently serving as its general consultant, died Sept. 9 at home near Waltham, Mass.

HIGHWAY HI-FI is what CBS-Columbia and Columbia Records call their special new 16 $\frac{2}{3}$ rpm auto-phono-record package, which will be offered as optional equipment in Chrysler's 1956 line. Invented by Dr. Peter Goldmark, pres. of CBS Labs, phonograph is mounted under dashboard, plugs into car radio by jack, plays through radio speaker, draws power from car battery. It's manually operated, attached by rubber shock mounting to offset vibration, with special "damping" process to keep needle in grooves while car turns corners.

Special package of six 7-in. Columbia records, with up to 35 min. of playing time on each side, will be offered Chrysler purchasers for still-undetermined price. Phono and records are being made exclusively for Chrysler, whose transistorized radios are made by Philco.

Auto companies are also experimenting with transistorized radios that can be removed from dashboards and used as portables, according to R. W. Snyder, sales mgr., electrical div., Olin Mathieson Chemical Corp. (batteries). Predicting battery industry boom, with a \$100,000,000 market in cells for transistor radios within 3 years, he said these sets eventually may replace conventional home receivers. New *Jobber News* market guide reports 31,300,000 auto sets in use in 1954, and 42,400,000 radio homes out of total of 45,300,000 homes.

Note: Transistorized electric clocks will be in every auto in 5-10 years, predicts GE exec. v.p. Roy W. Johnson. He said the new clocks, requiring no plug-in-cord, will be marketed within 6 months. By 2 years they will have no moving parts, he predicted.

DISTRIBUTOR NOTES: CBS-Columbia appoints Tom P. McDermott Inc., 1400 S. Boston, Tulsa (Tom P. McDermott, pres.) . . R. P. McDavid & Co., Birmingham (RCA) opens branch at 418 N. Royal St., Mobile . . Olympic Radio creates factory branch, Olympic Television of Northern Ohio Inc., 4019 Prospect Ave., Cleveland (Robert S. Boak, gen. mgr.) . . Trav-Ler Radio opens new factory branches in Cleveland & Milwaukee . . Emerson Radio of Texas appoints H. L. Horton, ex-W. T. Grant Co., as San Antonio branch mgr. . . Canadian Westinghouse Supply Co. Ltd. promotes M. M. Elliott, TV-radio sales mgr. & onetime gen. mgr. of Motorola of Canada, to gen. sales mgr. of consumer products div.; P. W. Heron named asst. sales mgr. . . Admiral Distributors Inc., San Francisco, appoints Winifred Kenny, ex-McCormack Co., as adv. & sales promotion mgr. . . G. W. Onthank Co., Des Moines (Admiral) promotes Frank A. Hutton to sales promotion mgr. . . Philco Distributors Inc., Chicago, appoints Mort Siegel, ex-Main-Line Distributors, as sales mgr. for washers & freezers . . John W. Walter Inc., Long Island City (Bendix Radio) appoints Sidney Gutman, ex-O'King & Co. Adv., as gen. mgr. . . American Elite Inc., N. Y., exclusive U.S. agent for Telefunken radios, reports resignation of John Buckley as field sales mgr.

Topics & Trends of TV Trade: War against used-tube racketeers intensified this week when Sylvania offered \$1000 reward for information leading to arrest and conviction of any individual or company fraudulently branding Sylvania name on tubes. RCA, GE and several other leading tube makers are offering full cooperation to legal authorities in industry-wide drive to stamp out a racket which Philco estimates is costing TV-radio users \$100,000,000 a year. Philco itself has launched campaign to smash racket by offering 5¢ credit for each old tube turned in by servicemen, then destroying it (Vol. 11:33).

"We're taking off the gloves," wrote Sylvania electronic sales mgr. D. W. Gunn to service dealers, "to fight the criminal practices that are robbing service dealers, customers and manufacturers alike." He urged them to take full advantage of the reward offer. "Counterfeiting is injuring your reputation and your business now," he wrote. He said the racket works this way:

The racketeer buys used tubes for 1¢-3¢ each from handful of unscrupulous service dealers. They are cleaned and polished, and the original manufacturer's name buffed off. Then they're rebranded with a top company identification and sold as new to local distributors for as much as 80% of market price. Cathode-ray tubes are subjected to heating process called "toasting" to restore them to temporary usefulness, and the "burn mark" removed by blow torch before washing, polishing and rebranding.

Note: *New York Times* business writer Alfred R. Zipsper Jr. devoted Sept. 11 column to racket, quoted technical official of unidentified company: "The tube crooks foul up the vast market for replacement tubes and don't do anything good for sales of complete TV and radio receivers either."

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New appeal to Federal Trade Commission to obtain modification of its rules on designation of used tubes and screen measurements was authorized this week by RETMA board, as predicted (Vol. 11:37). On recommendation of set and tube divs., board directed counsel Glen McDaniel to gather all necessary facts for new petition. At 3-day N. Y. meeting, board also authorized NTSC to stage color TV demonstration for foreign delegates of International Radio Consultative Committee (CCIR), in cooperation with State Dept., next March in N. Y. Other board actions: (1) Elected E. C. Anderson, exec. v.p. of RCA commercial dept., as RCA's representative on board and on set div. exec. committee, succeeding L. W. Teegarden, resigned. (2) Chose Hot Springs, Va., for annual joint conference with RETMA of Canada, Sept. 27-29, 1956. (3) Approved formation of new guided missiles committee in expansion of military products activities.

Radio Craftsmen Inc., Chicago hi-fi manufacturer, has been purchased by Precision Radiation Instruments Inc., Los Angeles, to be operated as wholly-owned subsidiary. John H. Cashman, pres. of Radio Craftsmen, will serve as adviser until end of year.

Novel promotion: A new RCA Victor 5-in. plastic 78rpm record will be inserted in each copy of Nov. *Pageant Magazine*, carrying article on singer Jaye P. Morgan. It will be miniature version of her latest RCA recording.

DuMont adds 21-in. console, called "Carter," priced at \$240 in ebony, \$250 in limed oak—with aluminized picture tube, tinted safety glass and removable front.

Emerson to spend \$8,000,000 in 1956 ad campaign, biggest in its history, pegged to theme: "Wherever You Look . . . There's Emerson." Agency is Grey Adv.

Zenith adds 24-in. table model at \$260 and 24-in. console at \$340, plus 2 new table phonos at \$300.

GE cut \$2 off price of 4 of its 14 clock radios—bringing price leader down to \$23, with 3 others reduced to \$28.

Electronics Reports: Southern California, notably the Los Angeles area, has been boasting in recent years that it's the center of the burgeoning electronics industry—due to big contracts going to aircraft firms. But the cradle of U. S. industry, New England, is doing all right in that field, too; indeed, it's being rescued from possible oblivion by the electronics boom, says editor Malcolm S. Forbes in Sept. 15 *Forbes Magazine*.

Despite loss of textile industry to south and despite disastrous floods, Mr. Forbes points out, New England's industrial survival is succeeding, thanks in great measure to electronics. During gloomy 5 years when fading textile industry put 100,000 workers on streets, electronics plants alone added jobs for 50,000. Article states:

"It is a real tribute to the workers and entrepreneurs of the area that New England has garnered more than its share of this fast-growing industry. With just 6% of the U. S. population and 8% of its industrial workers, New England has nabbed 15% of the electrical machinery business. Raytheon, for example, is a New England firm . . . GE has no less than 17 plants in the area, is spending \$40,000,000 to modernize its Lynn, Mass. works. General Dynamics Corp. is a big . . . employer. So is Sylvania . . ." Before recent flood, New England economists had predicted 17% share of electronics industry in 1955.

Yankee refusal to accept defeat is emphasized, and cities' determination to avoid "ghost town" status by attracting new industry is pointed up by Lowell, Mass. which built plant for CBS-Hytron to offset loss of textile mills while Lawrence, Mass. is getting 3400-employee Western Electric factory.

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Radio engineering's highest award, the IRE Medal of Honor, will be presented next spring to John V. L. Hogan, president of Hogan Laboratories Inc., founder of New York's WQXR, and a founder and ex-president of IRE. Hogan was cited by IRE "for his contributions to the electronic field as a founder and builder of the Institute of Radio Engineers, for the long sequence of his inventions, and for his continuing activity in the development of devices and systems useful in the communications art."

Morris Liebmann Memorial Prize, IRE's award to the member who has made a recent important contribution to radio engineering, goes to Bell Labs' Kenneth Bullington for studies and application of "scatter" principle of long-distance radio transmission (Vol. 11:32).

Wilbur S. Hinman Jr., director of Diamond Ordnance Fuse Laboratories, Washington, was named to receive Harry Diamond Memorial Award, for govt. employes for outstanding radio-electronics work. Award was for his work in fields of meteorology and proximity fuses.

Note: For nominees for 1956 IRE officers and directors, see Vol. 11:35, p. 11.

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Kaye-Halbert's amended Chapter XI plan has been upset by govt.'s revision of its earlier offer to accept only part of its \$105,000 claim. New petition by Govt. contends that general unsecured creditors must subordinate their claims until all demands of Govt. have been satisfied. Hearing on confirmation of new plan has been postponed to Sept. 22 in Los Angeles Federal Court.

Sylvania opened new \$2,500,000 avionics & missiles system lab at Waltham, Mass. Sept. 15, designed as combination military-commercial electronics research center. In dedication speech, chairman-pres. Don G. Mitchell revealed Sylvania electronics div. held \$50,000,000 in defense contracts, mostly research & development.

Admiral broke ground for new Palo Alto, Cal. electronic research lab this week. Staff headed by Robert M. Jones will handle military projects (guided missiles, radar, etc.) and civilian products research & development.

Financial & Trade Notes: Admiral's position in the industry, despite reduced first-half revenues and earnings (Vol. 11:33) and despite fluctuations of stock so far this year between 30¼ and 21¼, is strongly boosted in 21-p. printed report released by Glore, Forgan & Co., Chicago & New York, which traces its fiscal history and appraises its prospects and market position thus:

"Unless there is an unexpected slump in sales of civilian goods, the outlook is favorable for higher sales and earnings in the last half than the excellent levels in the corresponding period of 1954. Sales are reported to have moved ahead of last year in June and should show increasing gains during the balance of the year in comparison to 1954 when defense sales were declining. As a result of two recent price advances covering different models, a substantial part of the TV line has been increased \$10-\$20 per unit, which should improve dollar sales and profit margins. For the full year, it is estimated that sales will run slightly ahead of the 1954 level of \$219,600,000 with per share earnings a little above the \$2.78 reported in 1954. [For profit-&-loss and other fiscal data for each year from 1950 through first quarter 1955, see *TV Factbook No. 21*, p. 380.]

"At the current market price of 21½ [now 22½], Admiral Corp. common stock is selling approximately 7.7 times tentative earnings projections for 1955. Considering the company's record of growth, the stock appears reasonably priced in the current market in relation to other leading companies in the same fields of endeavor. The dividend yield of 4.7% also compares favorably with the yield provided by stocks of other companies in the TV-appliance fields."

Report shows approximately 65% of Admiral's 1954 sales were TV, radio & govt. equipment, remaining 35% being refrigerators (7% of industry output), freezers, electric ranges, air conditioners. It's one of top 3 among 68 TV producers which are said to be "approximately equal in size and estimated to account for a little less than one-third of total sales." Its competitive position was said to be strengthened last year by development of high speed automatic machines which assemble about ¼ of the 231 electrical components in a TV chassis. Admiral is also building the equipment and up to end of Aug. had delivered the first third (14 out of 44 heads) to the RCA

Paine, Webber, Jackson & Curtis, in Sept. 1 investor report, reveals RCA is "actively developing automatic electronic business control equipment, but as yet has not made any public announcement regarding commercial developments." However, it's stated, trade sources believe commercial units will be introduced soon, launching company into a rapidly growing field which "may reach an annual volume of \$1 billion within 10 years." Report adds: "Assuming RCA obtains 20% of the industrial volume, one can visualize additional sales volume of \$20,000,000 annually for RCA eventually." Also predicted is transistor boom, with present factory sales of \$6,000,000 reaching \$300,000,000 in 5-8 years. Report is highly bullish on RCA, as was Carl M. Loeb, Rhoades & Co.'s 42-p. report of week earlier (Vol. 11:34) which predicted \$1.7 billion revenues for RCA by 1959-60. Note: RCA is expected to realize \$1 billion or more billings this year (Vol. 11:31); its capitalization now is \$384,199,189, of which stockholders' equity is \$234,199,189.

Olympic Radio & Television Co. earned \$158,722 (35¢ per share) on sales of \$8,352,742 in 6 months ended June 30, vs. \$76,993 (17¢) on \$9,342,768 in same period last year. Working capital increased to \$3,184,282 from \$2,915,003; outstanding shares now are 453,522 vs. 431,925 as result of 5% dividend last April.

TV plant in Indianapolis, having signed RCA to 5-year license.

Outlook for Admiral appears favorable for coming year, says report, though defense deliveries (radar, radio-activity detection, walkie-talkies, air-to-ground TV, IFF aircraft identification, all-channel transmitter-receiver for aircraft) have gone down from Korean War peak of \$5-\$6,000,000 per month to about \$2,000,000 monthly in final quarter of 1954 and first half of 1955. Latter rate "is expected to continue for balance of 1955." It was this decline which largely caused 1954 and first-half 1955 gross & net to decline under preceding periods.

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Noteworthy in report on Admiral by Glore, Forgan & Co. are several tables that compare (1) sales growths of that company with other companies during the postwar period and (2) their pre-tax profit margins. Using 1947 index of 100, this is sales index table:

Index of Sales (1947 = 100)

	Admiral	Motorola	Philco	RCA *	Sylvania	Zenith
1947	100	100	100	100	100	100
1948	139	143	122	114	104	97
1949	234	174	95	127	107	125
1950	481	376	148	187	170	169
1951	388	287	135	191	212	139
1952	399	358	162	221	246	173
1953	524	462	190	271	306	210
1954	458	435	154	301	294	175

* Gross revenues.

Second table shows profit margins in the industry have not been high, with exception of 1950 when the sellers' market in consumer durable goods, especially TV sets, resulted in unusual profits for all producers. Here's the second table:

Pre-Tax Profit Margins

	Admiral	Motorola	Philco	RCA	Sylvania	Zenith
1947	7.9%	9.5%	9.6%	9.4%	3.0%	7.6%
1948	9.0	8.8	7.2	11.5	6.3	6.8
1949	12.1	10.5	3.3	10.6	5.0	11.4
1950	16.6	15.5	10.1	16.6	12.0	13.1
1951	10.1	10.4	7.2	10.4	13.1	10.7
1952	10.2	9.2	7.0	9.8	7.5	9.6
1953	8.5	7.1	7.0	8.5	8.3	8.2
1954	7.1	8.1	3.0	8.9	6.5	8.5

Raytheon earned net profit of \$764,000 (27¢ per share) on sales of \$39,184,000 in third quarter vs. \$1,102,000 (40¢) on \$44,698,000 in same 1954 period, reflecting reduced govt. volume and lower profit margins, according to report by pres. Charles Francis Adams Jr. at Sept. 17 annual meeting. Unfilled defense orders as of Aug. 31 totaled \$95,000,000. Adams said that in next 6 months Raytheon will triple production of transistors and that his company is doing more business in transistors than all of its competitors combined.

Among officers' & directors' stock transactions reported by N. Y. Stock Exchange & American Stock Exchange for August: Donald L. Millham bought 2100 GE, holds 4709; E. V. Huggins bought 1000 Westinghouse, holds 2124; C. Russell Feldman acquired 371,520 National Union Electric on conversion of preferred, holds 393,020 indirectly; Gerhard G. Schneider and Mrs. Elise C. Schneider bought 2000 National Union Electric, hold 4000.

ABC-Paramount will redeem 150,000 shares of 5% preferred stock (\$20 par), effective Oct. 20, at \$21.05 per share, including 25¢ accrued dividend. Specific shares will be selected by lot at close of business Sept. 20 when books will be closed to further transfer of selected shares. Retirement, plus 84,790 shares previously purchased on open market, will leave 373,257 outstanding.

Color Trends & Briefs: New 3-vidicon live color camera, keystone of RCA's industrial color TV plans, was demonstrated to mass audience for first time Sept. 12 at Congress of International College of Surgeons in Philadelphia (see below). RCA will go into commercial production of 3-V industrial color systems for industrial and medical purposes next year, developing "specialized gear for all fields," according to engineering products v.p. Theodore A. Smith.

Advantages of 3-V camera over image orthicon for closed-circuit industrial use: lower price (unannounced) and compactness (weight & size about same as black-& white studio camera). As opposed to field sequential industrial color systems being pushed by GE and CBS, RCA lists as an advantage the fact that it is compatible with commercial standards and can use commercial relay facilities and commercially available receivers.

At medical demonstration, more than 1000 surgeons in Philadelphia's Convention Hall witnessed removal of internal growth from a patient in Veterans Administration Hospital, the signal relayed by microwave for viewing on 15x20-ft. projection screen and on standard 21-in. color sets. New 3-V camera picked up close details of the operation, while standard studio-type color cameras provided wide-range views of operating room activity and microscope views of tissue specimen.

Smith emphasizes that the 3-V color camera—at least at present—is not suited to live broadcast studio work, because of its low sensitivity as compared to image orthicon camera. The 3-V system is included in \$425,800 closed-circuit color installation at Washington military medical centers, for which RCA was awarded contract last week (Vol. 11:37).

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Network color telecasting problems will be subject of roundtable at SMPTE's Lake Placid, N. Y. convention Oct. 6. NBC color TV development director Robert E. Shelby, CBS engineering v.p. Wm. B. Lodge, ABC engineering v.p. Frank L. Marx will discuss large scale color operation effect on studio equipment, lighting & techniques. AT&T asst. engineering operations director Frank A. Cowan will cover technological changes required in network color transmission; WTMJ-TV engineering mgr. Philip B. Laeser will explain problems of outlying stations in delivering adequate signals to receivers. H. N. Kozanowski & S. L. Bendell, RCA, will deliver paper on color-metric problems in using film; R. G. Williams, Century Lighting Inc., will discuss control of studio lighting spectral quality.

WDBJ-TV, Roanoke (Ch. 7), due on air this month, has ordered DuMont color multiscanner & 2 camera chains.

"Progress report" on GE color tube development will be given to 20 TV set manufacturers during next 3 weeks at series of half-day demonstrations and discussions at Syracuse plant—but company emphasizes that its color tube is still in developmental stage "and may not be ready for production lines until 1957." Demonstrations will feature GE's "post-acceleration" tube, said to be 3-gun 21-in. rectangular, but tube dept. gen. mgr. J. M. Lang stresses that the meetings will "in no sense be announcement of a new product." Rather, he said, they're intended to show "precisely how we have spent several million dollars in color picture tube development during the past 2 years." GE's color tube is said to use grid behind screen to increase velocity of electrons, which strike color phosphors placed on screen in vertical rows.

Network color schedules for next 2 weeks: NBC-TV—Sept. 19-23 & 26-30, *Home* segments, 11:45-noon, and *Howdy Doody*, 5:30-6 p.m.; Sept. 19, *Producers' Showcase*, "Our Town," starring Frank Sinatra, Eva Marie Saint & Paul Newman, 8-9:30 p.m.; Sept. 27, new *Milton Berle Show* featuring Esther Williams' TV debut, 8-9 p.m.; Oct. 1, *Max Liebman Presents "Heidi,"* starring Jeannie Carson & Trio Shmeed, 9-10:30 p.m. CBS-TV—Sept. 24, *Ford Star Jubilee*, starring Judy Garland & David Wayne, 9:30-11 p.m.; Sept. 27, *Red Skelton Show*, 9:30-10 p.m.

Lineup of talent for second of NBC-TV's *Color Spread* series, based on the book *Show Biz* authored by *Variety's* Abel Green and the late Joe Laurie Jr. and scheduled for Sun. Oct. 9, 7:30-9 p.m.: Groucho Marx as "grand marshal" with Rosemary Clooney, Dennis Day, Paul Gilbert, Phil Harris, Beatrice Kay, Buster Keaton, Eartha Kitt, Bert Lahr, Shirley MacLain.

Big RCA tube plant at Lancaster, Pa., recently converted to color tube production, will add 285,000 sq. ft. of building space to bring total to more than 1,000,000 sq. ft. in what tube div. v.p. D. Y. Smith describes as "another major step in RCA's stepped-up production of color picture tubes." Nearby 14-acre tract was purchased from Stehli & Co.

Canadian coast-to-coast color TV networking will be possible by 1958, said Canadian Bell pres. Thomas W. Eadie at Sept. 12 directors luncheon, Canadian National Exhibition. In 3 years, he said, the world's longest microwave relay route—from Halifax to Vancouver, 4000 mi. via 160 hops—will be completed and fully equipped to carry color programs.

Filmed color TV series, in 39 episodes, 5-min. *Sam Sneed Show* (golfing tips), now being offered to stations and sponsors by RCA Recorded Program Services.

RCA delivered live color camera Sept. 15 to School of Radio Techniques Inc., N. Y.

"University of the World" with lecture rooms and speakers' platforms all over the earth through medium of TV was envisioned by Dr. Alfred N. Goldsmith, editor emeritus of the *Journal of the IRE*, original chief engineer of RCA, now a consultant, in address to Congress of International College of Surgeons in Philadelphia Convention Hall as prelude to closed-circuit color TV medical demonstration (see above). "TV symposia or conventions," said Dr. Goldsmith, "provide new means for tying together, by interconnection, widely separated hospitals and thus combining them into the super-clinic of the future. Cable or radio-relay circuits already carry TV thousands of miles and could be engineered to carry TV sessions over any terrestrial distance . . . It may well lead to a basically expanded type of educational institution [which] could tie together scientists, doctors, teachers, demonstrators and students into one vast and integrated audience. Clearly, TV can add to the 'University of the World' its

necessary adjunct, the 'Library of the World.' Thus electronics will in the future make available to the surgeon or physician anywhere at least as much information as he may desire and can assimilate from any central or regional source anywhere on this planet!"

Dividends: Motorola, 37½¢ Oct. 14 to stockholders of record Sept. 30; ABC-Paramount, 25¢ Oct. 20 to holders Sept. 23; IT&T, 35¢ Oct. 15 to holders Sept. 23 (increased); Dynamics Corp., 10¢ Sept. 30 to holders Sept. 22; GE, 40¢ Oct. 25 to holders Sept. 23; Standard Radio Ltd. "B," 15¢ Oct. 11 to holders Sept. 2; Packard-Bell, 12½¢ Oct. 25 to holders Oct. 10 (increased); Collins Radio, 50¢ Oct. 1 to holders Sept. 20.

IT&T consolidated net income was \$11,411,701 (\$1.59 per share) on revenues of \$227,975,928 for 6 months ended June 30 vs. \$10,112,810 (\$1.14) on \$198,926,281 for same 1954 period.

Network TV-Radio Billings

July 1955 and January-July 1955

(For June report see *Television Digest*, Vol. 11:31)

NETWORK TV BILLINGS dipped in July to lowest since Sept. 1954, aggregating \$29,996,679, but ran well ahead of the \$22,944,803 of July 1954, according to Publishers Information Bureau, reporting Sept. 14 (more belatedly than usual). Network radio also went to new monthly low of \$8,273,365 vs. \$9,529,016 in July 1954. Each of the TV networks was down, with DuMont trickling to mere \$131,105.

TV's 7-month cumulative was \$227,172,548 vs. \$172,957,857 for same 1954 period; radio was \$69,976,389 vs. \$84,058,330. The PIB report:

NETWORK TELEVISION

	July 1955	July 1954	Jan.-July 1955	Jan.-July 1954
CBS	\$14,635,011	\$11,861,534	\$108,326,852	\$ 77,777,963
NBC	11,966,760	8,149,533	90,777,503	70,443,559
ABC	3,263,803	2,310,281	25,032,408	17,517,945
DuMont	131,105	623,455	3,035,785	7,218,390
Total	\$29,996,679	\$22,944,803	\$227,172,548	\$172,957,857

NETWORK RADIO

CBS	\$3,122,096	\$3,821,234	\$27,063,223	\$33,536,043
NBC	2,452,364	2,127,192	18,715,886	20,697,370
ABC*	1,676,650	2,098,823	14,992,049	17,269,420
MBS	1,022,255	1,481,767	9,205,231	12,555,497
Total	\$8,273,365	\$9,529,016	\$69,976,389	\$84,058,330

NETWORK TELEVISION—January-July 1955

	ABC	CBS	DuMont	NBC	Total
Jan.	\$ 3,718,195	\$15,831,141	\$ 723,960	\$13,172,695	\$ 33,445,991
Feb.	3,567,696	14,694,726	597,275	12,419,641	31,279,338
Mar.	3,806,425	16,036,896	628,625	14,102,093	34,574,039
Apr.	3,527,558	15,426,214†	462,335	13,285,933	32,702,040†
May	3,606,427	15,978,680†	273,640	13,591,687	33,450,434†
June	3,542,304	15,724,184†	218,845	12,238,694†	31,724,027†
July	3,263,803	14,635,011	131,105	11,966,760	29,996,679
Tot.	\$25,032,408	\$108,326,852	\$3,035,785	\$90,777,503	\$227,172,548

NETWORK RADIO—January-July 1955

	ABC	CBS	MBS	NBC	Total
Jan.	\$ 2,487,140	\$ 4,181,787	\$1,372,532	\$ 2,744,204	\$10,785,663
Feb.	2,387,900	3,950,767	1,291,938	2,584,620	10,215,225
Mar.	2,445,755	4,393,441	1,446,535	2,953,486	11,239,227
Apr.	2,096,355	3,837,124	1,365,658	2,624,671	9,923,808
May	2,080,272	3,921,807	1,450,889	2,652,560	10,105,528
June	1,817,967†	3,656,201†	1,255,424†	2,703,981†	9,433,573†
July	1,676,650	3,122,096	1,022,255	2,452,364	8,273,365
Tot.	\$14,992,049	\$27,063,223	\$9,205,231	\$18,715,886	\$69,976,389

* In order to maintain continuity and comparability with previously published data, an adjustment factor of 1.817 has been used by PIB in calculating gross network radio time charges for those nighttime network radio programs where ABC Rate Card No. 6 was in effect.

† Revised as of Aug. 14, 1955.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Publishers' Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 25%. However, they're generally accepted in the trade as an index.

Three applications for new TV stations were filed this week with FCC, bringing total pending to 157 (20 uhf). Week's applications: For Boston, Ch. 38, by Herbert Mayer, former owner of WXEL, Cleveland and KPTV, Portland, Ore. (Ch. 27), who recently applied for Philadelphia's Ch. 23 (Vol. 11:20); for Laurel, Miss., Ch. 7, by group of Laurel & Meridian businessmen headed by Meridian Mayor Wm. S. Smylie; for Clovis, N. M., Ch. 12, by farmers S. S. & S. W. Pipkin. [For details, see *TV Addenda 21-J* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 21* with Addenda to date.]

FCC Comr. Robert E. Lee, serving only his second year of 7-year appointment, branded as "just plain nonsense" rumor rampant throughout Washington this week that he's quitting to become an executive of General Tele-radio Inc.

ADVERTISER expenditures on national spot TV will be reported on scientific basis, by companies and by brands, under plans evolved this week by Oliver Treyz, pres. of Television Bureau of Advertising, which now boasts 153 stations, 8 rep firms, 2 networks as members and which, with income now running \$526,000 a year, is rapidly gaining same stature in its field that ANPA Bureau of Advertising enjoys in newspaper field.

First report will cover fourth 1955 quarter, probably will be made available in Feb. 1956, but meanwhile Treyz estimates year's total for national spot TV will approximate \$275,000,000, up from the \$205,200,000 estimated by McCann-Erickson researchers for *Printers' Ink* (Vol. 11:34). That estimate includes talent & production as well as time costs—what the advertiser actually spends; McCann-Erickson figures that the talent & production factor for TV spot is 1.17 times net time cost.

TvB is working with N. C. Rorabaugh Co., publisher of *Rorabaugh Reports* on spot advertising, in development of its quarterly reports, having tested accuracy of Rorabaugh's listings and found them good basis for over-all projections. Rorabaugh will continue to issue *Rorabaugh Reports*, which are based on cooperation of individual stations and enjoy high industry acceptance.

According to Treyz, the new TvB grand totals and individual company & product breakdowns will "eliminate a situation whereby various trade journals and competing media have measured TV as defined strictly by its network facilities dimensions, as regularly reported by PIB." Spot TV, he said, is "one of the last major elements of advertising whose expenditures will be lifted out of mystery and haze into light and focus."

Monthly PIB reports (see adjacent column) cover network time sales only, do not purport to embrace total advertising expenditures on networks. Moreover, they're gross figures, based on one-time rates, so that they must be discounted by as much as 25% to get an approximation of actual network take. *Printers' Ink* report for 1954 estimated advertiser expenditures on networks at \$417,900,000, including talent & production, this total being reckoned by McCann-Erickson as running 1.75 times net time cost.

Subscription TV front was relatively quiet this week, partisans on both sides assuming policy of watchful waiting, following last week's filing of replies to arguments of opponents (Vol. 11:37). Battleground shifted from Washington to Cincinnati this week as WCPO-TV televised 3-day series of debates featuring principals of pro- and anti-fee-TV factions—including Zenith's Ted Leitzell, Skiatron's Robert Hall, Telemeter's Paul McNamara, Jerrold's Milton Shapp, and Trueman Rembusch of movie exhibitors' Organizations for Free TV. In addition to 3 televised debates, station planned hour-long demonstration of all fee-TV systems. Meanwhile, Allentown's off-air WMFZ-TV (Ch. 67), which has offered to serve as guinea pig for 3-year pay-TV tests (Vol. 11:31), told Commission it was "surprised" and "aggrieved" over opposition by subscription-TV opponents to its proposal. It assured FCC it has "no axe to grind, pro or con," just wants to be of assistance in getting at the facts.

NARTB station insurance chart and checklist, prepared by research mgr. Richard Allerton, was mailed to all members this week as guide to types of insurance policies needed in station operations. Duplicate checklist should be returned to NARTB for analysis of industry's position in insurance protection.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

SEP 26 1955

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SUMMARY - INDEX OF THE WEEK'S NEWS — September 24, 1955

TV ADVERTISERS SPENDING \$1 billion-plus this year for time, talent, etc.; networks account for half, spot for \$275,000,000, local \$250,000,000 (p. 1).

TV SET SATURATION mostly in metropolitan areas, north-east region leading (79.9%), reports Census Bureau; only 45.9% TV homes in rural areas (pp. 2 & 4).

NEW ALLOCATIONS STUDY launched by RETMA with FCC blessing, as Commission begins its network investigation. Lee & Hyde amplify views on allocations (p. 2).

BIG LEAGUE BASEBALL attendance declines blamed on TV; situation to be taken up by club owners at meetings following World Series (p. 3).

FEE-TV AS ELECTION issue, proposed by Sarnoff, gets cool reception from politicians and evokes sharp retort from McDonald; other subscription TV news (p. 5).

FCC GRANTS 2—uhf in Orlando, Fla., vhf satellite in Neb.; new Zone I ceilings postponed again. Initial decision favors Spartanburg site move (p. 8).

COLOR SET SALES RISE under influence of big promotions, expansion of programming, TV & Radio Week merchandising push; no price cuts due soon (p. 11).

SET OWNER PAYS only 3¢ an hour for TV, says RETMA pres. Hoffman: average price \$200, trade-in \$30-\$40, servicing \$14. Set's life-span put at 7 years (p. 13).

FINANCIAL DETAILS of new DuMont structure in proxy statement for Oct. 10 meeting. Pro forma statements show network earned money, stations lost (p. 9).

AIR FORCE \$2.4 billion contract with AT&T for vast communications network becomes political football; Democrats order full-scale investigation (p. 15).

LONDON LIKES commercial TV, especially idea of competition to BBC, after seeing debut Sept. 22. Expanding program interchanges with U. S. seen (p. 8).

ADDED STARTERS: Roanoke's WDBJ-TV, Ohio State's WOSU-TV, 29th in Canada. Sioux Falls TV tower collapses, hurricane delays N. C. upcomer (p. 10).

HOW MUCH THE ADVERTISER IS SPENDING ON TV: We've been predicting for some time that 1955 advertising expenditures on the TV medium would exceed \$1 billion, up from the \$803,600,000 of 1954 as calculated by McCann-Erickson for Printers' Ink (Vol. 11:34). We can now document that prediction on the basis of trade figures at hand -- figures that are astonishing, to say the least. And all the more astonishing when you consider that this year will mark the end of TV's first decade of commercial existence; that the 1955 figure compares with a mere \$500,000 of gross revenues reported by 10 stations in pre-network 1946 (see TV Factbook No. 21, p. 20). Here's our reckoning:

As in the early days of radio, when network time sales dominated, the biggest factor in TV sales are the networks. Last year, they accounted for \$417,900,000 of time, talent & production combined, a little more than half. This year, they will account for \$525,000,000, or exactly half.

Spot is next biggest item. Last year, spot aggregated \$205,200,000 in time, talent & production, according to the McCann-Erickson estimate. This year, according to TvB's Oliver Treyz, who is in a good position to predict, the figure will go to \$275,000,000 (Vol. 11:38.) Sponsor Magazine, incidentally, predicts \$266,760,000.

Local TV advertising aggregated \$180,500,000 last year. It should rise to at least \$250,000,000 this year, according to the best available advices.

The 3 categories thus total \$1,050,000,000, up nearly 25% over 1954. That's for everything -- time, talent, production. And, as best we can figure it, their expenditures for time alone will break down about \$300,000,000 network, \$235,000,000 spot, \$165,000,000 local. That's figured on the basis of network running 1.75, spot 1.17, local 1.5 times the cost of time -- McCann-Erickson equations.

The figures, though startling at first blush, look reasonably right to us, though we assume direct responsibility only for doping out the network expenditures. Here's how: PIB aggregate of network time sales for first 7 months of this year is slightly over \$227,000,000 (Vol. 11:38). For the 12 months, it should easily go to \$400,000,000 -- on basis of more shows sold, bigger networks, higher station rates.

PIB derives its figures from adding up one-time rates, so does not take into account frequency or cash discounts. A fair estimate is 25% off, so we arrive at \$300,000,000 as a more realistic estimate of what networks actually get. Multiply by McCann's 1.75 factor to cover talent & production -- and we get \$525,000,000.

That's half of the entire business of telecasting. It also indicates that on network TV alone advertisers are spending as much as on radio as a whole -- taking into account declining network, rising spot, rising local revenues. On radio as a whole, 1954 advertisers spent \$564,900,000; and according to the 1955 Broadcasting-Telecasting Yearbook, time sales in 1954 reached an all-time record of \$453,385,000.

WHERE THE TV SETS ARE--AND WHO OWNS THEM: Four out of 5 homes in the metropolitan areas had TV sets as of last June, only 45.9% in rural areas -- with top saturation 79.7% in northeastern region (New England & Middle Atlantic states) and with ownership predominating among larger families. In country as whole, saturation is 67.2%.

Those are significant highlights of Census Bureau report (Series H-121) released this week as supplement to its original report of 4 weeks ago stating that 32,000,000 households, or 67% of all U.S. homes, owned a TV set in June (Vol. 11:34). The data came from questioning 25,000-family sample as part of the Census Bureau's continuing "Current Population Survey." It was underwritten by ABC, CBS, NBC, NARTB and Television Bureau of Advertising.

Census report was documented by 4 tables providing data on ownership of TV sets by urban vs. rural homes, by geographic regions and by size of households (for details, see p. 4). Advertising Research Foundation, which contracted for survey, will mail to its members next week 15 tables containing additional information which it projected from Census data. In advance of mailing, ARF revealed that one of most significant projections is that 1,000,000 -- or 3.5% of all TV households -- owned a second set. This is somewhat under the 4.3% second-set ownership reported recently by American Research Bureau in its July survey (Vol. 11:35).

Another dimension was thus added to TV sets-in-use picture -- and prospect is that a county-by-county tabulation, at least as a one-shot, is drawing closer. The industry powers behind the Census study, now considering feasibility of projecting accurate figures of sets-in-use in each of the nation's 3000 counties on basis of data now available, should come up with answer in about 3 weeks. In addition, ARB has proposed to networks and stations a county-by-county study based on 500,000-home sample. And finally, there's long-awaited NARTB-backed proposal for a continuing sets-in-use census (Vol. 11:21), on which further progress report is due next month.

ALLOCATIONS, NETWORK STUDIES UNDER WAY: Vhf and allocations problems, simmering uneasily through the summer, started coming to a boil this week as action began in earnest on several fronts. The week's developments:

(1) FCC launched its network study, to delve into the entire field of network operation -- particularly affiliation practices -- with Dean Roscoe L. Barrow of U of Cincinnati Law School named to direct the inquiry.

(2) RETMA set up high-powered committee under GE v.p. Dr. W.R.G. Baker -- who headed the NTSC groups which set up standards for both black-&-white and color TV -- to study allocation problems and report to Commission. Group was set up as result of meetings with Commissioners and FCC staff members last July (Vol. 11:32).

(3) Commission made plans to plunge into allocations problems early in Oct., beginning with meetings with staff -- now working on reallocations proposals based on vhf drop-ins, the method which currently appears to be favored by greatest number of Commissioners. Comr. Lee, meanwhile, went into more detail this week on his plans to seek more vhf channels, and proposed sharply reduced scale of mileage separation between stations so that more vhf assignments can be dropped in where needed. But Comr. Hyde warned that "engineering compromises" are not the solution.

* * * *

Heading network study, Dean Barrow will direct "special staff" -- mostly due to be drawn from present FCC employes -- under the direction of committee comprising Comrs. McConnaughey, Hyde, Bartley & Doerfer. Congress appropriated \$80,000 for the

study, which was keyed by legislators' concern over uhf stations' complaints about network affiliation practices.

Regarded as middle-of-roader in politics, Barrow is 42, veteran of govt. service from 1938-51, served as attorney for NLRB, Agriculture Dept., OPA and Justice Dept. In 1951, he was special asst. to Attorney General.

RETMA's allocations study, announced this week by pres. H. Leslie Hoffman, is charged with making "immediate examination of TV frequency allocations problems," with particular emphasis on "the place of uhf in the TV system."

"We feel that the adoption of a hastily conceived remedy today under political and economic pressure might obstruct the further development of a truly nationwide TV system," he said, stressing that study would "supplement" FCC's inquiries.

Serving under Dr. Baker are Mr. Hoffman, pres. of Hoffman Electronics; Sylvia director & ex-pres. Max F. Balcom; Motorola pres. Paul V. Galvin; RCA exec. v.p. E.C. Anderson; CBS-Columbia pres. H.C. Bonfig; Philco v.p. James D. McLean. Balcom & Galvin are past presidents of RETMA; Dr. Baker is chairman of its TV committee.

Comr. Lee got more specific on his proposals to solve the uhf dilemma (Vol. 11:35-36) in Sept. 20 address to NARTB Chicago regional conference. Explaining that his studies this summer have convinced him that vhf is "a superior service," he said he would urge Commission to begin negotiations for more vhf channels through a general reallocation of spectrum between 108 & 890 mc, on piecemeal basis if necessary.

As short-term remedy, he proposed relaxing vhf co-channel separation rules to 100-120 mi. in Zone I, 120-135 mi. in Zone II, 135-150 mi. in Zone III, with directional antennas, low power and vertical polarization to prevent interference by the stations which would be dropped in where required.

He'd give uhf operators preference in assignment of the new vhf channels, but leave uhf stations alone where they're doing all right. He wouldn't change any currently operating vhf outlets--but vhf drop-ins would set up new class of vhf service, "something less desirable than the existing vhf service but more desirable than the existing U service," a low-powered community service geared to local coverage.

Comr. Hyde took sharp issue with plans to restrict TV's growth to 12 channels. Addressing Sept. 23 IRE symposium in Washington, he said even if means are devised to double the number of stations on today's 12 vhf channels the problems would not be solved. "That's a pitiful number of channels on which to expect development of a competitive TV system," he added.

Dashing cold water on Lee's proposal to seek new vhf channels, engineer Stuart L. Bailey, member of Senate's ad hoc allocations committee, told symposium military won't let go of vhf channels, needed for new "scatter" communication (Vol. 11:32).

BASEBALL'S 'AGONIZING REAPPRAISAL' OF TV: New look into effect of TV on declining major league baseball attendance will be taken at upcoming meetings of club owners. Despite other factors involved in declining gate receipts, as revealed in a recent survey authorized by baseball commissioner Ford Frick (Vol. 11:34), TV remains the favorite whipping boy -- its foes now citing high attendance at Milwaukee and Kansas City games, from which TV is excluded. This is the picture on eve of World Series:

(1) Overall attendance this year was approximately 4,375,000 under 1948 peak of 19,000,000, representing decline of about \$6,500,000 in revenue. But income of 14 teams granting TV rights is estimated at \$6,300,000, or average of \$450,000 per team.

(2) Number of minor leagues is down to 33 from 1949 peak of 59. TV foes blame televised big league games -- but others say it's normal leveling off.

(3) TV's appeal in general, not simply televised baseball, is major problem, in opinion of some authorities. Many former baseball fans prefer ease and comfort of watching a good show from an easy chair to effort and cost of attending a game. It's argued that baseball is no longer the "national pastime" but merely entertainment like other sports and movies. On this theory, some teams have staged extra attractions at games in effort to draw crowds, but without too much success.

"If the time has come when we have to put on a strip tease before each inning to get customers," said one baseball expert, "we may as well give up."

Personal Notes: Robert L. Stone, director of ABC-TV production services dept., promoted to gen. mgr. of WABC-TV, replacing Ted Oberfelder, resigned; Bernard I. Paulson, ABC plant supt. in N. Y., promoted to succeed Stone . . . Merle S. Jones, CBS-TV v.p., represented his company at ITA ceremonies in London Sept. 22 on occasion of debut of commercial TV . . . Walter H. Lurie, ex-MBS director of west coast operations, elected v.p. of Birmingham, Castleton & Pierce, serving on plans board as TV-radio head . . . Arthur Hull Hayes, CBS Radio pres., received Fordham U medal for achievement in communications at Catholic Press Institute meeting Sept. 22 in N. Y. . . . Roy Ashmun, NBC, to direct marketing management & research clinic of N. Y. Adv. Club's advertising & selling course . . . Robert Blase named program mgr. of WFAA-TV, Dallas, Tom S. Palmer promoted to succeed him as production mgr. . . . Jerome Sill, ex-CBS Radio, recently with WMIL, Milwaukee, who recently disposed of holdings in upcoming WAGE-TV, Marquette, Mich. (Ch. 6) named exec. v.p. of WHUM-TV, Reading, Pa. under pres. Humboldt J. Greig . . . James A. Wethington, ex-sales mgr. of Honolulu's KONA, has joined KGMB-TV there . . . Sidney V. Stadig promoted to chief engineer of Westinghouse's WPTZ, Philadelphia, succeeding George D. Borden, transferred to WBZ-TV & WBZ, Boston, to succeed Thomas T. Ely, named chief engineer of KPIX, San Francisco; Borden will be asst. chief engineer under Willard H. Hauser . . . John B. Burns named national sales director, ABC Film Syndication, succeeded as midwest mgr. by Patric Rastall; Fred J. Stratmann transferred from Hollywood to head new San Francisco office, 277 Golden Gate ave. (phone Graystone 4-6565) . . . John Silva named chief engineer, KTLA, Los Angeles, succeeding late Raymond Moore; Roy White promoted to succeed him as engineering operations supervisor . . . Ted Yates Jr., former exec. producer of *Tex and Jinx Show* on NBC-TV, named director of news & special events, WABD, N. Y. . . . Andrew N. McLellan has withdrawn from Reg. Willson Publications, Toronto, where he co-founded and edited *Canadian Television & Motion Picture Review* . . . Barnett F. Goldberg promoted to chief engineer, WIS-TV, Columbia, S. C., succeeding Herbert Eidson, resigned to join Western Electric.

Associated Press Radio & Television Assn.'s recently named board of directors (Vol. 11:36) this week elected Jack Shelley, WHO-TV, Des Moines, as pres. Vice presidents elected: Joe H. Bryant, KCBD-TV, Lubbock, Tex.; Daniel Kops, WAVZ, New Haven; Jack Krueger, WTMJ-TV, Milwaukee; H. J. Chandler, KFLW, Klamath Falls, Ore. Named secy. & treas., respectively, were Oliver Gramling & Robert R. Booth, AP.

Named by President Eisenhower to participate in White House conference on physical fitness Sept. 27-28 at Lowry, Colo. Air Force Base: David Sarnoff, Sylvester L. Weaver Jr., NBC; Wm. S. Paley, Frank Stanton, CBS; Robert Kintner, ABC; Tom O'Neil, MBS; Allen B. Dumont.

Harold Harris, sales-engineering v.p. of Channel Master Corp., is author of *Treasure Tales of the Shawanwunks and Catskills*, legends and folklore, published in connection with sesquicentennial of Ellenville, N. Y., where Channel Master is located.

Ira Avery, BBDO account executive who also writes TV-radio scripts, is author of first novel *The 5 Fathers of Pepi*, published Sept. 26 by Bobbs-Merrill, and suggested by *Phileo TV Playhouse* show he wrote 3 years ago.

Veteran broadcaster Seymour N. Siegel, director of N.Y. municipal station WNYC, elected pres. of general assembly of Prix Italia in Perugia, Italy; he's attending current session as NARTB delegate.

CENSUS BUREAU report on TV households released this week (p. 2) breaks them down into 3 categories: (1) "Standard metropolitan areas," where 78.3% of homes have one or more TVs. (2) "Urban places" of 2500-50,000 pop. outside metropolitan areas, where 55.9% have sets. (3) "Rural territories," where 45.9% have sets. It also breaks down percentages of ownership by 4 geographic regions.

For U. S. as a whole, Census Bureau reports 64.9% of all 47,500,000 households had one or more sets, 2.3% had 2 or more, 32.8% had none. In metropolitan areas as whole, 74.9% had one set, 3.4% had 2 or more, 21.7% had none. In urban places outside metropolitan areas, 55.1% had one, .8% had 2 or more, 44.1% had none. In rural territories, 45.3% had one, .6% had 2 or more, 54.1% had none. Says Census:

"Except in New England, a standard metropolitan area is a county or group of contiguous counties which contained at least one city of 50,000 inhabitants or more in 1950. The contiguous counties are included if they are essentially metropolitan in character and are socially and economically integrated with the central city. In New England, standard metropolitan areas are defined in terms of towns and cities rather than counties . . .

"Urbanized areas of 1,000,000 inhabitants or more had slightly higher proportions of households with TV sets than the urbanized areas with less than 1,000,000. Outside the urbanized areas proportionately more of the households in urban places of 10,000 inhabitants or more had sets than in the smaller urban places.

"A considerable portion of rural non-farm households may be located near the urbanized areas or near urban places where TV broadcasting facilities are available. The proportion of these households having sets was about the same (61%) as in urban places of 10,000 inhabitants or more that were outside urbanized areas (62%). On the other hand, less than half (42%) of the rural-farm households had a TV set."

This is how Census reported set saturation by regions: Northeast, 79.7% of all households (Maine, N. H., Vt., Mass., R. I., Conn., N. Y., N. J., Pa.). North Central, 71.8% (Ohio, Ind., Ill., Mich., Wis., Minn., Ia., Mo., N. D., S. D., Neb., Kan.). West, 62.1% (Mont., Ida., Wyo., Colo., N. M., Ariz., Utah, Nev., Wash., Ore., Cal.). South, 53.2% (Del., Md., D. C., Va., W. Va., N. C., S. C., Ga., Fla., Ky., Tenn., Ala., Miss., Ark., La., Okla., Tex.).

"The number of persons in a household appeared to have some influence on the presence of a TV set in the household," report notes. "The households with 4 or 5 persons were more likely to have sets (79.1% & 77.8%, respectively) than the . . . smaller households." Only 35.7% of one-person households had TV, 63.9% of 2-person households.

Highlights of first NARTB district meeting Sept. 21 at Chicago were important speech by FCC Comr. Lee on allocations (see p. 2) and address by NARTB TV chairman Clair R. McCollough in which he attacked any form of censorship over TV, warned broadcasters against seeking too much legislation in solving problems, called for courts to open doors to televised trials. As meeting adjourned, members adopted resolution to endorse any effort to achieve uniform time zone changes to avoid network program confusion. It also sent "get-well" resolution to John Patt, WJR, Detroit, who was stricken by heart attack at NARTB convention in Washington May 28. NARTB's traveling cadre moved on to Saranac Lake, N. Y. for second district session Sept. 23-24, which featured speech by Comr. Bartley on equal time (see p. 16).

GEN. SARNOFF'S proposal to make subscription TV an issue in 1956 Presidential campaign was greeted unenthusiastically by representatives of both political parties. A Republican spokesman summed it up thus: "I don't see how it can become a political issue because there's no controversy—no policy difference between the 2 parties on subscription TV. It's not an issue on which there can be a Democratic philosophy and a distinctly different Republican philosophy." A Democratic Party official merely stated: "Our platform committee will be happy to listen to Gen. Sarnoff or Cmdr. McDonald or anyone else who wants to appear."

The RCA-NBC chairman made his widely publicized proposal Sept. 20 in address to Washington Ad Club. Issue of pay vs. free TV, he said, "is as important to our entire citizenry as was, for example, prohibition in its time." Entire issue should be "submitted to the ultimate suffrage of public opinion—a suffrage based not on guesswork, slogans or prejudices, but on wider knowledge and understanding of all the facts.

"I recommend, in all seriousness, that the issue between free and paid TV be considered by those who draft the programs of the major political parties; and that candidates for public office be encouraged to study the problem and declare themselves to the electorate . . . If this issue receives the forthright attention it deserves, the voters in our land will have the opportunity to decide the question for themselves."

Zenith's Cmdr. E. M. McDonald Jr., chief subscription TV protagonist, issued statement saying question can't be decided politically but must be settled by "giving the public a chance to see subscription TV and to decide for itself." He added: "If there is to be an issue in the Presidential campaign, it should be whether 2 or 3 network officials are to have absolute control of our TV system and the sole right to dictate what the public can or cannot see on its TV screens." He said he agreed with Sarnoff that the issue was as important as prohibition and declared that "prohibiting subscription TV before the public has a chance to try it is prohibition in its worst form."

Theatre TV accounted for second largest boxing gate in history, topped actual stadium take for Marciano-Moore championship bout night of Sept. 21, drawing 325,000 fans to 129 movie houses at total admission charge of \$1,240,000. Combined receipts from TV, radio & box-office were \$2,221,367, radio accounting for \$33,250, stadium \$948,117. Of theatre take, International Boxing Club received \$325,000, split 40-40-20 between IBC, Marciano & Moore. Thanks to TV, Marciano picked up additional \$130,000, Moore \$65,000. Nathan L. Halpern's Theatre Network TV reportedly grossed over \$400,000, as did theatres. More than 50,000,000 heard fight on ABC Radio; Trendex gave it 32.6 rating. Though home TV was blacked out, in radio interview before fight IBC pres. James D. Norris paid tribute to boxing's bread and butter: "If it weren't for television, instead of running a hundred shows a year, sometimes more, we'd only run probably 8 shows in N. Y., 4 shows in Chicago and maybe 2 others around the country."

First closed-circuit evangelist meeting in Canada will be conducted by Billy Graham Sept. 27-Oct. 15 at Toronto's Coliseum, with DuMont TV equipment carrying sermons to overflow audience on 6 theatre-size screens.

TV may span Atlantic within 5 years via submarine cable or relay links, Henry Cassirer, head of UNESCO, predicted in Paris.

Most interesting comment on Sarnoff's proposal came from *Washington Daily News* TV columnist Dave Reque: "I think Sarnoff was kicking a sleeping dog. I found no sentiment in favor of pay TV when the arguments were raging last year and the public has pretty much forgotten the idea."

* * * *

Other developments on the fee-TV front, now relatively quiescent and not likely to be resolved for years (Vol. 11:37):

(1) All subscription-TV proponents were revealed to have turned down offer for use of Armed Forces TV Service's 7 TV stations for any tests they wanted to make. Armed Forces are interested in scrambled TV as possible solution to problem of keeping TV signal confined to military personnel only. Offer was rejected for variety of reasons: all necessary tests had been made, no equipment was available, Armed Forces should pay for any tests it wants, etc.

(2) First series of public debates featuring all pay-TV proponents and representatives of anti-toll groups (Vol. 11:38) generated more heat than light, often had to be called to order by moderator for "delving into personalities." Series was conducted last week end by Cincinnati's WCPO-TV, featuring representatives of Zenith, Skiatron, Telemeter, Jerrold and Committee against Pay TV. Station said its switchboard was "jammed with calls" from viewers who wanted their questions answered on the air, added that most frequently asked question was: "I am happy with TV as it is now; why should it be changed?"

(3) Authoritative *Advertising Age* defended Zenith's right to espouse pay TV and urged "open-minded hearing even from the advertising and broadcasting business"—but slapped hard at Zenith's current TV set advertising as being reminiscent of "the orphan who grows to manhood and clobbers his foster parents so he can steal the family bankroll." Said Sept. 19 editorial: "We're a little fed up with indications that Zenith and others are out to really chew up the hand that fed them. We are referring to current Zenith-prepared co-op advertising, which features Flash-Matic tuning and particularly the fact that this permits the listener to 'eliminate long, annoying commercials' without having to get out of his chair . . ."

Community antennas vs. illegal boosters will be theme of Sept. 28 meeting at Walla Walla, Wash., attended by 2 champions of the unlicensed northwestern stations—Senators Magnuson (D-Wash.) and Morse (D-Ore.). Occasion is meeting of Pacific Northwest Assn. at which Pacific Northwest Community TV Assn. & National Community TV Assn. propose to demonstrate superiority of wired systems over boosters, and to urge Senators to use their influence to help change FCC rules to permit direct ownership of microwave facilities by community antenna system operators. Commission now requires purchase of service from a common carrier.

Another community antenna microwave application was filed this week with FCC—by Television Microwave, Martinez, Cal. (accountant John E. Griffin & dentist Wilbur J. Fahden). It proposes to pick up signals from Salt Lake City's KSL-TV with Spruce Mt., Nev., relay point, send them 47 mi. to Television Transmission Inc., Elko, Nev. System's cost was estimated at \$18,643.

Changes in eligibility rules for industrial radio service were finalized last week by FCC, terminating controversial proceedings lasting 5 years. Commission order is file No. 55-923, mimeo 22654, available from FCC.

Broadcasting Executives Club is new name of Radio-TV Executives Club of New England, Boston, which elected Hoag & Provandie's Paul H. Provandie as pres.

Network Accounts: Daylight Time snafu means that baseball fans on Pacific Coast will get Gillette-sponsored colorcasts of World Series starting Sept. 28 on NBC-TV at very "un-baseball hour" of 9:30 a.m. It's all because many large cities, including several on west coast, returned to Standard Time Sept. 25 while others, including N. Y., remain on Daylight Time until Oct. 29. Biggest headache for networks is clearing station time for early evening programs in cities returning to Standard Time, creating overlap between network and local for station time. Result is that some network programs won't be seen for month in certain markets where time has been sold locally . . . NBC-TV is pitching for CBS-TV's highly-coveted \$64,000 *Question* when its contract with Revlon expires Jan. 1—offering Tue. 9:30-10 p.m. for that show and Thu. 8:30-9 p.m. for Revlon's proposed new program which would pit \$64,000 *Question* contestants against each other on a panel; latter is also packaged by Louis G. Cowan Inc., whose head is a CBS-TV producer . . . Philco reportedly has decided not to renew its option for 1956 NBC-TV coverage of political conventions, which it sponsored in 1952; neither Philco nor network would comment . . . Toni buys 2 partic., Philip Morris & Hoover Co. (vacuum cleaners) one each, on J. Arthur Rank *Famous Film Festival* series on ABC-TV starting Sept. 25, Sun. 7:30-9 p.m.; show is "double-teamed," with affiliates permitted to sell locally all unsold network time—and already WABC-TV & WBKB report several national sponsors signed. ABC-TV is also turning over to local stations unsold Mon. 9-9:30 p.m. period (opposite CBS's *I Love Lucy* and NBC's *Medic*), probably will turn over Tue. 10-10:30 p.m. (opposite CBS's top-rated \$64,000 *Question*) . . . American Petroleum Institute, in observance of Oil Progress Week Oct. 9-15, to sponsor one-shot "telementary" 1976 on NBC-TV Oct. 9, Sun. 4:30-5:30 p.m., thru Sullivan, Stauffer, Colwell & Bayles; show is based on book, *Tomorrow*, be-

ing written by NBC pres. Pat Weaver, about how he believes world will look in that year . . . Borden Co. to sponsor Jackie Cooper's *The People's Choice* on NBC-TV starting Oct. 6, Thu. 8:30-9 p.m., thru Young & Rubicam . . . Colgate-Palmolive to sponsor *The Millionaire* on CBS-TV starting Sept. 28, Wed. 9-9:30 p.m., thru Ted Bates . . . Kellogg & National Carbon Co. to be alt. sponsors of 8:30-9 p.m. portion of *Arthur Godfrey and His Friends* on CBS-TV starting Sept. 28, Wed. 8-9 p.m., thru Leo Burnett & Wm. Esty Co. . . Minute Maid (orange juice) buys alt. Wed. 12:15-12:30 p.m. segment of *Tennessee Ernie Show* on NBC-TV starting Nov. 2, Mon.-thru-Fri. 12-12:30, thru Ted Bates . . . Upjohn Co. (drugs), in first network sponsorship, buys 52-week partic. schedule on NBC-TV's *Home* starting Oct. 5, Mon.-thru-Fri. 11 a.m.-noon, thru Medical Radio & TV Institute of N. Y. . . Un-sponsored *My Friend Flicka*, produced by 20th Century-Fox for CBS-TV Fri. 7:30-8 p.m., has been shelved temporarily and replaced by *Adventures of Champion*, filmed western produced by Gene Autry's Flying A Productions; plan doesn't affect GE-sponsored *20th Century-Fox Hour* on CBS-TV Wed. 10-11 p.m. . . General Cigar to sponsor one-fourth of NCAA football schedule on NBC-TV this fall, thru Young & Rubicam; announcement of sponsorship was made on closed-circuit colorcast Sept. 10 to its distributors and dealers in key cities, using NBC facilities . . . Football one-shots, all on NBC-TV: Buick & Miller Brewing Co. to be alt. sponsors of National Football League title game Dec. 26; Gillette sponsors Rose Bowl Jan. 2 and Blue-Gray game from Montgomery, Ala. Dec. 31; Dodge buys Cotton Bowl from Dallas Jan. 2 . . . CBS-TV switches *Schlitz Playhouse of Stars* to Fri. 9:30-10 p.m., effective Oct. 7.

World Series will be on nearly 200 stations, originating from N. Y. on NBC-TV in color (sponsored by Gillette) starting Sept. 28. MBS is carrying it on radio.

PROGRAMMING OVERHAUL of virtually its entire night schedule was disclosed to affiliates this week by ABC Radio as its pattern for comeback. It's in keeping with the "quick listening" format of NBC Radio's week-end *Monitor*, which will be extended to weekdays 10 a.m.-6 p.m. starting Nov. 7, and similar in sales format to CBS' "segmentation" plan (Vol. 11:37-38).

ABC plan, effective Oct. 24, divides Mon.-thru-Fri. 7:30-10 p.m. programming into 5 separate 30-min. "units," each with a separate theme. Within those units, there will be 5 & 10-min. segments bearing on those themes. One of those 5-min. segments will be a world news summary. Entire schedule will be sold in 5-min. partic., at \$800 per partic., with usual discounts.

Charles T. Ayres, radio network v.p., said themes will range from practical advice on marriage, family & career problems to special inspirational messages from spiritual leaders, will include on-the-spot visits to world-wide tourist attractions. The 5 themes are titled "Events of the Day," "The World Around Us," "A Better Tomorrow," "Sound-mirror," "Offbeat."

ABC pres. Robert Kintner, in letter to affiliates, commented: "Now that 75% of all radio homes have TV, we believe people expect from their radio sets a type of broadcast service different from that available from the TV set in the living room. If there is merit and value in our new concept for radio, I believe it is because instead of starting from the premise that radio is merely TV minus the sight or somehow irrevocably linked to standard programming patterns of the past, our research and creative people have evolved a new method of using radio to inform, advise, educate and entertain listeners in a lively and intimate manner new to the medium."

CBS is also reshuffling its radio programming, emphasizing music in lieu of mystery dramas. Dropped were old favorites *Mr. Keen*, *Tracer of Lost Persons* and *The Whistler*. Substituted are *Disk Derby*, *Young Ideas & My Son Jeep*. CBS also signed Buick for "segmentation" sponsorship of *Bing Crosby Show*, *Tennessee Ernie & Amos 'n' Andy Music Hall*. Also signed for Crosby show are Hallmark Cards (returning to network radio after 6-month absence) and Anahist.

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NBC meanwhile reported \$550,000 in gross billings signed so far for *Monitor* in 4th quarter. New sponsors are Lincoln-Mercury, Bristol-Myers & McGregor Co. (sportswear); renewals came from RCA, Philip Morris, Crowell-Collier, Charles Antell, Gruen Watch Co., Pond's (face cream).

Indicative of fierce competition among networks, NBC station relations v.p. Harry Bannister took sharp swipe at CBS Radio's claims last week that it was running 90% ahead of NBC in total hours sold for average week in Oct. 1955 (Vol. 11:38). In letter to affiliates, he stated: "CBS, while sounding onward and upward note, has led the way in all negative steps—the general rate reduction in July 1951, the reduction in evening rates in Aug. 1952 and further reductions in Aug. 1954."

He said that in first week of Sept. NBC Radio's sponsored hours were up 31% over same 1954 week, while CBS declined 14.9%. "The net result is clear," he wrote. "NBC is moving up; CBS is moving down." Latest Nielsen evening program ratings, he said, show NBC ahead of CBS. Finally, he pointed out that PIB figures for July show NBC as only radio network with increase over July 1954 billings (Vol. 11:38).

Telecasting Notes: Live re-runs of top TV dramas, which we have vigorously espoused (Vol. 11:17-21, 23, 31), are catching on in big way—and it appears that good dramatic material no longer must go down the drain after one TV performance. Biggest assist to the preservation of TV plays will be administered by new *NBC Matinee Theatre* in color, Mon.-thru-Fri. 3-4 p.m. starting Oct. 31. Announced this week was list of 56 script properties purchased for new series, including 17 which originally were used on top evening drama shows and will be re-produced with new casts. Also included were 23 original stories and 16 adaptations of plays, short stories, novels . . . These TV plays were purchased for re-runs: Originally on *Kraft TV Theatre* (NBC)—“Gallin—All American,” “The Gate,” “House on Wildwood Lane,” “One Left Over,” “Arrowsmith.” From *Studio One* (CBS)—“Dark Possession,” “Wuthering Heights,” “Beyond a Reasonable Doubt.” From *Philco Playhouse* (NBC)—“A Cowboy for Chris,” “The Happy Rest,” “Dinner at Antoine’s,” “Statute of Limitations.” From *Motorola TV Theatre* (ABC)—“Sins of the Fathers,” “Side by Side.” From *U. S. Steel Hour* (formerly ABC, now CBS)—“One for the Road.” From *Ford Theatre* (NBC)—“The Touchstone.” From *Robert Montgomery Presents* (NBC)—“For These Services” . . . Rapid repeat: Ballantine Beer sponsoring Ziv’s *Highway Patrol* beginning late Oct. on New York’s WRCA-TV, Mon. 7-7:30 p.m., and WPIX Wed. 9:30-10 p.m., same episodes each week on both stations . . . First returns are in from the critics on major fall programming debuts: Of the 3 movie studio entries on ABC-TV, new *Disneyland* series got the usual raves, *Warner Bros. Presents*’ first effort got a ho-hum, *MGM Parade* got fair-to-good nod with almost all critics pointing out it’s a “program-long commercial.” New “adult westerns”—CBS-TV’s *Gunsmoke* and ABC-TV’s *Wyatt Earp*—were well received, particularly the former. Critics loved Phil Silvers’ *You’ll Never Get Rich* on CBS-TV, had mild praise for *Navy Log* documentary on same network. NBC-TV’s first 2 spectaculars of the fall season—*Skin of Our Teeth* and *Our Town*, both by Thornton Wilder—got excellent notices, though latter was far greater popular success. ABC-TV’s *Medical Horizons*, a sort of non-fiction *Medic*, also received good notices . . . TV film series adapted from hit spectacular adapted from hit play: Inspired by critical acclaim of NBC-TV’s first *Producers’ Showcase* spectacular of fall season, “Our Town,” Sol Lesser-Jack Denove TV Films is planning weekly filmed program based on the story for 1956 season. Lesser made movie version of “Our Town” in 1939 . . . Two more Broadway hits become spectaculars: NBC-TV plans to colorcast “Wonderful Town” with Rosalind Russell on *Producers’ Showcase*, possibly Nov. 19. CBS-TV will present Paul Gregory’s production of “Caine Mutiny Court Martial” Nov. 19 on *Ford Star Jubilee*, featuring Broadway cast—Lloyd Nolan, Barry Sullivan, John Hodiak, Russell Hicks . . . Drive-in TV: WLWD, Dayton, originated Sept. 23 *Studio Party* show from its parking lot, inviting public to attend.

Gian-Carlo Menotti, whose *Amahl & the Night Visitors* has become an annually-produced Xmas classic since first presented on NBC-TV in 1951, has been commissioned to compose a 1½-hour opera for production by Samuel Chotzinoff’s *NBC Opera Theatre* during 1956-57 season. Note: In Oct. 4 *Look Magazine*, Menotti is listed in article titled “VIP” among the “world’s 100 most important people.” List also includes RCA-NBC chairman David Sarnoff, who next month will receive his 16th honorary degree—from Notre Dame.

Digests of outstanding program texts will be published in *Radio-TV Scripts*, new monthly to be issued by Facts on File Inc., 119 W. 57th St., N. Y.; Fred McGhee, editor.

NBC-TV’s first uhf operation on its own, stemming from purchase of WBUF-TV, Buffalo (Ch. 17) for \$312,500 cash (Vol. 11:11, 15), was approved by FCC this week as it deferred action, presumably until next week, on proposed Westinghouse swap of its WPTZ, Philadelphia (Ch. 3) with radio KYW (50 kw, 1100 kc) for NBC’s WNBK, Cleveland (Ch. 3) with radio WTAM (50 kw, 1100 kc) plus \$3,000,000 cash (Vol. 11:21). Because its affiliation contract with WGR-TV, Buffalo (Ch. 2) has until Aug. 1956 to go, NBC will be in position of operating an independent in that city—though WBUF-TV is now getting some ABC and a few NBC shows as they’re released by WGR-TV. NBC takeover, with big push to be put behind uhf, is expected to occur before end of year; station is presently under management of Sherwin Grossman, signing on nightly at 6:45 p.m. Plans are to erect new studio building with 549-ft. tower and transmitter at 2101 Elmwood Ave. Meanwhile, WBUF-TV having leased its present studios to WGR-TV before NBC deal, the network has no adequate Buffalo location for full-time owned-&-managed operations. However, it has committed itself to “prove economic feasibility” of uhf and has indicated work will go forward immediately on new plant and possibly will ask for increased power to 1,000,000 watts. Note: CBS, also committed to promote uhf, began operation of its WXIX, Milwaukee (Ch. 19) exactly year ago and is reported to be making steady progress and operating at profit.

Two more movie distributors followed lead of Republic Pictures (Vol. 11:38) this week and signed consent decrees agreeing to release films to TV and other non-theatrical outlets, as trial began in Govt.’s anti-trust suit against group of film companies. Signing decree were independent 16mm distributors Films Inc. and Pictorial Films Inc., neither a significant factor in feature film business. As hearing opened in Los Angeles, Govt. announced it would introduce 1000 documents and film companies indicated they may call about 125 witnesses—indicating trial could run for as long as 2-3 months.

Network color schedules for next 2 weeks: NBC-TV—Sept. 26-30, *Home* segments, 11:45-noon; *Howdy Doody*, Sept. 26-30 and Oct. 3-7, 5:30-6 p.m.; Sept. 27, new *Milton Berle Show* featuring Esther Williams’ TV debut, 8-9 p.m.; Sept. 28, start of complete World Series coverage, 12:45-4 p.m.; Oct. 1, *Max Liebman Presents* “Heidi,” starring Jeannie Carson, Wally Cox, Elsa Lanchester, 9-10:30 p.m. CBS-TV—Sept. 27, *Red Skelton Show*, 9:30-10 p.m.; Oct. 1 & 8, *Gene Autry Show*, 7-7:30 p.m.; Oct. 6, *Shower of Stars*, “Time Out for Ginger,” starring Jack Benny and Claudette Colbert, 8:30-9:30 p.m.

Broadway trade press, even current *Sponsor Magazine*, persists in reporting that merger of Screen Gems and TPA (Vol. 11:36-37) is a fait accompli—but TPA pres. Milton A. Gordon tells us it simply isn’t so. “There is no contract,” he said, “there has been no deal, and I don’t know frankly where this thing is going.” He admitted only that talks looking to a merger, which would set up possibly the biggest single entity in the TV film field, have recently been resumed.

Zoo Parade’s Marlin Perkins, who gets \$10,000 a year as director of Chicago’s Lincoln Park Zoo, offered his resignation this week when informed his superiors took dim view of plan to take his NBC-TV show to different zoos around the country. They want him to cut down on his TV activity. He’s now in Africa shooting films which are already being shown on his Quaker Oats (Ken-L Ration dog food) Show.

DuMont Electronicam TV-film production will gross \$500,000 in next 3 months, according to Werner Michel, DuMont Broadcasting’s Electronicam production director.

FIRST TV GRANTS in 2 months were issued this week by FCC as it returned to work and began to whittle at backlog of long pending matters. CP for Ch. 18 in Orlando, Fla. went to Orange County Bcstrs. (WABR, Winter Park), and Ch. 6 satellite at Hayes Center, Neb. was granted to KHOL-TV, Kearney, (Ch. 13). Both applications were unopposed.

For the second time, Commission postponed for 30 days the effective date of its decision lifting Zone I vhf stations' ceiling to 1250 ft. (Vol. 11:35-36). It wants more time to sift through complaints from stations, aviation interests, etc., pushed effective date of decision from Oct. 1 to Nov. 1.

Most celebrated of all "protest" cases—Spartanburg site-change case—moved another notch this week in initial decision by examiner James D. Cunningham, who recommended approval of Paris Mt. site for upcoming WSPA-TV (Ch. 7) despite protests of economic injury from WGVL, Greenville, S. C. (Ch. 23) and WAIM-TV, Anderson. Last year, Commission approved WSPA-TV's proposed move from Hogback Mt. (as temporary measure) without hearing, but Appeals Court reversed action and FCC held hearing on WSPA-TV's application for permanent Paris Mt. site (Vol. 10:6, 8, 10, 28). Cunningham held this week that protestants hadn't proved that the move violated Communications Act or Commission's rules or that they will necessarily suffer economic loss by move to new site.

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Among batch of other actions this week, the Commission:

(1) Refused to institute revocation proceedings or issue cease-&-desist order against WXEX-TV, Petersburg (Ch. 8) to prevent it from identifying itself with Richmond, Va. area, as requested by WTVR, Richmond (Ch. 6).

(2) Turned down "economic injury" protest by Pittsburgh's WENS (Ch. 16) against grant of Ch. 11 there to WIIC (owned by joint WWSW-WJAS interests) but promised to take up later WENS requests for reconsideration and rehearing of Pittsburgh case on grounds merger agreement which preceded grant was violation of FCC rules (Vol. 11:36).

(3) Proposed to move Ch. 7 from Ponce to Mayaguez,

Puerto Rico, as requested by El Mundo Inc. & Ponce de Leon Bestg. Co., both currently applicants for Ch. 3 in Mayaguez. Comments are due by Oct. 21.

(4) Granted No. Dakota broadcaster John Boler permission to extend his private microwave system—which now connects his KXJB-TV, Valley City (Ch. 4) and KCJB-TV, Minot (Ch. 13)—to his upcoming KBMB-TV, Bismarck (Ch. 12). Comr. Bartley dissented, calling grant premature and raising possibility that "duplication of facilities" could result in raising common carrier costs and that case-by-case authorization of private microwave facilities "may delay the further expansion of common carrier facilities to points beyond the area of the stations granted such private facilities."

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Petitions filed with Commission this week included 2 requests for allocations changes by prospective applicants: Mohawk Valley Television Inc. wants Ch. 2 allocated to Fairfield, N. Y., which it says can be done without upsetting any other allocations. Westcoast Bestg. Co., Wenatchee, Wash. requests that Ch. 18 be moved from Bellingham to Wenatchee. Other items filed with FCC this week:

(1) Hearing on alleged "concentration of control of mass media" by Triangle Publications Inc. (Walter Annenberg) was sought by WHP-TV, Harrisburg (Ch. 55), one of eastern Pa. stations opposing Triangle's proposed purchase of off-air uhf WLBR-TV, Lebanon, Pa. (Vol. 11:31, 38). Included in hearing would be Triangle's application for power increase of its WBNF-TV, Binghamton (Ch. 12), as well as its proposed purchase of WFBG-TV, Altoona (Ch. 10) and its application for Ch. 18 satellite in Elmira, N. Y.

(2) Objections to proposed move of WCHS-TV, Charleston, W. Va. (Ch. 8) to new site west of Charleston were filed by upcoming WHTN-TV, Huntington (Ch. 13) and WTAP, Parkersburg, W. Va. (Ch. 15).

(3) WICS, Springfield, Ill. (Ch. 20) asked Commission to hold up grant of Ch. 2 in Springfield until it acts upon deintermixture proposal for the area.

(4) FCC's Broadcast Bureau favored proposal by WJRT, Flint, Mich. (Ch. 12) to locate transmitter 23 mi. northwest of Flint in proposed findings filed after hearing on protests by WKNX-TV, Saginaw (Ch. 57), WTOM-TV, Lansing (Ch. 54) & WWTW, Cadillac (Ch. 13).

LONDON'S first taste of commercial TV, which started Sept. 22 with juxtaposed spots for a toothpaste, chocolate drink & margarine and has on tap such big-name sponsors as Esso, Kellogg, Heinz & Johnson Wax in addition to a native variety, appears to have been a satisfactory one despite the jaundiced attitude of some elements.

United Press reported "critics praised Britain's first TV with toned-down American-style commercials and generally agreed that the state-owned BBC is in for some competition." AP also found critics rating commercial TV "a formidable threat to the state-sponsored BBC variety."

General verdict was that commercial TV had come to stay, UP reporting all 11 London morning newspapers save Communist *Daily Worker* giving it "high praise for production techniques and commercials alike." *New York Times'* Jack Gould described press reaction as "cautiously cordial" and some London papers, as AP put it, warned that "the effects of the advertisements may be cumulative, like Rocky Marciano's punching." Film Daily's London correspondent cabled that, far from being a take-off on the American commercial, initial showing "typified the well-known staid British manner."

It's estimated some 2,500,000 people within 50-mi. radius of Croydon transmitter witnessed first night of Independent TV Authority's service via its first outlet (Vol. 11:38) on the perhaps 20% of London area's 1,300,000 sets thus far converted to get a second channel. But they liked what they saw, apparently—and, judging from the reports, they particularly liked the idea of competition for BBC, just as we predicted they would (Vol. 10:45).

Americans were very much in evidence at the 4-hour opening ceremonies and shows, including NBC pres. Sylvester Weaver, and warm greetings were cabled by NARTB pres. Harold Fellows. Many of the top British ad agencies are branches of or associated with major U. S. agencies, and the admen appeared pleased with their initial efforts albeit they have no control over programs; 1-min. ad spots (at \$2800 per) are limited to 6 per hour, and use of American shows must perforce be limited.

American productions and American talent will be prominent on British TV henceforth, both on ITA & BBC, just as British programs and artists are prominent here. ITA has already taken on *I Love Lucy*, *Hopalong Cassidy*, *Dragnet*, *Inner Sanctum*, *Liberace*, *4 Star Playhouse*, among other films, and has versions of *People Are Funny* and *Beat the Clock* on tap. It will have Bob Hope,

Johnny Ray, Xavier Cugat, Lena Horne among others in variety show *Sunday Night at the Palladium* patterned after *Toast of the Town*.

BBC has *Burns & Allen*, *Amon 'n' Andy*, *The Cisco Kid*, *I Married Joan*, among other U. S. shows. More British shows exported to U. S. are foreseen, *New York Times* writer Jack Gould noting that "as in other phases of British life, London TV must export if it is not to have a relatively austere screen at home."

Gould saw the "zip and zaniness" of *Burns & Allen* providing "successful ambassadors" for U. S. good will. Witnessing ITA's first output, he cabled from London that "the British have something in their form of commercialism" which he said differed from the American version in its "restraint and brevity." In quality, he observed, "some plugs were inept and reflected a lack of experience. But others, especially those of the beer and gasoline concerns, were amusing or interesting in themselves. In virtually all cases, however, the voices were soft and subdued. The peace was wonderful."

Gould called the variety program "corny stuff" but liked the big-name dramatic episodes and said camera work on the prizefight was exceptionally good. *N. Y. Herald Tribune* correspondent described the first night program as "decorous as a court ball" and said that, though many London homes had "commercial TV parties," the opening was "something less than epoch-making."

Extraordinary amount of space is being devoted in U. S. newspapers and magazines to Britain's effort to parallel govt. operation with private enterprise, and clips from the British TV commercials will undoubtedly be seen soon on U. S. screens. Despite cynicism and outright opposition toward the system on the part of some, fact that it's an honest and serious effort, conducted by Britons of highest repute, and particularly fact that it brings longed-for competition, seems to weigh most opinion on both sides of the ocean in its favor.

Parts jobbers did \$500,000,000 business in 1954, gain of 100% in 5 years, reports National Credit Office. Trend is seen continuing upward this year, though at a slower pace. During first 6 months this year, 28 new parts distributorships were formed, compared to 42 in first half of 1954. Of the 22 companies which failed last year, 12 were liquidated, one was sold, 2 were reorganized under Bankruptcy Act, 3 are operating under Chapter X & XI arrangements, 4 are still awaiting bankruptcy court decisions.

General Teleradio's \$25,000,000 purchase of RKO Radio Pictures Corp. (Vol. 11:30) is disclosed as financed by Chase National Bank loans covered by notes for \$10,000,000 (at 3¼%) and \$15,000,000 (at 3½%, reducible to 3¼%), secured by agreement with General Tire and payable at semi-annual rate of \$1,000,000 & \$750,000 respectively—General Teleradio agreeing to pay no dividends until both notes are paid up.

Consolidated Electronic Industries Corp. (formerly Reynolds Spring Co.) reports loss of \$395,889 for 9 months ended June 30, though there was operating net profit of \$335,167. Sales for the 9 months totaled \$4,872,157.

Oak Mfg. Co. has increased its common shares from 524,950 to 656,129 as result of distribution Sept. 15 of one new share for each 4 held as of Sept. 1.

General Instrument Corp. stockholders this week approved increases in authorized common shares from 1,500,000 to 3,000,000; there are presently 1,373,273 outstanding.

Dividends: Emerson Radio, 10¢ regular and 5¢ extra payable Oct. 15 to stockholders of record Oct. 1; Howard W. Sams & Co., 10¢ Oct. 25 to holders Oct. 18; American Phenolic, 20¢ Oct. 28 to holders Oct. 18; Monumental Radio, Baltimore, 25¢ Sept. 30 to holders Sept. 22.

Financial & Trade Notes: Spinoff of newly-formed DuMont Broadcasting Corp. from Allen B. DuMont Laboratories Inc. (Vol. 11:33-34) is designed "to separate the element of showmanship and entertainment from research and manufacture," according to 60-p. proxy statement to stockholders this week accompanying notice of special meeting Oct. 10 at Clifton, N. J. plant. Statement discloses that new DBC, which will have 2,500,000 common shares of \$1 par (944,422 outstanding at the outset as result of distribution of one share for each 2½ shares of DuMont now held), will seek additional capital of \$1,500,000 through offering pro rata rights to DBC stockholders to subscribe to additional shares.

Such offering, it's stated, will be underwritten by Carl M. Loeb, Rhoades & Co., whose partner Armand Erpf has been prime mover in DuMont reorganization and now sits on board; by Kuhn, Loeb & Co., which also has a board member (Percy M. Stewart) and by Paramount Pictures Corp., which presently owns 26.6% of DuMont stock and has 3 board members (Barney Balaban, Paul Raibourn, Edwin Weisl).

New DBC will embrace DuMont stations WABD, N. Y. & WTTG, Washington, along with Telecentre and other properties and obligations—all inventoried in detail in the proxy statement. FCC this week approved transfer of WABD & WTTG licenses to DBC.

Besides voting on the spinoff, DuMont stockholders are asked to approve elimination of Class A & B stock distinctions and increase authorized shares of parent company to 5,000,000 in order "to have shares available for financing or acquisitions should favorable opportunities occur." At present, 1,801,054 A shares are outstanding, with entire 560,000 B issue owned by Paramount.

Stockholders are also asked to approve contract with Dr. DuMont, now chairman, whereby he gets annual salary of \$50,000 until 1966, or \$36,000 a year should he elect to go on consultative basis after end of 1961, plus \$20,000 a year for 10 years after 1966; also, to give him option on 35,000 shares of common stock at 17 and to set aside 90,000 shares for granting of long-term options to a new president (now being sought) and other key executives.

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DuMont Network was virtually discontinued as of mid-July (Vol. 11:34), and pro forma financial summaries indicate how it has fared. Proxy report shows that broadcasting income (other than WABD & WTTG but including then owned WDTV, Pittsburgh, later sold to Westinghouse) amounted to \$11,402,393 out of company's gross income of \$73,997,620 in fiscal year ended Dec. 28, 1952, thus representing pro forma profit of \$1,697,610 (72¢ per share); that for fiscal year ended Jan. 3, 1954 the broadcasting gross was \$14,550,396 out of \$87,569,588, giving profit of \$1,458,564 (62¢); for fiscal year ended Jan. 2, 1955, it was \$15,440,550 out of \$87,803,659, giving profit of \$823,445 (35¢) exclusive of net profit of \$6,726,939 from sale of WDTV. For period from Jan. 3 to July 17, 1955, the broadcasting gross fell to \$2,553,335 out of \$31,410,417, representing loss of \$1,492,292 (63¢).

Losses are attributed in pro forma summaries to the operation of the 2 DBC stations and other facilities now transferred to DBC. Thus combined net operating incomes of WABD & WTTG, plus these other facilities, are given as \$2,830,742, loss \$834,524 for fiscal year ended Dec. 28, 1952; income \$4,534,401, loss \$84,433 for year ended Jan. 3, 1954; income \$5,384,053, loss \$161,386 for year ended Jan. 2, 1955; income \$2,697,185, loss \$222,359 for period Jan. 3-July 17, 1955.

Network-station fiscal operations were interlocked, so pro forma summaries of earnings were prepared on basis of expense allocations for operating Telecentre, salaries paid executives and staff, depreciation, etc.

ROANOKE'S NEW WDBJ-TV (Ch. 7) and Ohio State University's educational uhf, WOSU-TV, Columbus (Ch. 34), began testing this week, bringing on-air total to 451 (108 uhf) as Canada's 29th outlet began operating in Barrie, Ont. Week also saw one station knocked off air temporarily when its antenna tower collapsed, apparently without cause — KELO-TV, Sioux Falls, S. D. (Ch. 11). Another about to start, WITN, Washington, N. C. (Ch. 7) was hit by third hurricane within 30 days and had to postpone tests.

Roanoke's WDBJ-TV aired first test patterns Sept. 19, plans commercial debut as CBS outlet first week in Oct. It starts with 25-kw ERP from 5-kw DuMont transmitter, 6-section RCA antenna on 667-ft. modified former tower of defunct uhf WROV-TV, will boost to 316-kw ERP early in 1956. Owner is *Roanoke Times & World News*, director is Ray P. Jordan, with John W. Harkrader, from radio station, as commercial mgr.; Blake H. Brown, sales mgr.; Paul E. Reynolds, program director; Charles A. Ballou, program mgr.; Harry D. Wiseman, production mgr.; J. Edward Newman, technical director. Base rate will be \$450, going to \$600 next April 1. Rep is Free & Peters.

Columbus' WOSU-TV becomes 18th non-commercial educational TV, 5th uhf educational. Starting test patterns Sept. 19, it plans program start in Nov. It uses 12½-kw RCA transmitter with RCA pylon on 550-ft. Ideco tower. Robert C. Higgy is director.

CKVR-TV, Barrie, Ont. (Ch. 3) started testing last weekend, plans Sept. 28 programming via microwave from Toronto, 55 mi. south. It has 5-kw GE transmitter with 3-bay antenna on 393-ft. Stainless tower. Ralph T. Snelgrove, operator of radio CKBB, is pres.-gen. mgr.; board includes former Mayor Peter Sinclair of Barrie and R. Stanley Dilworth, Toronto. Claude Baikie, ex-CHCH-TV, Hamilton, is production mgr.; Jack Mattenley, chief engineer. Base rate is \$240. Reps are Weed and Paul Mulvihill.

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The KELO-TV tower & antenna collapsed at 7:50 p.m. Sept. 20, but station got STA for interim operation with 200-ft. tower and single-section antenna. Its newly-installed satellite KDLO-TV, Florence, S. D. (Ch. 3), reported ready to start test patterns (Vol. 11:38), may delay its program debut accordingly.

The Washington, N. C. station's mgr. W. R. Roberson Jr. had planned Sept. 20 test patterns, Sept. 26 NBC hookup, when equipment was struck by hurricane Ione. Its 102-ft., 5-bay Alford antenna on 818-ft. Stainless tower withstood Ione's blasts, reported Roberson, and studios are ready. But transmitter house had to be cleaned out and other damage appraised in order to complete installation of 20-kw GE transmitter, and men are working around clock to get things going.

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In our continuing survey of upcoming stations, these are latest reports from principals:

KHOL-TV's satellite in Hayes Center, Neb. (Ch. 6), which got CP this week (see p. 8), begins construction immediately and will be in operation by late Nov., wires mgr. Jack Gilbert. Hayes Center is over 100 mi. from parent KHOL-TV, Kearney (Ch. 13). Unique feature of new outlet is that it will be built with help of residents in area to be served who are contributing \$140,000 toward estimated \$188,166 it will cost, having entered into agreement with KHOL-TV to turn over funds collected by county committees as soon as CP was granted. Satellite will have

FARM TV CENSUS tabulations completed this week by U. S. Census Bureau show that 82.8% of New Jersey's 22,686 farms—or 18,798—were equipped with TV in Oct.-Nov. 1954 when the count was made on basis of 20% sample. In Tennessee, 50,123 or 24.6% of 203,149 farm homes had TV. The county-by-county farm TV count, from 1954 Census of Agriculture:

NEW JERSEY					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Atlantic	1,279	1,012	Monmouth	2,486	2,146
Bergen	547	467	Morris	1,023	847
Burlington	1,835	1,431	Ocean	1,214	1,009
Camden	658	575	Passaic	314	255
Cape May	315	246	Salem	1,478	1,225
Cumberland	2,237	1,926	Somerset	1,035	874
Essex	154	111	Sussex	1,021	754
Gloucester	1,608	1,425	Union	208	165
Hudson	52	43	Warren	1,120	882
Hunterdon	2,204	1,765			
Mercer	828	662	State Total	22,686	18,798
Middlesex	1,070	978			

TENNESSEE					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Anderson	1,555	475	Lawrence	3,200	550
Bedford	2,299	871	Lewis	529	106
Benton	1,035	155	Lincoln	3,407	697
Bledsoe	827	58	Loudon	1,400	351
Blount	2,847	916	McMinn	2,016	291
Bradley	1,430	306	McNairy	2,599	502
Campbell	1,467	295	Macon	2,409	721
Cannon	1,503	390	Madison	3,594	852
Carroll	3,205	370	Marion	894	145
Carter	2,446	631	Marshall	1,887	620
Cheatham	1,232	509	Mauzy	3,010	1,021
Chester	1,399	255	Meigs	684	103
Clairborne	2,622	347	Monroe	2,540	350
Clay	1,089	128	Montgomery	2,475	669
Cocke	2,451	309	Moore	764	150
Coffee	1,698	537	Morgan	908	192
Crockett	2,607	801	Obion	2,488	667
Cumberland	1,549	207	Overton	2,194	349
Davidson	2,374	1,676	Perry	715	62
Decatur	1,046	61	Pickett	778	46
De Kalb	1,527	520	Polk	770	115
Dickson	1,898	641	Putnam	2,544	572
Dyer	2,653	1,097	Rhea	1,005	234
Fayette	4,188	613	Roane	1,306	272
Fentress	1,464	119	Robertson	3,002	1,412
Franklin	2,262	519	Rutherford	3,441	1,398
Gibson	4,880	1,337	Scott	1,016	76
Giles	3,301	552	Sequatchie	433	72
Grainger	2,249	206	Sevier	2,577	466
Greene	5,955	977	Shelby	5,145	2,190
Grundy	596	120	Smith	2,505	835
Hamblen	1,558	260	Stewart	1,134	237
Hamilton	1,908	787	Sullivan	3,499	1,083
Hancock	1,748	155	Sumner	3,522	1,314
Hardeman	2,710	542	Tipton	3,906	1,523
Hardin	2,008	149	Trousdale	847	260
Hawkins	3,646	527	Unicoi	954	120
Haywood	4,294	833	Union	1,426	335
Henderson	2,423	300	Van Buren	479	85
Henry	2,503	417	Warren	2,253	649
Hickman	1,407	413	Washington	3,541	1,138
Houston	622	156	Wayne	1,447	85
Humphreys	1,040	299	Weakley	3,402	470
Jackson	1,884	392	White	1,822	321
Jefferson	2,084	346	Williamson	2,669	1,094
Johnson	1,807	261	Wilson	2,990	997
Knox	3,599	1,280			
Lake	760	222	State Total	203,149	50,123
Lauderdale	3,368	989			

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37).

GE transmitter, antenna on 581-ft. Stainless tower. Rep is Meeker.

KBMB-TV, Bismarck, N. D. (Ch. 12), has installed 10-kw Federal transmitter, but bad weather has delayed installation of 4-bay Federal antenna atop State Capitol. City's 2nd TV expects to meet Oct. 1 test pattern and Nov. 1 programming targets, reports pres. & principal owner John W. Boler, also operator of North Dakota's KCJB-TV, Minot (Ch. 13) & KXJB-TV, Valley City (Ch. 4). KBMB-TV plans 10-12 hours of local programming weekly, will rebroadcast CBS programs of Valley City outlet for most part. Its base hour will be \$150, with all three stations offered at combination \$637.50 rate. Weed is rep for the 3 stations.

'BEGINNING OF BREAK-THROUGH' ON COLOR: The whiplash of big promotions, expansion of programming (including World Series starting Sept. 28), coordinated merchandising effort of National TV & Radio Week -- all these factors are combining to speed tempo of color sales this month. RCA chairman David Sarnoff, in Sept. 20 address to Ad Club of Washington, called it "the beginning of the break-through," said color will be a "major factor" in the industry by end of 1956.

Officials of RCA, which appears to be carrying color ball almost alone among manufacturers (in combination with NBC programming), express themselves as "quite pleased" with movement of color sets at all levels -- though obviously the numerical total is not impressive when stacked up against black-&-white. Still, they hope that the "Cadillac trade" -- perhaps as many as 35,000 -- will have purchased color sets by year's end, and are banking on accelerating sales from 1956 forth.

They're also pleased with perking interest by hotels, bars and other public users who were among first with black-&-white. This week, the big Governor Clinton Hotel in N.Y. bought 50 RCA 21-in. color sets to be placed in suites at no extra charge to patrons, and announced plans to have color sets in all 1200 rooms eventually. RCA pres. Frank M. Folsom commented: "We feel certain that countless other hotels will follow the lead of the Governor Clinton."

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Two big deterrents to all-out color splurge thus far have been lack of enough color programs and high prices. NBC and CBS are taking big steps this year to lick first problem. But from a high RCA source this week came word that there are "no plans for the moment" to reduce prices of RCA's color sets (\$795 & \$895). He said there's no prospect of lower prices, short of mass production. However: "If any set maker can make and sell 25,000 a month, it's conceivable they could come down."

Some big RCA distributors are reporting success in efforts to push color among dealers, recognizing that many retailers are hesitant to take on \$700-plus merchandise, especially in view of color's "false starts" in past. Biggest RCA distributor Bruno-N.Y. reported 150 of its dealers now have color sets in stock, indicated average sales to consumers had been running about 15 per week until this week, when dealers reported total of about 100 sales. Said Bruno's Irving Sarnoff:

"We sold 32 sets to dealers Sept. 19, the day after "Our Town" was on NBC. We're selling some every day. I think we'll run short of them before the end of the year, based on present production schedules."

Thomas F. Joyce, pres. of Raymond Rosen & Co., Philadelphia, has announced immediate goal of 150 color set sales a week, and has assigned promotion specialist exclusively to color, with \$45,000 earmarked for advertising. Washington RCA outlet Southern Wholesalers Inc., in area with 350-500 color sets already in use, reported 40 dealers are demonstrating them, said sales to date are "satisfactory."

NARDA chairman Mort Farr, a color enthusiast, is currently on cross-country speaking tour exhorting dealers to push color. "Women love color and you have to demonstrate it properly," he told Phoenix audience. "The profit realized from sale of 30,000 color sets is equal to 180,000 black-&-white table models." NARDA pres. Harry B. Price Jr., Norfolk chain retailer, personifies bearish attitudes of some dealers. He said no color sets have been sold to consumers in his market, so far as he knew. He said he could not see any enthusiasm for it because of (1) high prices and (2) poor local transmission, which made it difficult to demonstrate sets.

RCA meanwhile is promoting color to beat the band in its ads. Campaign began with full pages Sept. 18 in 141 newspapers in 126 markets, then with heavy plugs on "Our Town"; it will continue with local space in color areas and with regular spots on Milton Berle Show, Fibber McGee & Molly, Monitor and other TV-radio programs.

"Every market in the U.S. where a color TV signal can be received will be heavily covered," said RCA Victor TV adv. mgr. J.M. Williams.

Other manufacturers are virtually mute by comparison. Admiral & Motorola say they're shipping "to demand" only, report only trickle thus far. Latter says it will promote color sets in its partic. sponsorship on NBC's color Matinee Theatre.

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TV prices keep inching up, Philco boosting 36 receivers out of 48-model line by \$10-\$30 this week. RCA spokesman says company is still hoping to avoid price hike -- but there's known to be talk of raising one or 2 leader models by \$10. It depends on market conditions in next month. Admiral, Motorola, Emerson, DuMont, Stromberg-Carlson, Trav-Ler and a few others had raised prices previously. Zenith, Westinghouse and Sylvania, in addition to RCA, haven't raised them yet.

Brief highlights of other major trade developments this week:

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Philco Objects: Philco takes vigorous exception to "guesstimate" we published last week (Vol. 11:38), quoting report showing that Philco sales of TV receivers ran 11% of the market -- after RCA, first with 18%. While neither Philco nor any other set maker has released exact percentages, and our figures came from a highly regarded research source, Philco spokesman said "our percentage is much higher . . . Philco's new 1956 line of TV receivers, now going to distributors and dealers, is in even greater demand than any TV line in the industry. Philco factories are operating on an overtime and Saturday basis to meet the foreseeable demand for the fall market. Note: What wasn't made abundantly clear in our story, which referred to "sales during most of last year and 1955," was that the research period covered the 15 months preceding July 1955, hence meant 9 months of 1954. Those 9 months embraced the 45-day strike at Philco plants which began May 3 and ended June 17, 1954 (Vol. 10:18,15).

Economic Boom: U.S. Chamber of Commerce quarterly report, released this week, predicts best Xmas business in history at all levels of industry. It notes almost all businesses except agriculture currently hitting new highs in sales volume, says economy is operating close to capacity. Construction, it declares, is expected to continue upward climb through 1956. Other indices of prosperity noted in report: (1) Gross national product is currently at annual rate of \$390 billion, having hit peak of \$385 billion in second quarter. (2) Employment reached all-time record of 65,500,000 in Aug. (3) Federal Reserve Board index soared to high of 140 in July, 3 points above previous peak of 1953. On negative side, it called attention to some "doubtful spots" in economy, particularly increase in consumer installment credit.

Whirlpool Merger: Shifts of manufacturing personnel and distributors are under way in earnest, in wake of recent formation of Whirlpool-Seeger Corp. in which RCA owns 20%. John W. Craig, v.p. of RCA Estate, was elected one of 7 v.p.'s of new company; Austin Rising, gen. mgr. of RCA room air conditioners, also moved over to Whirlpool-Seeger as gen. mgr. of air conditioners & ranges; Joseph B. Ogden, an RCA regional sales mgr., will become air conditioner sales mgr.; T.H. Ford, engineering mgr. of RCA air conditioners, becomes product mgr. of air conditioners; E.W. Simms becomes gen. mgr. of Estate div. at Hamilton, O. They are among twoscore changes to be announced next week by new company, many involving RCA stove and air conditioner personnel. Distribution pattern was equally fluid. Four RCA distributors reportedly were lopped off by Norge, in anticipation that they soon would handle Whirlpool. They were Leo J. Meyberg Co., San Francisco; Morris Distributing Co., Syracuse; R.T.A. Distributors, Albany; D & H Distributing Co., Harrisburg. And in Minneapolis, the rumored distribution shift materialized, in which F.C. Hayer Co., RCA distributor, took over Whirlpool from Reinhard Bros.

Production: TV output totaled 198,874 week ended Sept. 16, highest this year, compared to 183,912 preceding week and 185,114 week ended Sept. 2. It was 37th week of year and brought TV production to date to about 5,375,000 vs. 4,500,000 in same 1954 period. Radio production totaled 270,207 (127,129 auto) week ended Sept. 16, highest in 4 months, compared to 234,812 week ended Sept. 9 and 239,401 week before. For 37 weeks, radio production was 9,380,000 vs. 7,450,000 in same 1954 period.

Topics & Trends of TV Trade: "Today's TV sets are the greatest retail value of any consumer commodity," said RETMA pres. H. Leslie Hoffman Sept. 21 in address marking Los Angeles celebration of National TV & Radio Week. He explained:

"While I was in the East, I asked the RETMA statistician to take the average price that the consumer paid for a TV set [\$200 currently], the average trade-in value [\$30-\$40] and the average cost of servicing [about \$14 a year], together with the life of the TV set [7 years] and figure out how much the average consumer was paying per hour for the great entertainment that he was receiving in his home. He came up with the almost unbelievable figure of 3 cents an hour!

"I have argued with statisticians before, but never successfully, so I will take this as an established fact. It still seems too low to me, however. But let us say that it is a nickel an hour—even here we could give any major industry a very substantial argument that we have the greatest bargain in the consumer field."

Note: RETMA emphasizes that its estimates are only "educated guesses," admits that some marketing experts in industry would quarrel with them. For example, some manufacturers contend that industry is still too young to estimate the life of a set, that some of earliest receivers are still in use.

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Sylvania's 10,000,000th TV picture tube came off the Seneca Falls (N.Y.) plant line this week, a 24-in. unit; chairman-pres. Don G. Mitchell, present at ceremony, remarked that if the 10,000,000 were laid end-to-end they would reach from N. Y. to London and said: "It is symbolic that I have just returned from London and I can say that Sylvania is going to bring its tube production know-how to England via the formation of a picture tube company there in conjunction with Thorn Electrical Industries Ltd. [whose] initial output will be more than 500,000 a year."

New 16 $\frac{2}{3}$ rpm phono-record package being produced exclusively for 1956 Chrysler line by CBS-Columbia and Columbia Records under "Highway Hi-Fi" title (Vol. 11:38) will sell for \$80 as optional equipment. The 6-record package to be supplied with first sale includes selections from *Pajama Game*, symphonic record by Philadelphia and N. Y. Philharmonic orchestras, original-cast recitals of *Don Juan in Hell*, selections by Andre Kostelanetz, Percy Faith, Paul Weston, Fess Parker, Gene Autry. Columbia later will make available 25 more records.

TV shipments to dealers totaled record 3,549,877 in first 7 months, when production was 4,173,088, according to RETMA state-by-state report released this week (county-by-county tables available to members from RETMA on request). They compared with shipments of 2,977,177, production of 3,152,132, in first 7 months of 1954. New York led with 347,900; California second, 302,613; Pennsylvania third, 217,660. July shipments totaled 465,160, compared to 407,087 in 5-week June, 329,574 in July 1954.

Ed Sullivan, TV impresario and newspaper columnist, lost suit for injunction to restrain Ed Sullivan Radio & TV Inc., Buffalo, N. Y., from using that name—Supreme Court Justice Walter A. Lynch ruling this week that there's no conflict of interest and remarking that there were Ed Sullivans long before plaintiff was born and will doubtless be many more Ed Sullivans in future.

NARDA's successful Institute of Management for TV-radio dealers (Vol. 11:34) will be repeated next year at American U, Washington, with enrollment expanded to 100 and fee of \$125 covering week's tuition, text material, housing in campus dormitory, ticket for "graduation" banquet. Inquiries should be sent to Dean N. A. Baily.

Trade Personals: Frederick D. Ogilby, v.p.-gen. mgr. of Philco TV div., returned to his desk this week after long illness . . . Percy L. Spencer, Raytheon v.p. & gen. mgr. of its microwave & power tube operations, elected to board . . . J. A. (Shine) Milling, for last 3 years exec. v.p. & gen. mgr. of Howard W. Sams & Co. and ex-v.p., RCA Service Co., elected pres. of the firm; Mr. Sams, who founded big technical publishing firm in 1946, becomes chairman of board . . . Robert F. Herr, Philco v.p. in charge of tech-rep div., returned Sept. 20 from 6-week European business trip . . . Mannie Sacks, RCA staff v.p. and Albert F. Watters, RCA international div. v.p., due back from European business tour first week in Oct. . . . Harold J. McCormick, GE district sales mgr. in N. Y., named TV-radio adv. & sales promotion mgr., replacing G. A. (Tony) Bradford, resigned . . . Leonard A. Freeman, ex-mgr. of CBS-Hytron's new Kalamazoo plant, named asst. to Joe Benaron, pres. of Pacific Mercury TV Mfg. Co., partly owned by Sears Roebuck . . . G. W. Wallin, ex-Webster-Chicago engineering v.p. & onetime chief engineer of Motorola home products div., joins Bell & Howell as exec. v.p. of its TDC (high-fidelity) div. . . . Bryan Hardwick promoted to Hoffman Electronics northwest district mgr. . . . Robert F. Kaufman, ex-CBS & Paramount Pictures, named adv. & public relations v.p., Precision Radiation Instruments Inc., parent of high-fidelity equipment manufacturer Radio Craftsmen Inc. . . . Robert L. Wolf elected engineering v.p. of Globe-Union's Centralab div. (parts) . . . Eugene Duffner, ex-chief TV-radio purchasing agent for Sears Roebuck, and Earl Pruitt named Fla. and Ill.-Ind. sales mgrs., respectively, for Channel Master Corp. . . . Gene Gold, ex-Audio & Video Products Corp., named merchandising mgr., Granco Products Inc.

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DISTRIBUTOR NOTES: CBS-Columbia appoints Radio Electric Service Co., 3rd & Tatnall Sts., Wilmington, Del.; Arthur Fulmer of Kentucky, 118 W. Chestnut St., Louisville (Robert Goodlin, gen. mgr.); Major Appliance Distributors Inc., 1213 W. Morehead St., Charlotte (Charles M. Lowe, pres.); Buchanan-Williamson Supply Co., Grundy, W. Va. (George Bishop Jr., pres.) . . . Raytheon appoints Standard Electric Supply Co., 1045 N. 5th St., Milwaukee, ex-CBS-Columbia outlet . . . RCA Victor Distributing Co., Detroit, appoints Reid Donaldson home instrument sales mgr., succeeding George Mansour, now in record div. of RCA Victor Co. Ltd., Montreal . . . Allied Appliance Co., Boston (Motorola) appoints Robert Cheyne gen. merchandising mgr., Paul L. Bishop major appliances sales mgr. . . . Sues, Young & Brown Inc., Los Angeles (Zenith) appoints Ford C. McElligott merchandising mgr. . . . J. A. Williams Co., Pittsburgh (Zenith) appoints C. E. Stauffer gen. sales mgr., Morris B. Epstein asst. to pres., Charles H. Weaver adv. & sales promotion mgr. . . . Epting Appliance Co., Charlotte (Hallicrafters) appoints Furman Ferguson, ex-Fred A. Barnette Distributors, as a v.p. . . . CBS-Columbia of N. Y. appoints Robert Segal as controller . . . Thurow Distributors Inc., Miami (Sylvania) moves headquarters to 1800 NW 23rd St. . . . Sylvania appoints Appliance Merchandisers, 802 Hayden St., Ft. Wayne (M. E. Kumle, pres.).

Willard H. Sahloff, v.p.-gen. mgr. of GE small appliance div., to receive first annual housewares & appliance industries' distinguished service award from Joint Defense Appeal at testimonial dinner Oct. 11 at Hotel Plaza, N. Y.

GE advertising of TV broadcast equipment won Direct Mail Advertising Assn. award at Chicago convention last week; adv. mgr. Roy Jordan accepted citation.

Dr. Allen B. DuMont's 54-ft. yacht *Hurricane II* was declared season's point winner last week of predicted-log cruiser racing, receiving national championship trophy.

Electronics Reports: A \$30-\$40 billion electronics industry, with 92,000,000 TV sets in use, many of wall-screen type and nearly all in color—that's what 3 leaders foresee 20 years from now in written predictions they were asked to supply for inclusion in sealed cornerstone of new financial office building in Elizabeth, N. J. Highlights of their forecasts:

RCA pres. Frank Folsom—Industry's annual dollar volume will rise from \$11 billion today to \$30 billion because "a constantly growing America will buy more such items as color and 'wall screen' TV sets; electronic home controls and appliances, such as electronic refrigerators, electronic air conditioners, and possibly even washers; electronic heating; TV tape recorders . . ." By 1975, "there will be at least 92,000,000 TV sets in the United States, 90% of which will feature color," receiving live programs from all over globe.

CBS pres. Frank Stanton—Electronics industry today accounts for more than \$8 billion annually, or 2-2.5% of gross national product. By 1975 "it may account for 4-5% or something in the neighborhood of \$35 billion." Also: "General acceptance of color."

Admiral pres. Ross Siragusa—"Color TV will be standard in American homes with pictures projected from a central receiving instrument on flat tubes in picture frames that can be switched on like extension loudspeakers in each room." Solar-powered transistor radios will last a lifetime. Guided missiles may land on planets and transmit TV pictures back to earth.

* * * *

Nickel shortage is pinching tube industry again, representatives of 7 receiving tube manufacturers told Commerce Dept. Sept. 20 in second of series of electronics industry meetings with Commerce's Business & Defense Services Administration (BSDA) and officials of other agencies. Industry spokesmen said production cutbacks may be necessary unless more high grade nickel is made available. BSDA representatives replied that demand exceeds supply and that Govt. no longer controls distribution of metals for non-defense uses. Meeting of Receiving Tube Industry Advisory Committee was called in connection with upcoming study of industry's mobilization capacity. Committee approved list of proposed categories of tubes to be used in collecting data on requirements and production capacity. Represented at meeting were RETMA, RCA, Philco, CBS-Hytron, Raytheon, Sonotone, Sylvania, Tung-Sol. Other industry advisory meetings scheduled by BSDA Electronics Div. under Donald S. Parris: transmitting & special purpose tubes, Sept. 27; relays, Oct. 5; resistors, Oct. 6; capacitors, Oct. 11. Meeting with quartz crystal industry was held Sept. 12.

Portable transistorized receivers and transmitters which require no battery but operate from power radiated by standard broadcast stations are being developed experimentally by Hydro-Aire Inc., Burbank, Cal. As described by Dr. Hans Hollman at recent Western Electronics Convention, radiation from local broadcast station is picked up and rectified to provide sufficient power for transistor circuits.

First solar-powered telephone exchange will go into service Oct. 4, Bell Labs announces. Bell System will hook up 8 phones to solar battery atop utility pole at its all-transistorized experimental telephone exchange in Americus, Ga. (Vol. 10:18).

RCA tube div. will construct new \$3,000,000 plant near Somerville, N. J. to handle semi-conductor activities (transistors, diodes). It will have 126,000 sq. ft., be ready by fall of 1956, according to div. v.p.-gen. mgr. D. Y. Smith.

TV and RADIO SETS withstood atom blast last April, were found to be still operating after 35-kiloton explosion within 2 miles away at Yucca Flat. Results of experiment on atomic bomb's effect on electronic equipment were disclosed this week by Raymond H. Williamson, GE, who was in charge of RETMA-Civil Defense project. He said a TV set placed in a brick house 4700 feet from blast worked immediately thereafter, with no servicing needed, even though the house crumbled. The set was overturned and cabinet damaged. A portable radio, placed in frame house 10,000 feet from blast site, also was operable without servicing.

A standard mobile broadcast station located in a concrete slab house 4700 feet from the blast went off air because a gas power generator failed and a service wire broke when a telephone pole fell down during explosion, but service was restored in 15 minutes. Most mobile radios in cars less than mile from blast site also worked later.

Williamson said experiment proved that communications can be restored in reasonable time for use in evacuations, and that salvage is worthwhile in any but the "A" zone—area of complete destruction.

Companies participating were Admiral, American Phenolic, Andrew Corp., Antenna Specialists Co., Belden Mfg. Co., Bendix Aviation, Cook Electric, Corning Glass, Dale Products Inc., DuKane Corp, Erie Resistor, GE, Hallcrafters, Hughes Aircraft, Hydro-Aire Inc., I.D.E.A. Inc., J-B-T Instruments, Jefferson Electric, JFD Mfg. Co., Lenz Electric, P. R. Mallory, Motorola, North Electric Co., Permoflux Corp., RCA, Remler Co. Ltd., Simpson Electric, Speer Carbon, Sprague Electric, Stainless Inc.

Daystrom Inc. sold American Type Founders, its printing equipment subsidiary—as we predicted in Aug. (Vol. 11:32)—for \$9,000,000 this week to investor group headed by David Berdon and Jay Levine of N. Y., thus concentrating 85% of operations in electronic field (one subsidiary builds furniture). During past year, Weston Electrical Instrument Corp., American Gyro Corp. and Heath Co. were added to its Daystrom Instrument Div. & Daystrom Electric Corp. Firm will maintain executive offices in ATF plant, Elizabeth, N. J., until it builds new quarters.

IRE's Professional Group on Electron Devices (G. D. O'Neill, Sylvania, chairman) holds annual technical meeting at Shoreham Hotel, Washington, Oct. 24-25. Atlanta section, IRE (B. J. Dasher, Ga. Tech., gen. mgr.), and Professional Group on Instrumentation plans Southeast electronics conference & exhibit at Atlanta Biltmore Hotel, Nov. 28-30.

Russian electronics papers and articles, translated into English, now a regular feature of *Electronic Design Magazine*, which editorially urges Govt. "to start such a program of translating and disseminating foreign technical information on an official basis." First translation to appear in the publication was description of transistorized radio receiver from Soviet magazine *Radio*.

I.D.E.A. Inc., Indianapolis (transistor radios, uhf converters, etc.) has acquired Radio Apparatus Co., same city, makers of radios & communications equipment (R. G. True, pres.) via exchange of common stock. Radio Apparatus will operate as Monitor-radio div.

Walter E. Ditmars, pres. of Gray Mfg. Co., Hartford, received "patriotic advertising award" of Sons of the American Revolution for his firm's anti-Communist ad campaign. Charles Donahue Jr. appointed asst. to Gray gen. sales mgr. to direct adv. & sales promotion.

Yale & Towne Mfg. Co. has purchased new 12,300-sq. ft. plant at Addison, Ill. for production of ferrite components for TV-radio-electronics.

POLITICAL FOOTBALL is being made of \$2.4 billion Air Force contract with AT&T for vast communications network, biggest such contract in history, following this week's disclosure by the Comptroller General that lease was signed without Congressional authority. Costing \$240,000,000 a year for 10 years, vast semi-automatic radar air defense network goes by name SAGE (Semi-Automatic Ground Environment), links 8 combat and 32 direction centers through 25,000 new telephone circuits. Air Force now leases 1500 circuits for all purposes at \$48,400,000 annually.

Adding to political uproar, which commanded considerable newspaper attention this week after story was first broken by a columnist, is fact that Air Force Secy. Donald Quarles is an ex-Western Electric v.p. and ex-pres. of its guided missiles subsidiary, Sandia Corp. WE's Fred R. Lack was absent in Europe when story broke.

As week ended, Democrats were hurling fresh "big business" charges at Republican Administration; Rep. Cannon (D-Mo.) ordered full-scale investigation by House Appropriations Committee, but hearings aren't expected before Jan.; many subcontractors were in confusion about what may come next; General Accounting Office said Air Force lacked authority to sign contracts but agreed to reconsider case if AF asked and stated that if work continues without authority it would be at AT&T's "risk".

AT&T appeared undisturbed, observed contract represented very little profit to it, if any, stated:

"The telephone company's sole interest in the SAGE project is to help meet the defense needs of the country. The work undertaken by us has been at the specific request of the Dept. of Defense in every instance and the rates for facilities are identical with those charged other customers and are in accordance with the rate schedules supervised by State and Federal regulatory bodies . . . There has been no attempt on our part—nor will there be—to extend the scope of the facilities needed for SAGE. We stand ready, as we always have, to provide the Defense Dept. with whatever communication facilities it feels it needs for the safety of the country, and that is the extent of our interest in this whole matter."

In early editorial comment, there was no inclination to suggest skullduggery; for example, Sept. 22 *Washington Star* editorialized: "One can only deplore the readiness—eagerness might be a better word—of House Majority Leader McCormack to play partisan politics with the legal dispute over the plan for constructing a far-reaching air defense communications system . . . Perhaps the Air Force should have obtained specific authorization for the additional circuits, which will cost a large sum of money. But it thought it already had authority to go ahead. And it seems clear that appropriate Congressional committees were kept informed of the Air Force plans. This hardly adds up to a conspiracy or scandal . . ."

Registering with Congress under Federal Lobbying Act for first 6 months of 1955 were these firms and their Washington representatives. AT&T, Edward B. Crosland, Ronald J. Foulis, Blake T. Newton Jr.; CBS, Earl H. Gammons; Clear Channel Bestg. Service, Hollis M. Seavey; GE, Robert T. Borth; Hughes Tool Co., Seymour Mintz, Wm. T. Plumb Jr., Robert K. Eifler, R. A. Mullens; Motorola, F. Cleveland Hedrick, Maurice J. Paul; NARTB, Thad H. Brown Jr., Oscar Elder, Harold E. Fellows, Ralph W. Hardy, Vincent Wasilewski; NBC, Francis M. Russell; Philco, Henry H. Glassie, Henry B. Weaver Jr.; RCA, George Y. Wheeler II.

Technograph Printed Electronics Inc., Tarrytown, N. Y. reports licensing RCA under its printed circuit patents.

Maj. Gen. Jerry V. Matejka, due to retire Aug. 31 as asst. to Army Deputy Chief of Staff for Logistics, appears likely choice to succeed Harold M. Botkin as Office of Defense Mobilization's asst. director for telecommunications, important policy job of charting nation's communications mobilization. Botkin returned Sept. 19 to AT&T long lines dept. as asst. to v.p. H. T. Killingsworth, after completing year's service in the mobilization post. Gen. Matejka, 61, has been detailed on "temporary assignment" to ODM's telecommunications office. ODM officials were wary, however, of commenting on the possibility that he would succeed Botkin as asst. administrator, though it's believed he'll be offered the post after his retirement from army. Well known to communications-electronics industry, Gen. Matejka has served in Office of Chief Signal Officer, Munitions Board, as Chief Signal Officer of European Command and as commanding general of Ft. Monmouth.

Dr. Vladimir K. Zworykin, pioneer TV inventor and honorary RCA v.p., accompanied by Mrs. Zworykin, sailed Sept. 23 on the *Conte Biancamano* to address 3rd annual International Meeting on Communications in Genoa, Italy, Oct. 9-11, sponsored by Instituto Superiore della Telecomunzioni. He'll speak on "Contributions of TV and Electronic Optics to Spreading of Knowledge Among Men," will return to U. S. by air Oct. 20.

George Stevenson, ex-Radiation Inc., named sales coordinator of International Resistance Co. subsidiary Circuit Instruments Inc., St. Petersburg, Fla.; Ernest W. Yonick, ex-Sperry Rand, named eastern sales mgr. IRC last week broke ground in Sylmar, Los Angeles County, for 26,000-sq. ft. building to house its subsidiaries Hycor Co., IRCal Industries, Emec Inc.

Dr. James B. Fisk, exec. v.p. of Bell Labs, and Robert C. Sprague, chairman of Sprague Electric Co., were among signers of top-level report submitted to National Security Council by Killian committee, headed by MIT pres. Dr. James J. Killian Jr., which probed this country's position in air-atomic weapons.

Dr. Harry F. Olson, director of RCA's acoustical-electro mechanical research lab, will receive SMPTE Warner Memorial award Oct. 4 at convention at Lake Placid Hotel, N. Y.

George T. Scharffenberger, Federal Telephone & Radio Co. v.p., named v.p. in charge of operations of Kellogg Switchboard & Supply Co., also an IT&T subsidiary.

Brig. Gen. Albert F. Cassevant, ex-Army signal officer in Far East, named chief, Signal Corps procurement & distribution div.

J. E. Sullivan, civilian chief of Navy Bureau of Aeronautics' airborne div., resigns to become mgr. of Washington office of Lear Inc.

Clevite Corp. opens new Washington branch office with Henry W. Gottfried Jr. in charge; he's ex-v.p., North American Aviation Co.

Brig. Gen. W. Preston Corderman, deputy Chief Signal Officer, promoted to major general.

Philip A. Portnoy, exec. asst. to Harry R. Ashley, pres. of Electronic Instrument Co. (Eico), promoted to v.p.

Steven Galagan appointed engineering director, Gabriel electronics div.

Edward L. Nelson, 64, chief scientist, Army Signal Corps research & development, died Sept. 21 at Arlington, Va. He retired from Bell Labs in 1951 after 34 years on radio development, held 11 patents and supervised aircraft & ship radar projects in World War II. He is survived by his wife, 3 sons, 2 daughters.

FCC COMR. Robert T. Bartley, taking exception to proposals by CBS pres. Frank Stanton and others that equal time rule on political broadcasts (Sec.315) be amended (Vol.11:22), told NARTB regional meeting at Saranac Lake, N. Y. Sept. 23 that "tampering with the statute would go a long way toward undermining one of the basic principles which guarantees the freedom of radio in this country." Law's requirement for equality and fairness to all shades of political opinion, he said, also protects broadcaster since it insulates him from unreasonable pressures by parties.

"The proposal to put in the hands of a network or an individual licensee the power to determine which candidate should appear on his network or station," Bartley said, "would not be a cure for the problems that exist in the handling of political broadcasts. Such a proposal might be a solution for the problems that national networks face during a presidential campaign. But is the suggested change in the law a solution for the local broadcaster and his local audience? . . . I think that such a proposed 'cure' would kill the patient instead, by removing one of the basic safeguards of fair play in our system of broadcasting today."

Free TV time issue erupted again earlier this week when N. Y. Gov. Harriman and NBC completed arrangements for monthly simulcast "Report to the People"—evoking quick Republican demand for equal time. Hamilton Shea, NBC v.p. in charge of WRCA-TV, replied that program—starting Sept. 25—is in "public interest," referred to similar broadcast by Gov. Devey in 1949, refused G.O.P. request for present, but promised equal time if Gov. Harriman injects partisanship into discussions. Gov. Harriman's reports are to be carried on NBC 9-station N. Y. State TV network and an NBC State radio network, originating live at WRCA-TV, and will be broadcast semi-monthly during legislature sessions next year.

Denver's KFEL-TV, whose purchase by J. Elroy McCaw has been approved by FCC (Vol. 11:31), this week got new gen. mgr., Jon R. McKinley, ex-WTAC-TV, Flint. At same time, McCaw announced that Founders Corp., subsidiary of Tele-Trip Inc., New York aviation insurance firm, has exercised option on 50% of KFEL-TV, taking over half of \$400,000 sale price and half of \$350,000 liabilities. John M. Shaheen heads Founders board, other members being Eugene duPont III, Wilmington; H. J. Rand, Cleveland; and H. B. Lamy Jr., Philip Gandert & Joseph P. Kane, New York. Founders Corp. operates radio KPOA, Honolulu, last year bought WTAC, Flint, from Campbell-Trendle interests, after latter turned in CP for off-air Ch. 16 WTAC-TV (Vol. 10:32, 40). Note: Seller Gene O'Fallon, who is retained as KFEL-TV management consultant, with offices at 550 Lincoln St., Denver, announces formation of Gene O'Fallon & Sons, representing Boothe Leasing Corp., national leasing service for industrial equipment & machinery; his new company also will operate a rental & leasing service that includes closed-circuit TV, lines including Fleetwood and Singer large-screen TV projectors.

Approval of \$150,000 sale of KAVE, Carlsbad, N. M. with CP for KAVE-TV (Ch. 5) to John Battison group (Vol. 11:32) is sought in application filed this week. New owners will be Nancy H. Battison, pres., holding 76% (with husband John becoming mgr.); Charles D. Cole, engineer of Austin Co., Cleveland, v.p., 3%; Philip M. Baker, Washington attorney, 5%. Edward P. Talbott, chief engineer of KROD-TV, El Paso retains 16% of present holdings. Principals selling out are KROD-TV gen. mgr. Val Lawrence and Norman R. Loose.

CBS-TV's *Gene Autry Show*, on film, will be colorcast for its 5 episodes during Oct., Sat. 7-7:30 p.m.

Signs of the TV times: NBC's KRCA, Los Angeles, reports local time sales in Aug. up 73% from year ago, all NBC o-&-m stations rising 29%; radio WMAQ, Chicago, was up 85% in month, all NBC radio stations up 29% . . . WOR-TV, N. Y. not only goes on all-night schedule (Vol. 11:38) but reports billings for first 9 months 82% ahead of same 1954 period, attributable chiefly to *Million Dollar Movie* and other feature films . . . Philip Morris, readying for color TV and launching "retina retention" ad campaign on TV-radio Oct. 1, is coming out with red, white & gold package; appliance people going in stronger for colored items, GE disclosing 17% of its major appliances are now in color . . . Siegler Oil Heaters advertised in big headlines: "As different from ordinary heaters as TV is from radio!"

Next Armed Forces TV stations will be at Army's Kagnev Station, Asmara, Eritrea, and at Clark Air Force Base, Philippines, with both scheduled to begin low-powered telecasts about Nov. 1. Guantanamo Bay Navy Base in Cuba is due to get outlet by year's end. Greenland's second installation is also due by same time. Navy has requested station in Kodiak, Alaska, and 2 closed-circuit TV installations will be built at Whittier and Big Delta Army bases in Alaska. Armed Forces TV Service, under Lt. Col. M. E. Williamson, now has 7 TV stations. Its only outlet in continental U. S., at Loring Air Force Base, Maine, will go off air if either of 2 proposed stations is built at nearby Presque Isle, according to Col. Williamson.

Sale of radio WUSN, Charleston, S. C. for \$110,000 by J. Drayton Hastie family and *Evening Post*, who retain WUSN-TV (Ch. 2), was approved by FCC this week. New owners, with 50% each, are TPA's Barry Winton and Sol Panitz, TV-radio director of Alvin Epstein Adv., Washington agency (Vol. 11:34). Also approved was sale of WTRX, Bellaire, O. for \$85,500 by John Kluge, Washington, also owner of several other AMs, who bought it last year (Vol. 10:41) from owners of WTRF-TV, Wheeling, W. Va. (Ch. 7). New owners are Washingtonians—ex-NARTB admin. v.p. Robert K. Richards, now a public relations counsel, and Walter Patterson, who also own 2 W. Va. radio stations.

RCA Color TV Caravan, with crew of 18 headed by James P. McCarvill, will show at Texas State Fair for its duration Oct. 7-23 and is expected to show color TV to some 2,500,000 people. Studio will be set up in Agriculture Bldg., from which KRLD-TV & WFAA-TV will both colorcast. Featured will be special color TV projector using 15x20-ft. screen in addition to the twenty 21-in. color sets that will be set up throughout the fair grounds. Some of the technicians manning 32-ft. caravan trailer recently returned from black-&-white demonstrations for RCA at international trade fairs in Karachi, Pakistan & Djakarta, Indonesia.

Agreement has been reached for sale of WFBG-TV, Altoona, Pa. (Ch. 10) with WFBG (250 watts, 1350 kc, NBC) for \$3,500,000 cash instead of the \$2,900,000 cash and \$750,000 advertising credit previously agreed upon (Vol. 11:32-33). Triangle Publications Inc. (WFIL-TV, WBNF-TV, *Philadelphia Inquirer*) is purchaser; Gable dept. store interests the seller. Formal application for transfer will be filed with FCC shortly.

ABC-Paramount is new name of AB-PT's record label, changed from Am-Par. Under pres. Sam Clark, it's compiling big-name catalog, plans big promotional campaign this fall featuring \$100,000 time purchase on ABC-TV's upcoming *Mickey Mouse Club*.

New application for Presque Isle, Me., Ch. 8, was filed this week by WAGM, bringing total on file with FCC to 156 (19 uhf). [For details see *TV Addenda 21-K* herewith.]

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SUMMARY - INDEX OF THE WEEK'S NEWS — October 1, 1955

TV'S MARKET GAPS pinpointed in Advertising Research Foundation report showing highest percentage of non-TV homes in rural areas and in South (p. 1).

COLOR TUBE COMPETITION promised as GE shows developmental model due for 1957 production and Westinghouse announces upcoming 22-in. (pp. 2 & 15).

SUPERIOR PICTURE QUALITY of British TV attributed to better camera equipment in England and "engineering shortcuts" of American stations (p. 3).

16 MORE STATIONS scheduled for final 1955 quarter. Starters so far this year total 48 while 18 uhf quit. Total now on air: 453 (p. 3).

PHILADELPHIA UHF grant to Herbert Mayer, who also seeks uhf in Boston. Ch. 13 granted for 24-hour station in Las Vegas. Dropout paves way in Twin Falls (p. 4).

ALLOCATIONS DISCUSSIONS beginning at FCC level with special 2-day meeting, as RETMA's allocations committee is requested to report to Commission Nov. 1 (p. 5).

IT'S TV vs. HOLLYWOOD in scramble for rights to Broadway stage successes, with network financing of legitimate productions increasing (p. 5).

TV INVENTORIES OF 2,350,000 as of Oct. 1 don't alarm trade, in view of higher production and sales. Distributors report on color (p. 10).

110,200 DEALERS HANDLE TV-Radio, up 3100 from July 1954, reports RETMA; Midwest leads with 35,000; average of 70 sets sold per dealer in year (p. 12).

COLOR SETS IN PUBS, hotels and meeting places indicate TV history may be repeating itself. What they said about color at first World Series games (p. 7).

87 OF TOP 100 ADVERTISERS in U. S. used network TV during last 6 months, reports PIB; they represented 84% of TV billings, which were up 35% (p. 6).

FARM TV CENSUS reports on 6 states—Ark., Conn., Mass., R. I., Tex., Wash.—released by Census Bureau. Counts for half of states now in (p. 8).

2 NEW VHF STARTERS this week—WITN, Washington, N. C. (Ch. 7) and WHTN-TV, Huntington, W. Va. (Ch. 13). Reports on upcoming stations (p. 9).

UNIQUE MEXICAN STATION at Nuevo Laredo cost only \$10,000 to build, under \$500 per month to operate; composite transmitter puts out 100 watts power (p. 16).

WHERE THE SETS AREN'T—TV'S MARKET GAPS: There's a new study out this week which graphically pinpoints the gaps in TV ownership-- indispensable information for market men striving to penetrate the 15,682,000 homes which don't have a TV set. Accepting CBS Research's recent calculation that 97% of all U.S. homes are within signal range of TV, that means an enormous untapped market for initial sales.

Prepared by Advertising Research Foundation, 11 W. 42nd St., N.Y., with title of "National Survey of Television Sets in U.S. Households -- June 1955," 27-p. report presents 15 tables projected from Census Bureau's recent report (Series H-121, No. 1) on its 25,000-family sample (Vol. 11:34, 39). Highlights of ARF projections:

(1) Highest percentage of non-TV homes is on "rural farms" (57.7%). But the greatest number of non-TV homes is on "rural non-farms" (3,917,000). A "rural farm" is defined by ARF as "including all the households in small towns, villages and hamlets and in open-country whose houses are on farms." "Rural non-farm" takes in all non-farm homes in areas of less than 2500 population. We're currently publishing state-by-state counts of TV farms as they're released by Census (Vol. 11:28 et seq). Twenty-four states have thus far been reported on, of which the latest -- covering Ark., Conn., Mass., R.I., Tex., Wash. -- will be found on pp. 8-9.

(2) Areas outside "standard metropolitan" in the South have highest percentage and greatest number of non-TV homes (61.8% and 4,128,000). All told, South has 5,400,000 non-TV homes (49.8% of its total). ARF uses 5 Nielsen TV index territories for regional breakdowns (Northeast, East Central, West Central, South Pacific) while the Census Bureau uses 4 regions (Northeast, North Central, South, West). By Nielsen standards, South comprises Va. (except Arlington & Fairfax counties), N.C., S.C., Ga., Fla., Tenn., Miss., Ala., Ark., La., Okla., Tex. & N.M.

(3) There are 4,935,000 two-person households and 3,527,000 one-person homes

without TVs, according to report. Taken together, they represent more than 50% of the 15,682,000 non-TV homes in nation. Report doesn't say where they are, however.

Census Bureau had previously reported 32,106,000, or 67.2%, of the 47,788,000 households in nation, had a TV set as of June; 1,000,000, or 3.5%, owned second set; 4 out of 5 homes in metropolitan areas had a set, with top saturation 79.7% in the Northeastern region (New England and Middle Atlantic states) and with ownership predominating among larger families.

Note: Still no word on when NARTB's long-promised county-by-county census of sets-in-use, even as a one-shot, will get under way. Meanwhile, Television Magazine is out this week with its own county-by-county tabulations.

COMPETITION AHEAD FOR SHADOW-MASK TUBE: Both GE and Westinghouse reported on new and improved color tubes this week--but neither can offer them for market yet. The Westinghouse announcement of an upcoming all-glass 22-in. rectangular color tube was released same day GE was briefing newsmen on a new tube concept which it calls "post acceleration"--also 22-in. rectangular, non-metallic, using "electron optical masking" as against RCA's already-introduced and mass-produced "shadow masking."

Timing of the GE & Westinghouse disclosures, which in the case of GE came in wake of similar showings to 20 of its CR tube customers, led to inevitable speculation that they were intended not only to convey competitive promises but to emphasize unacceptance by those companies of the RCA shadow-mask tube now offered RCA customers at \$100 each and contained in all color sets now going on the market.

But the official explanation of the newsmen's invitations to GE's Electronics Park in Syracuse was that it was merely to render "progress report" on a tube still under development that provides many times more brightness than the shadow-mask type but that "probably will miss the 1956 market." Or, as GE tube dept. gen. mgr. J.M. Lang put it, a tube that won't be in production before 1957.

Besides demonstrated superiority in brightness -- though not yet in quality -- it was claimed for the GE tube that it will save 25-30% in cost of components.

GE has no plans to produce the aperture mask tube, Mr. Lang told us, which means that it's "willing to sacrifice the commercial advantage of being first on the market in order to produce a sound and proven product." GE's contention is that the post-acceleration tube permits a type of operation and circuitry which "seems to point the way eventually toward the least expensive acceptable color TV set."

Mr. Lang and other spokesmen conceded that GE might be proved wrong in its bearish estimate of a color market now, for which RCA is producing sets and beating the drums (see p. 10) -- and in response to a question intimated that GE might find itself forced to make sets with the shadow-mask tube if color "catches fire."

"Let's wait until about Feb. 1 and see," said one GE executive. Meanwhile, in stating that it has no intention of making color sets immediately and indicating its intention of waiting for its own tube, GE is falling in line with Philco, Zenith and others refusing to go along with RCA's zeal for color-now. Like the others, GE thinking is that color sets have to be priced \$500 or less to be marketable.

Westinghouse tube div. v.p. R.T. Orth merely announced from nearby Elmira plant same day (Sept. 27) that his company's all-glass 22-in. rectangular color tube has advantages over RCA's metal-coned tube by way of cost reduction; that it will require only the standard voltage and insulation of black-&-white; that it can be mass-produced alongside black-&-white tubes on a cheaper basis. But he didn't offer to demonstrate it and said it won't be ready for production for another 8-12 months.

Corning Glass Works was represented at the Syracuse demonstration, for it's intensely interested in glass as against metal-coned bulbs. In mass production, the glass bulbs are said to be much cheaper, hence conducive to lower tube & set prices.

GE spokesmen insisted they're not selling color short per se. They conceded they might go into field earlier if demand is proved, marketing mgr. R.A. Norman stating company has "tremendous confidence in the future of color as the basic TV medium." GE market researchers were quoted as forecasting possible sale of 6,000,000 color sets in 1960, going up to 8,750,000 in 1964.

Note: For technical description of the GE tube, see p. 15.

BETTER BRITISH PICTURES—ANOTHER VERSION: Superiority of the British TV image, which Americans almost invariably notice right off and which has been attributed mainly to more careful engineering at the transmitting end (Vol. 11:36), drew some pertinently fresh comment this week from one of the keenest and most respected journalistic observers of the American TV-radio industry -- N.Y. Times' Jack Gould, just back from London. His observations tallied with ours, as we reported them from England last year (Vol. 10:45), though he has another version of the whys & wherefores.

This matter of comparative TV images may or may not indicate a remissness on the part of our telecasters when it comes to "quality control". We don't know yet -- but we propose to find out and we're trying to get more opinion from top technical authorities. Meanwhile, here's Gould's London report on "lessons for American TV":

"There is a technical lesson to be learned from British TV, one that has a special and fresh pertinency with this fall's many color 'spectaculars' in the U.S. The quality of the British image [black-&-white] is infinitely superior to the American picture. This was noticeable here 2 years ago but it is apparent that American TV hasn't improved in the interval.

"Theoretically, our picture should be better. The American standard calls for a picture of 525 lines, whereas the British image is 405 lines. According to a New York engineer who has been helping the British commercial station get on the air, the answer lies not in the sets but in the British camera pickup equipment. He explained that the British equipment was less operational than the American but much more meticulously constructed and operated.

"Whatever the reason, the American stations should stop taking engineering shortcuts and see what they can do. From the viewer's standpoint it would be worth every penny. And if greater engineering care in the studios and at the transmitters would help eliminate some of the fuzziness on black-&-white receivers during color transmissions, it certainly should be done.

"The clean British picture, even on the larger sets, is certainly a pleasure to watch." To which last observation we add our own hearty assent, albeit we didn't find they had much to teach us in the way of programs or production techniques.

STATION BOXSCORE—NOT MANY MORE THIS YEAR: Three more months to go -- and definite prospect is that only 16 more stations will take to the air before the year is out. With 2 more vhf starters this week -- in Washington, N.C. & Huntington, W.Va. (for details see p. 9) -- total on air is now 453, of which 108 are uhf. Included are 18 educational non-commercials, 5 of them uhf.

Up to now the 1955 starters have totaled 48, while 18 quit the air -- all of latter uhf if you don't count merger of vhf time-sharers in Monterey-Salinas, Cal. Of the 18, two have returned -- KTVU, Stockton, Cal. (Ch. 36) and WJPB-TV, Fairmont, W.Va. (Ch. 35). Also returning was a 1954 "mortality" -- WTOV-TV, Norfolk (Ch. 27).

Since TV began, 56 stations have left the air apparently for good, all but 8 of them uhf; however, 31 retain license or CP. Voluntarily relinquished since lift-off freeze were 130 CPs, 107 of them uhf, while applications pending for new stations now stand at 156 -- indicating no "gold rush" nowadays.

A few more may manage to get on the air during next 3 months, but our records as verified by known equipment orders and/or shipments show only 16 definitely due to start before year's end -- plus bare possibility of 3 others delayed by litigation. This is the list, with prospective starting times as reported:

KTVO, Kirksville, Mo. (Ch. 3). Oct.
WORA-TV, Mayaguez, P.R. (Ch. 5). Oct.
KBMB-TV, Bismarck, N.D. (Ch. 12). Oct.
KRBB, El Dorado, Ark. (Ch. 10). Oct.
WTWV, Tupelo, Miss. (Ch. 9). Oct.
KBST-TV, Big Spring, Tex. (Ch. 4). Nov.
KLEW-TV, Lewiston, Ida. (Ch. 3). Nov.
KTHV, Little Rock, Ark. (Ch. 11). Nov.
WHTC, Pittsburgh, Pa. (Ch. 11). Nov.

KHOK-TV, Hayes Center, Neb. (Ch. 6). Nov.
KMVI-TV, Walluku, Hawaii (Ch. 12). Nov.
KHAS-TV, Hastings, Neb. (Ch. 5). Dec.
KOKE, El Paso, Tex. (Ch. 13). Dec.
WDMJ-TV, Marquette, Mich. (Ch. 6). Dec.
KOSA-TV, Odessa, Tex. (Ch. 7). Dec.
WREC-TV, Memphis, Tenn. (Ch. 3). Dec.
*WJRT, Flint, Mich. (Ch. 12).
*WSPA-TV, Spartanburg, S.C. (Ch. 7).

*WBLK-TV, Clarksburg, W. Va. (Ch. 12).
Canadian
CKRS-TV, Jonquiere, Que. (Ch. 12). Oct.
CJLH-TV, Lethbridge, Alta. (Ch. 7). Oct.
CKNX-TV, Wingham, Ont. (Ch. 8). Oct.
CKGN-TV, North Bay, Ont. (Ch. 10). Dec.

* Delayed by protest.

Three TV applications filed with FCC this week bring total pending to 156 (19 uhf). They were: For Yuma, Ariz., Ch. 13, by Wrather-Alvarez Bcstg. Co., owners of KFMB-TV (Ch. 8) San Diego; for Buffalo, N. Y., Ch. 59, by attorney Bernard I. Obletz, Philco distributor Richard

S. Levy, building supply dealer Daniel A. Roblin; for Ironwood, Mich., Ch. 12, by WJMS. [For details, see *TV Addenda 21-L* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 21* with Addenda to date.]

Personal Notes: Wm. V. Sargent promoted to new post of NBC-TV director of administration, reporting to Thomas A. McAvity, v.p. in charge of TV network . . . Franklin C. Snyder, gen. mgr. of WXEL, Cleveland since its inception in 1949, resigned as of Sept. 30, succeeded temporarily by Wm. Rine, Storer northern district v.p. . . . Wm. D. Shaw, gen. mgr. of KNX, Hollywood, named CBS Radio network sales mgr., succeeding Dudley Faust, being transferred; Shaw reports to sales v.p. John Karol. Bert West, sales mgr. of KNX, is promoted to succeed Shaw . . . Edward Codel, Katz v.p. & director, elected to board of Station Representatives Assn., filling unexpired term of Katz's George Brett, now retired . . . Robert H. Teter, sales mgr. of Westinghouse's radio KYW, Philadelphia, promoted to gen. mgr., succeeding Franklin A. Tooke, transferred to N. Y. exec. offices of parent company on special assignment; Rolland V. Tooke (no kin) remains gen. mgr. of WPTZ, Philadelphia . . . Douglas D. Kahle, ex-gen. mgr. of Pueblo's KCSJ-TV, named gen. mgr. of new KNTV, San Jose, Cal. (Ch. 11) succeeding Harry T. Maynard . . . Hal Wilson, ex-KOOL-TV, Phoenix & KOPO-TV, Tucson, serving recently as consultant on construction of WIRI, Plattsburgh, N. Y., named operations director of WITN, Washington, N. C. (Ch. 7) . . . James A. Gunn, ex-KTVW, Tacoma, named sales mgr. of KONA, Honolulu, succeeding James A. Wethington, now KGMB-TV, Honolulu . . . Richard H. deMontmollin, ex-WCRA, Greenwood, S. C., named sales mgr. of WIS-TV, Columbia, S. C. . . . George Jacobs, returning from San Diego's KFMB-TV, where he was detailed as technical director for boost to 316-kw ERP, named engineering & development director of KOTV, Tulsa, with Lavoy Hooker promoted to succeed him as chief engineer . . . Edward Edison, ex-RCA Service Co. branch mgr. in Hollywood & San Francisco, ex-NBC engineer, ex-asst. chief engineer of KLAC-TV, joins Robert L. Hammett, consulting radio engineer, San Francisco . . . Tom Burham promoted from radio CKRS to mgr. of upcoming CKRS-TV, Jonquiere, Que. (Ch. 12), due in Oct. with Gerard Lemieux as technical director, Jean-Marie Dugas program director . . . Dale Sheets promoted to MCA-TV western sales director, Beverly Hills; Noel K. Rubaloff elevated to administrative asst. to sales v.p. Wynn Nathan; Robert P. Riley heads new producer relations dept.; Robert Montgomery, ex-World Bestg. System, placed in charge of new Tampa office . . . Stan Smith, ex-ABC eastern sales mgr., joins Official Films as N. Y. sales mgr. . . Otto Paoloni promoted to service mgr., Pathe Laboratories Inc., succeeding Joseph Tames, assuming new duties with Pathecolor Inc., also a Chesapeake Industries Inc. subsidiary . . . Gerard Pick, ex-NBC, named industrial film mgr., Animated Productions Inc., N. Y. . . . Wm. A. Wood, ex-educational WQED, Pittsburgh & CBS Washington, named gen. mgr. of educational WTVS, Detroit . . . Sherman M. Egan, transmitter supervisor, named acting chief engineer of WNBC-TV, Binghamton, N. Y., succeeding L. H. Stantz.

* * * *

AGENCIES: George E. Simons, ex-Crosley-Bendix director of adv. & promotion who joined Kenyon & Eckhardt, last Feb., elected v.p. of agency . . . Gerry Martin, ex-director of DuMont Network sales, joins Kenyon & Eckhardt, N. Y. . . . Charles Sinclair, ex-senior editor of *Sponsor*, ex-WPIX, joins Rogers & Cowan, N. Y. . . . Frank Dennis resigns as v.p. in charge of TV-radio copy, Doherty, Clifford, Steers & Shenfield . . . Alfred DeAngelus named TV-radio director, Robinson, Adelman & Montgomery Inc., Philadelphia.

CBS wins 1955 Howard W. Blakeslee Award from American Heart Assn. for film "Gate 27" in *The Search* series, depicting heart disease research.

TWO GRANTS awarded by FCC this week to untested applicants: (1) Ch. 23 in Philadelphia to Herbert Mayer, founder and ex-owner of pioneer uhf KPTV, Portland, Ore. and of WXEL, Cleveland, who also is applicant for Ch. 38 in Boston. (2) Ch. 13 in Las Vegas, Nev. to Moritz Zenoff, owner of radio KBMI, Henderson, Nev.; he proposes round-the-clock film operation in what would be third vhf in famed gambling resort.

Dropout of Twin Falls TV Co. (August H. Vogeler) this week left owners of KIDO-TV, Boise, in line for early grant of Ch. 13 in Twin Falls, Ida.

In other actions this week, the Commission: (1) Dismissed protest and petition for reconsideration by WIRK-TV, West Palm Beach, Fla. (Ch. 21) seeking to reverse FCC's approval of sale of WEAT-TV, West Palm Beach (Ch. 12) to General Teleradio (Vol. 9:31). (2) Approved move of transmitter by KBES-TV, Medford, Ore. (Ch. 5) to point 26 mi. SE of city, despite pendency of "5-mile rule" which would require transmitters be located within 5 mi. of city. (3) Set Nov. 28 date for start of 2-way hearing for Ch. 4 in Cheboygan, Mich.

WMUR-TV, Manchester, N. H. (Ch. 9) petitioned FCC to redraw zone boundary so that all of Vermont & New Hampshire, or all portions of the 2 states above 42°55' parallel, fall within Zone II. Station cited rugged terrain, added it wants to go to 316-kw at 2000 ft. in order to compete more effectively with stations in Boston and Mt. Washington.

Coahoma County Chamber of Commerce, Clarksdale, Miss., objected to Commission's proposal to shift Ch. 6 from Clarksdale to Indianola, Miss. (Vol. 11:36).

NBC-TV acquires 2 of top men in entertainment field—Leo Durocher, ex-mgr. of N. Y. Giants & Brooklyn Dodgers, and Jess Oppenheimer, creator, writer & producer of *I Love Lucy*—in networks' mounting talent donnybrook. Durocher, known for his close ties with many outstanding entertainment figures as well as his "lip" in baiting umpires, and who is married to actress Laraine Day, quit Giants Sept. 24, joined NBC Sept. 27 in "executive capacity" without formal title at reported salary of \$52,000 per year. He will serve as "talent scout," occasional sports commentator, network representative in Hollywood. Oppenheimer, who broke into network radio in 1938 as writer for Fred Astaire program, once was head writer-director for Fanny Brice. He also wrote for Jack Benny, Edgar Bergen, Rudy Vallee and was under exclusive contract with CBS from 1948. He joins NBC Hollywood staff next spring to serve on program planning group creating new shows; will produce own shows and have percentage stake in them. Across the Atlantic, race for big names is keeping pace with American efforts. BBC has signed Dr. Roger Bannister, first man to run 4-min. mile, as sports commentator. New commercial ITA broke tape first, however, by hiring Chris Chataway, who also ran 4-min. mile after Bannister, in similar capacity.

New FCC Comr. Richard A. Mack's assistants, named this week: engineering, John E. Doane, 43, ex-supervising engineer of FCC's broadcast hearing div. and onetime chief of FM branch; legal, H. Earl Barber, 32, who resigns from private practice in Miami, was once UP correspondent.

Father Placid Jordan, O.S.B., who as an early NBC foreign correspondent was known as Dr. Max Jordan before he took the cloth, will return to the U. S. from the Benedictine Monastery at Bueron, Germany, for a lecture tour next spring.

FCC Comr. Webster returns Oct. 2 after 3 weeks in Gothenburg, Sweden, where he headed group of U. S. observers at Baltic & North Sea Radiotelephone Conference on maritime safety.

SERIOUS STUDY of allocations—deintermix-
ture, uhf problems, vhf drop-ins, etc.—will
begin at the Commission level next week, with
special FCC meetings Oct. 3-4 to look at “the en-
tire problem.” Meetings will be devoted to review
of studies already made and in progress at staff
level. Chairman McConnaughey said Commission
will continue to have special meetings “as often as
possible” to work on allocations problems.

Another allocations study, the TV transmitter-
receiver manufacturers' Frequency Allocation
Study Committee set up under RETMA aegis
(Vol. 11:39), is getting down to work in a hurry,
having been requested by Chairman McConnaughey to
submit its final report by Nov. 1—same date when com-
mittee's chairman, GE's Dr. W. R. G. Baker, is due to
leave on 3-week European trip. Study will be geared to
“the place of uhf,” is expected to reject proposals to add
more vhf outlets via drop-in route.

The growing conviction that the Commission, Con-
gress and others are finally going to tackle uhf-allocations
problems in earnest, apparently has set off a tiny boom
in the market for uhf channels. After long drought, 7
applications for uhf stations have been filed with FCC
in last 9 weeks. One uhf grant was made this week to
veteran telecaster Herbert Mayer for Philadelphia (see
p. 4), another last week to Orange County Bestrs. for
Orlando, Fla. (Vol. 11:39).

Encouraged by NBC's purchase of uhf WBUF-TV,
Buffalo (Vol. 11:11, 15, 39), local group there this week
applied for independent outlet on Ch. 59—despite fact that
2 uhf outlets have left air in Buffalo for economic reasons.
A 40% owner of new applicant is Richard S. Levy, v.p. of
Philco distributor W. Bergman Co. He told us this week
that since news of NBC's purchase, sales of uhf tuners
have picked up. “NBC's shows single-handedly built TV
here in 1949-51,” he added, “and we're confident that they
could do the same for uhf.”

Meanwhile, NARTB was lambasted this week by Roger
L. Putnam, onetime govt. price stabilizer who is pres. of
uhf WWLP, Springfield, Mass. Threatening to resign, he
accused the association of “ignoring the present and grow-
ing problems within the broadcast industry,” and added:

“The NARTB and certain of its principal spokesmen
have persistently filled the eyes and ears of the FCC com-
missioners with false propaganda to the effect that uhf
is an unfit medium and incapable of providing a real
service to any community.” He assailed NARTB's “im-
portant members” for backing vhf drop-in proposals and
increases in tower height, which “will ultimately ruin
reception in far more areas than they will improve it.”

FCC's confidential financial data on TV stations and
networks is due to be turned over to Senate Interstate &
Foreign Commerce Committee's TV investigators as re-
sult of ruling by Attorney General's office. Justice Dept.
has overruled Commission's contention of last year that
U. S. Criminal Code barred it from turning over to Con-
gress the documents on which its financial studies are
based (Vol. 10:52). The information had been requested
by ex-FCC Comr. Robert F. Jones, who at that time was
majority counsel to the Senate investigation. Attorney
General's office ruled that the Commission may release
the documents on individual station and network finances
to Congressional probers at its own discretion. The Com-
mission now has volunteered to make the material avail-
able if it's kept confidential.

National Assn. of Educational Broadcasters holds an-
nual convention at Chicago's Del Prado Hotel Oct. 26-29;
Frank Schooley, U of Illinois (WILL-TV), will preside.

Telecasting Notes: Is TV ready to outbid Hollywood for
rights to Broadway stage successes? *Variety* thinks it is,
noting in Sept. 28 issue that NBC-TV is putting up \$100,-
000 to finance forthcoming Lindsay-Crouse production of
The Great Sebastians, starring Alfred Lunt & Lynn Fon-
tanne—first time a network has backed straight non-musi-
cal drama, though both CBS & NBC have previously served
as “angels” for Broadway musicals as investments and for
sake of their recording companies. (By RCA-NBC: *Call
Me Madam, Wish You Were Here, Me & Juliet*. By CBS:
Tree Grows in Brooklyn and upcoming *Pygmalion & Big
Banjo*) . . . NBC's deal for Lunt-Fontanne play gives it
rights to TV version 6 months after close of N. Y. run, as
well as title to all costumes, props, etc., with network in
line to make profit on Broadway receipts if play is hit.
Says article: “Since video networks had already stepped
into the legit financing setup with pre-production deals
for various Broadway musicals, this means that TV, rep-
resenting the huge assets of major commercial sponsors, is
ready to outbid Hollywood for stage material. It's ob-
viously only a matter of a short time before the networks
get into full competition for literary material as well” . . .
Columbia Pictures, long active in TV through its Screen
Gems subsidiary, understood to be dickering with networks
for hour-long show under its own name, a la *Disneyland*,
Warner Bros. Presents, 20th Century-Fox Hour, et al.
Columbia also is seeking bids on block of old feature films
(quantity and age unrevealed) from networks and syndi-
cators . . . Spectacular ratings going up: CBS-TV's *Ford
Star Jubilee* Sept. 24 featuring Judy Garland got Trendex
of 34.8; NBC-TV's first spectaculars of season, “Skin of
Our Teeth” and “Our Town” drew 14.4 & 26.5 respectively
. . . New British movies on TV, in form of ABC-TV's
Famous Film Festival, drew No. 2 rating on highly com-
petitive Sun. 8-9 p.m. spot. Sept. 25 Trendex showed *Ed
Sullivan Show* (CBS) with 35.8, *Famous Film Festival*
8.4, *Colgate Variety Hour* (NBC) 6.3 . . . Upcoming spe-
cials: Fred Astaire reportedly has signed for his first 2
TV appearances on CBS-TV's *Electric Theatre* Sun. 9-9:30
p.m.; another version of Dickens' “A Christmas Carol” due
for the holiday season, on ABC-TV's *MGM Parade*, filmed;
CBS-TV schedules *Report Card*, series of 5 weekly shows
tied in with upcoming White House Conference on Educa-
tion, beginning Oct. 30 Sun. 2:30-3 p.m. . . . Significant
observation by *Variety*, which runs company-by-company
film syndication tabulation in Sept. 28 issue: “Virtually
every major firm in the business is doing anywhere from
25-75% of its business from re-run sales” . . . Historic
pipe organ which provided theme music for scores of
NBC's Chicago-originated radio programs, was donated
by network to new U. S. Air Force Academy at Colorado
Springs; built 20 years ago for more than \$50,000, it was
removed from NBC's Merchandise Mart studios last Feb.
in preparation for studio remodeling . . . NBC's new “mgr.
of comedy development”: Les Colodny, ex-Wm. Morris
Agency.

United World, subsidiary of Universal Pictures, will
expand its TV and industrial film production, its TV v.p.
Norman Gluck this week announcing appointment of
George Bole as production v.p. UW has produced TV com-
mercials for GE, Coca Cola, Marlboro, Philip Morris, Lux,
DeSoto, Colgate, among others.

Power increases: WGBS-TV, Miami (Ch. 23) Sept. 27
to 186-kw ERP from new 937-ft. tower; WMAL-TV,
Washington (Ch. 7) Sept. 20 to 225-kw; WFAM-TV,
Lafayette, Ind., (Ch. 59) Sept. 22 to 204-kw.

Annual McCall's “Mike” Awards for public services
by women in TV & radio will henceforth be announced in
May instead of Jan.; entries are due by Oct. 5.

TOP 100 NATIONAL advertisers, of which 87 are using TV, accounted for \$166,672,111 (84%) of \$197,309,819 total network TV billings during first 6 months of 1955 (Vol. 11:32). As tabulated by Publishers Information Bureau, network TV shows 35% increase over same period, 1954; combined TV, radio, magazine & newspaper gain is 13%. With increased advertising budgets the rule, everything points to record volume this year; TV holds strong lead over magazines (in top 100 outlays) for 6 months—\$166,672,111 vs. \$129,263,801; total for 4 media in period is \$365,444,667 vs. \$323,547,166 for same 1954 period.

PIB lists 20 newcomers among "top 100" in period. Last year, outlays of under \$1,000,000 were sufficient to gain listing for 5 in the tabulation; in 1955, all have passed that mark. For first-half 1954 rankings, see *TV Factbook No. 20*, p. 36; for entire 1954 rankings, see *TV Factbook No. 21*, p. 24.)

Note: PIB figures are based on one-time gross rates, hence are discountable by at least 25% to arrive at more realistic estimate of outlays for TV time; also, figures do not embrace talent, production & other costs, usually equated at 1.75 times net cost of time (Vol. 11:39, p. 1). Here are rankings of top 100 with their total network TV and total radio expenditures during first 6 months of 1955:

Company	Total Expenditures	Network Television	Network Radio
1. General Motors	\$26,948,227	\$ 6,636,750	\$3,347,611
2. Procter & Gamble	24,990,507	16,012,481	5,159,781
3. General Foods	15,381,587	6,303,455	715,076
4. Colgate-Palmolive	14,927,452	9,120,752	1,856,417
5. Chrysler	13,637,085	7,313,421	872,595
6. Gillette	11,032,598	6,834,007	2,673,907
7. General Electric	9,400,594	3,877,818	-----
8. American Tobacco	9,364,660	5,169,285	976,790
9. Lever Brothers	9,351,438	4,617,736	1,926,132
10. Ford Motor	8,840,653	3,924,984	140,976
11. General Mills	7,578,010	4,526,629	1,377,515
12. R. J. Reynolds	7,126,496	5,292,848	442,154
13. National Dairy Products	6,868,676	3,111,057	1,573,213
14. American Home Products	6,802,567	3,842,183	1,760,655
15. Liggett & Myers	6,706,808	4,052,786	1,567,407
16. P. Lorillard	5,961,307	3,512,010	1,217,571
17. Swift	5,618,190	2,484,236	1,385,541
18. Bristol-Myers	5,609,726	2,524,006	894,498
19. Campbell Soup	5,448,377	2,455,300	5,442
20. Pillsbury Mills	4,242,798	2,612,929	971,468
21. Quaker Oats	3,926,744	1,070,095	828,437
22. Goodyear Tire	3,805,687	1,023,630	189,478
23. Sterling Drug	3,758,723	656,910	1,197,509
24. Miles Labs	3,746,359	1,206,122	2,056,066
25. AT&T	3,713,561	-----	416,926
26. Distillers Corp.-Seagrams	3,639,504	-----	-----
27. Kellogg	3,581,716	2,192,196	555,191

Among advertisers currently reported using or preparing to use TV station time: A-1 Foods Inc., Los Angeles (macaroni products & RoseKist popcorn), thru Mogge-Privett Adv., L. A.; Precision Radiation Instruments Inc., Los Angeles (Geiger counters), thru Weiss & Geller, Chicago; Drackett Co., Cincinnati (Drano), thru Young & Rubicam, N. Y.; Blumenthal Bros. Chocolate Co., Philadelphia (Goobers, Raisinettes, Malties candies), thru Feigenbaum & Wermen, Philadelphia; Yonkers Raceway, Yonkers, N. Y., thru Franklin Bruck, N. Y.; Nutrena Mills Inc., Minneapolis (dog food), thru Bruce B. Brewer & Co., Minneapolis; Stegmaier Brewing Co., Wilkes-Barre, Pa., thru McCann-Erickson, N. Y.; Fromm & Sichel Inc., N. Y. (Paul Masson wines), thru Geyer Adv., N. Y.; Adolph Coors Co., Golden, Colo. (Coors beer), thru Kostka-Bakewell & Fox, Denver; W. F. McLaughlin & Co., Chicago (Manor House coffee), thru Earle Ludgin & Co., Chicago; Cummins-Chicago Corp., Chicago (power tools), thru Aubrey, Finlay, Marley & Hodgson, Chicago; National Toilet Co., Paris, Tenn. (Nadinola cream), thru Roche, Williams & Cleary, Chicago; Deering, Milliken & Co., N. Y. (Agilon stretch nylon yarn), thru Amos Parrish & Co., N. Y.; Fairmont Foods Co., N. Y. (cream cheese), thru Doyle Dane Bernbach, N. Y.; King Korn Stamp Co., Chicago (trading stamps), thru Powell & Schoenbrod,

Company	Total Expenditures	Network Television	Network Radio
28. Westinghouse	3,541,899	2,346,855	-----
29. RCA	3,339,969	827,174	256,270
30. Philip Morris	3,265,257	1,241,250	534,212
31. S. C. Johnson & Son	3,157,008	1,729,400	-----
32. Borden	3,081,011	2,143,615	-----
33. American Motors	2,987,340	1,658,085	26,048
34. Texas Co.	2,927,114	748,759	738,655
35. Standard Brands	2,901,047	674,841	31,772
36. Helene Curtis Ind.	2,828,574	1,519,883	73,502
37. Coca-Cola	2,828,139	1,546,164	136,850
38. Armour	2,809,005	541,766	936,204
39. E. I. du Pont	2,677,062	377,587	-----
40. Carnation	2,674,577	747,461	889,838
41. Johnson & Johnson	2,570,306	369,967	-----
42. Brown & Williamson	2,552,992	1,055,664	617,180
43. National Biscuit	2,395,052	1,432,144	220,052
44. National Distillers	2,355,425	-----	-----
45. Scott Paper	2,298,850	1,431,616	-----
46. Firestone Tire	2,218,147	739,845	441,886
47. Eastman Kodak	2,194,140	980,143	-----
48. Philco	2,110,806	1,085,185	337,791
49. Studebaker-Packard	2,083,585	755,977	105,888
50. Serutan	2,054,094	1,886,582	-----
51. International Cellucotton	2,011,433	-----	-----
52. Florida Citrus Commission	2,010,397	471,385	975,227
53. Armstrong Cork	1,922,569	884,055	-----
54. Nestle Co.	1,917,134	749,402	58,453
55. H. J. Heinz	1,881,328	1,047,978	-----
56. Dow Chemical	1,838,691	1,240,490	25,060
57. Best Foods	1,788,327	950,086	-----
58. Remington Rand	1,728,148	995,419	-----
59. Revlon Products	1,686,098	1,123,942	-----
60. Andrew Jergens	1,681,127	713,885	-----
61. Rexall Drug	1,633,136	43,284	80,332
62. Great A. & P. Tea Co.	1,618,292	-----	-----
63. B. F. Goodrich	1,617,837	600,837	26,664
64. Schenley	1,605,638	-----	-----
65. Schlitz Brewing	1,599,367	1,039,545	-----
66. Pepsi-Cola	1,592,596	518,775	-----
67. Sylvania	1,584,183	1,028,055	-----
68. U. S. Steel	1,572,421	796,170	-----
69. American Dairy Assn.	1,567,852	868,990	230,555
70. Warner-Lambert	1,556,721	658,494	-----
71. Pond's Extract Co.	1,544,366	726,688	-----
72. Prudential Insurance	1,537,293	647,691	430,697
73. Aluminum Co. of America	1,500,595	965,654	-----
74. Corn Products Refining	1,491,278	346,823	172,157
75. Reynolds Metals	1,487,895	565,279	-----
76. Simonz	1,401,047	1,093,810	6,112
77. Pet Milk	1,400,935	1,004,025	396,910
78. Admiral	1,392,464	940,134	-----
79. Lehn & Fink	1,377,045	1,080,283	-----
80. CBS	1,301,839	969,879	126,808
81. Willam Wrigley	1,298,494	350,790	720,144
82. California Packing	1,286,511	175,633	-----
83. Avco Manufacturing	1,281,506	719,187	60,749
84. Hunt Foods	1,246,739	-----	-----
85. Stanley Warner	1,215,223	-----	-----
86. Pabst Brewing	1,171,491	1,087,696	80,595
87. Hazel Bishop	1,170,833	1,170,833	-----
88. Outboard Marine & Mfg. Co.	1,169,447	28,071	-----
89. Simmons	1,135,817	322,170	-----
90. Hiram-Walker	1,126,277	-----	-----
91. Maytag	1,102,529	945,910	-----
92. Hallmark Cards	1,079,646	905,160	174,486
93. Gulf Oil	1,074,960	955,645	-----
94. Mutual Benefit	1,072,726	75,285	556,109
95. U. S. Rubber	1,068,411	-----	-----
96. Cluett, Peabody & Co.	1,066,984	-----	-----
97. Safeway Stores	1,052,244	-----	73,421
98. Pittsburgh Plate Glass	1,050,743	-----	-----
99. W. A. Shaeffer	1,039,232	919,084	-----
100. Olin-Mathieson Chemical	1,025,123	231,000	-----

Chicago; Sandura Co., N. Y. (Vinyl plastic floors), thru Hicks & Greist, N. Y.; Selchow & Righter Co., N. Y. (games), thru Norman, Craig & Kummel, N. Y.; Sno-Bol Corp., Chicago (bowl cleaner), thru U. S. Adv. Co., Chicago; Andrea Radio, Long Island City, N. Y. thru Dowd, Redfield & Johnstone, N. Y.; Dolores of Florida Inc., Lakeland, Fla. (brassieres), thru Bishopric, Green & Assoc., Miami; Chattanooga Medicine Co., Chattanooga (Black Draft), thru Harry B. Cohen, N. Y.; Olin-Mathieson Chemical Corp., Winchester-Western Div., New Haven, Conn. (Winchester roller skates), thru D'Arcy Adv. Co., N. Y.; Pacific Greyhound Lines, San Francisco, thru Beaumont & Hohman, San Francisco; SeaPak Corp., St. Simons Island, Ga. (frozen seafood), thru N. W. Ayer, N. Y.; Durkee Famous Foods, Cleveland, thru Meldrum & Fewsmit Inc.

Recommended reading: Sept. 19 edition of *Broadcasting-Telecasting*, with its 144-p. Report on Radio in 1955, particularly articles titled "Curve Starts Up" with graph and table showing upturn in AM and "Radio Joins the Business Cycle," by Richard P. Doherty, detailing how the medium is growing apace with the economy. Also, Sept. 19 *Sponsor Magazine's* roundup on the Negro radio market and tabulation of more than 600 AM stations specializing in reaching it.

Network Accounts: NBC-TV will shortly raise the minimum number of stations advertisers will be required to take for so-called "basic network." It will reveal plan at press luncheon Oct. 6 at 21 Club in N. Y. Meanwhile, there's speculation that required minimum may be hiked to 100 stations (out of 188 affiliates) from present basic minimum of 55 stations (costing \$66,450 per hour) . . . Steve Allen signs new 3-year contract with NBC-TV, which disclosed that his *Tonight* (Mon.-thru-Fri. 11:30 p.m.-1 a.m.) is near break-even point on revenue; show is about 30% sold out, and profit is anticipated when it reaches 33½% . . . ABC-TV reports 53 network partic. sold for 8-week period starting Oct. 2 for J. Arthur Rank's *Famous Film Festival* series, Sun. 7:30-9 p.m.; additional local partic. have been sold by stations . . . Revlon to keep \$64,000 *Question* on CBS-TV, Tue. 10:30-11 p.m., and will share sponsorship with P. Lorillard Co. of new tie-in program featuring \$64,000 *Question* contestants on CBS-TV Sun. 10-10:30 p.m. . . NBC-TV's answer to \$64,000 *Question* is *The Big Surprise* (sponsored by Speidel & Purex, offering contestant \$100,000, starting Oct. 8, Sat. 7:30-8 p.m.; like \$64,000 *Question*, it's packaged by Louis G. Cowan Inc. . . Walt Disney's *Mickey Mouse Club*, which debuts on ABC-TV Oct. 3, Mon.-thru-Fri. 5-6 p.m., has been sold to 18 national sponsors for gross of \$15,000,000 in time & talent . . . Ralston Purina to sponsor *Ethel & Albert* on ABC-TV starting Oct. 14, Fri. 10-10:30 p.m., thru Guild, Bascom & Bonfigli, San Francisco . . . Pharmaceuticals Inc. to sponsor Ted Mack's *Amateur Hour* on ABC-TV starting Oct. 6, Thu. 10-10:30 p.m., thru Edward Kletter Assoc. . . Standard Brands to sponsor *Topper* on ABC-TV starting Oct. 3, Mon. 7:30-8 p.m., thru Compton Adv. . . GE clock & timer dept. to sponsor *Adventures of Ozzie & Harriet* every 4th week on ABC-TV starting Oct. 14, Fri. 8-8:30 p.m., thru N. W. Ayer; other sponsors are GE's Hotpoint Co. and Quaker Oats' Aunt Jemima div. . . Longines-Wittnauer Watch Co. to sponsor annual *Thanksgiving Day Festival* on CBS-TV Thanksgiving Day, Nov. 24, 5-6 p.m., thru Victor A. Bennett Adv. . . Mutual of Omaha takes option on alt. sponsorship (with Quaker Oats) of *Zoo Parade* on NBC-TV Sun. 3:30-4 p.m., thru Bozell & Jacobs.

With 10 Toni brands as first accounts, North Advertising Inc. starts as a new agency Dec. 1 with offices at 430 N. Michigan Ave., Chicago; 6 E. 45th St., N. Y.; 9533 Brighton Way, Beverly Hills, Cal. Founders are Don Paul Nathanson & Cyrus H. Nathan. Nathanson is ex-adv. director of Toni; he will serve as pres., recently was v.p. of Weiss & Geller, Chicago. Nathan, ex-v.p. of Biow and Foote, Cone & Belding, will be exec. v.p. In Chicago, Roger Moran will be creative director; Bernard Lee, merchandising director; Jack McCord, in charge of TV-radio; Harold Rosenzweig, treas.; George Gruenwald, James Mackin, Bennett Cooper, Richard Sachse, account executives. Bruce Dodge, ex-director of TV-radio at Weiss & Geller, Kenyon & Eckhardt and Biow, will supervise N. Y. & L. A. offices—with Frank Higgins heading production in N. Y. and Walter N. Hiller Jr. in charge at L. A. and Maxine Anderson as production chief.

International Advertising Assn., Roosevelt Hotel, N. Y. has released Section 1 of new *Code of Ethics & Standards of Practice* dealing with all world-wide advertising media. First section promulgates general policies for agencies, including standard forms for agreements. Part 2, to be released later, will deal exclusively with TV-radio practices; third section will cover all other media.

TV Cartoon Productions, 222 Kearny St., San Francisco, has issued booklet for ad agencies covering planning, budgeting, production & techniques for TV animations.

HISTORY is repeating itself, apparently, in the matter of color TV set sales—for it's to the bars, restaurants, hotels and public meeting places that a good many of the color sets are going, according to distributors. Wealthy people, for the most part, are the other buyers—at \$795 & \$895 per set—but some installment-buying by those in comparatively moderate circumstances is reported.

World Series colorcasts gave impetus to the "pub trade"—and these varied in quality from very poor (first game) to good (second game) to superb at times (third game). FCC Chairman McConaughy and Comr. Hyde reported they didn't see the games but their families did and found the color pictures extremely good.

RCA intimated that the bar and hotel people are now so interested that more multiple installations are on tap; last week, it disclosed that the Gov. Clinton Hotel in N. Y. had ordered 50 color sets (Vol. 11:39). One RCA distributor, Eastern Co.'s Alan Steinert, reported from Boston that "hotels and bars are grabbing them."

Divergent viewpoints on quality of the color at the games, reflecting fact that different sets have different "personalities," to say nothing of different handling, is evident in comments on the first World Series games.

After first game, N. Y. *Herald Tribune* columnist Marie Torre reported that consensus among those who watched at RCA Exhibition Hall was that baseball heroes in color are "perfectly wonderful, especially in the closeups." After same game, N. Y. *Times*' Jack Gould found "the tinted version was far from impressive because outdoor pickups are not yet electronic color's strong features." He wrote:

"The mighty Joe Collins appeared to be skipping around an artist's palette . . . Color TV's chief problem was Nature's peculiar reluctance to acknowledge the coming of the TV age. During the course of the afternoon, the sun and clouds kept moving and the shadows lengthened. This led to constantly changing lighting conditions with which the color cameras could not fully cope . . ." Gould continued to complain of "degraded" pictures on black-&-white, and said the Series game was further proof.

Radio-TV Daily saw everything good about color at the first World Series game: "Viewed from one of 3 RCA receivers set up for the press by the School of Radio Technique," it reported, "the picture was vibrantly alive with a 3-dimensional quality uncommon to black-&-white video."

Rate increases: WAAM, Baltimore, raises base hour from \$975 to \$1100, min. \$175 to \$200; WRGB, Schenectady, hour from \$850 to \$950, min. \$165 to \$190; KFMB-TV, San Diego, raises Class A min. rate from \$160 to \$180; WMCT, Memphis, adds new Class AA hour (7-9:30 p.m. daily) at \$800, min. at \$160, Class A hour remaining \$700; WFLA-TV, Tampa, raises base hour from \$400 to \$500, min. \$80 to \$100, and adds new Class AA min. only rate (8-10:30 p.m. daily) at \$125; WHUM-TV, Reading, Dec. 1 raises hour \$300 to \$450, min. \$60 to \$90; KARK-TV, Little Rock, raises hour from \$350 to \$400, min. \$70 to \$80; WMUR-TV, Manchester, N. H. from \$250 to \$350 & \$50 to \$70; WWTW, Cadillac, Mich. from \$250 to \$300 & \$50 to \$60; WROW-TV, Albany, N. Y. from \$250 to \$300 & \$50 to \$60; WSFA-TV, Montgomery, Ala. from \$250 to \$350 & \$50 to \$70; WNCT, Greenville, N. C., from \$300 to \$350 & \$60 to \$70. Rate decrease: WBLN, Bloomington, Ill. cuts hour from \$200 to \$120, min. \$40 to \$24.

FARM TV COUNTS for 6 states were derived this week from Census Bureau agriculture tabulations. These figures, excised by *Television Digest* from Census of Agriculture's individual county statistics and published as soon as each state tabulation is complete, are based on 20% sample in farm census of Oct.-Nov. 1954. This week's figures show heavy TV penetration of farms in New England—68.9% in Mass., 68.7% in Conn., 76.2% in R. I.—as compared to Texas (30.8%), Arkansas (21%) and Washington (44.7%). Latest county-by-county farm TV circulation statistics:

MASSACHUSETTS

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Barnstable	512	246	Middlesex	2,245	1,762
Berkshire	1,088	752	Nantucket	11	—
Bristol	1,610	1,287	Norfolk	915	666
Dukes	72	30	Plymouth	1,846	1,364
Essex	1,197	921	Suffolk	35	15
Franklin	1,541	729	Worcester	3,267	2,420
Hampden	1,412	904	State Total	17,361	11,968

CONNECTICUT

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Fairfield	1,104	779	New London	1,932	1,219
Hartford	2,628	1,817	Tolland	1,322	909
Litchfield	1,618	1,097	Windham	1,688	1,094
Middlesex	835	537	State Total	12,753	8,759
New Haven	1,626	1,307			

RHODE ISLAND

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Bristol	100	70	Providence	819	652
Kent	319	246	Washington	322	211
Newport	444	350	State Total	2,004	1,529

WASHINGTON

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	639	369	Lewis	2,793	887
Asotin	465	63	Lincoln	1,051	676
Benton	1,483	293	Mason	526	306
Chelan	1,875	184	Okanogan	1,770	89
Clallam	1,068	531	Pacific	665	138
Clark	4,100	2,094	Pend Orielle	461	224
Columbia	356	112	Pierce	3,611	2,338
Cowlitz	1,362	585	San Juan	295	177
Douglas	990	228	Skagit	2,352	1,048
Ferry	403	84	Skamania	240	75
Franklin	413	57	Snohomish	4,345	2,512
Garfield	300	107	Spokane	3,594	2,287
Grant	1,090	213	Stevens	1,918	507
Grays Harbor	1,324	524	Thurston	1,766	936
Island	657	430	Wahkiakum	376	137
Jefferson	356	226	Walla Walla	1,101	152
King	5,181	3,427	Whatcom	4,036	1,555
Kitsap	1,550	1,091	Whitman	1,961	1,157
Kittitas	1,131	96	Yakima	6,775	3,077
Klickitat	796	180	State Total	65,175	29,172

ARKANSAS

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Arkansas	1,661	606	Lee County	3,230	592
Ashley	2,135	319	Lincoln	2,031	319
Baxter	809	52	Little River	936	207
Benton	4,492	696	Logan	1,944	178
Boone	1,769	353	Lonoke	2,992	857
Bradley	1,092	151	Madison	1,918	120
Calhoun	756	98	Marion	993	63
Carroll	1,828	232	Miller	1,548	418
Chicot	1,855	270	Mississippi	5,812	2,274
Clark	1,656	266	Monroe	1,885	198
Clay	2,605	694	Montgomery	931	40
Cleburne	1,420	193	Nevada	1,420	298
Cleveland	1,231	252	Newton	1,261	46
Columbia	2,214	201	Ouachita	1,360	214
Conway	1,633	242	Perry	670	77
Craighead	3,759	2,290	Phillips	3,895	697
Crawford	1,689	328	Pike	924	109
Crittenden	4,517	1,019	Poinsett	3,399	1,389
Cross	2,454	790	Polk	1,536	145
Dallas	856	120	Pope	1,753	199
Desha	2,420	326	Prairie	1,332	345
Drew	1,788	247	Pulaski	2,584	900
Faulkner	2,476	503	Randolph	1,558	284
Franklin	1,456	173	St. Francis	3,689	786
Fulton	1,282	82	Saline	1,176	312
Garland	1,078	267	Scott	1,102	45
Grant	886	226	Searcy	1,322	62
Greene	2,636	946	Sebastian	1,610	289
Hempstead	2,123	464	Sevier	1,124	183
Hot Spring	1,539	326	Sharp	1,156	63
Howard	1,272	144	Stone	1,068	87
Independence	2,084	315	Union	1,763	313
Izard	1,403	45	Van Buren	1,358	264
Jackson	1,980	690	Washington	4,094	580
Jefferson	3,660	761	White	3,470	680
Johnson	1,429	90	Woodruff	1,910	306
Lafayette	1,136	199	Yell	1,465	145
Lawrence	1,777	340	State Total	145,075	29,400

TEXAS

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Anderson	2,150	232	Hardeman	652	187
Andrews	87	39	Hardin	1,144	343
Angelina	1,939	315	Harris	3,868	2,510
Aransas	99	14	Harrison	2,581	172
Archer	417	190	Hartley	203	100
Armstrong	351	203	Haskell	1,330	350
Atascosa	1,481	638	Hays	872	398
Austin	2,240	444	Hemphill	310	41
Bailey	884	374	Henderson	2,232	539
Bandera	618	240	Hidalgo	4,072	1,307
Bastrop	1,667	340	Hill	2,653	1,088
Baylor	598	234	Hockley	1,269	904
Bee	861	199	Hood	803	350
Bell	2,881	1,123	Hopkins	2,507	459
Bexar	2,772	1,444	Houston	2,438	308
Blanco	574	183	Howard	642	223
Borden	191	67	Hudsbeth	178	73
Bosque	1,421	354	Hunt	2,737	1,088
Bowie	2,440	614	Hutchinson	171	90
Brazoria	1,669	857	Irion	126	34
Brazos	1,269	347	Jack	843	265
Brewster	101	2	Jackson	1,074	271
Briscoe	481	136	Jasper	1,616	306
Brooks	283	21	Jeff Davis	101	8
Brown	1,432	201	Jefferson	1,038	528
Burleson	1,634	312	Jim Hogg	129	—
Burnet	982	374	Jim Wells	720	79
Caldwell	1,236	434	Johnson	2,444	2,428
Calhoun	303	88	Jones	1,471	583
Callahan	946	337	Karnes	1,587	458
Cameron	2,836	1,138	Kaufman	2,106	917
Camp	831	80	Kendall	713	240
Carson	426	238	Kenedy	16	3
Cass	2,381	515	Kent	291	86
Castro	828	422	Kerr	672	219
Chambers	491	290	Kimble	434	29
Cherokee	3,076	361	King	79	6
Childress	706	55	Kinney	96	13
Clay	978	485	Kleberg	281	20
Cochran	479	227	Knox	837	253
Coke	419	93	Lamar	2,529	317
Coleman	1,427	268	Lamb	1,787	1,094
Collin	3,166	1,977	Lampasas	827	269
Collingsworth	856	55	La Salle	282	42
Colorado	1,662	371	Lavaca	3,294	310
Comal	697	222	Lee	1,554	257
Comanche	2,092	275	Leon	1,739	150
Concho	554	134	Liberty	1,361	650
Cooke	1,700	671	Limestone	2,128	499
Coryell	1,575	465	Lipscomb	422	33
Cottle	469	46	Live Oak	787	132
Crane	22	2	Llano	481	137
Crockett	147	9	Loving	9	—
Crosby	779	631	Lubbock	2,081	1,650
Culberson	61	1	Lynn	1,152	701
Dallam	370	130	McCulloch	739	70
Dallas	2,689	1,951	McClennan	3,634	1,326
Dawson	1,101	626	McMullen	165	77
Deaf Smith	674	270	Madison	1,145	262
Delta	1,117	241	Marion	715	70
Denton	2,221	1,168	Martin	577	225
De Witt	2,213	413	Mason	676	52
Dickens	646	153	Matagorda	1,220	445
Dimmit	291	68	Maverick	271	8
Donley	619	151	Medina	1,546	622
Duval	652	18	Menard	325	31
Eastland	1,681	299	Midland	287	64
Ector	77	36	Milam	2,659	720
Edwards	269	25	Mills	893	104
Ellis	2,885	1,537	Mitchell	819	79
El Paso	690	470	Montague	1,520	516
Erath	2,021	543	Montgomery	1,416	599
Falls	2,707	723	Moore	247	166
Fannin	2,953	730	Morris	670	126
Fayette	3,773	535	Motley	386	35
Fisher	1,191	365	Nacogdoches	2,336	202
Floyd	1,184	699	Navarro	2,520	802
Foard	438	167	Newton	1,026	165
Fort Bend	2,407	868	Nolan	643	143
Franklin	810	145	Nueces	1,157	362
Freestone	1,711	284	Ochiltree	466	90
Frio	540	205	Oldham	147	51
Gaines	508	209	Orange	571	266
Galveston	715	436	Palo Pinto	946	254
Garza	436	225	Panola	2,026	249
Gillespie	1,306	180	Parker	2,004	915
Glasscock	139	47	Parmer	909	327
Goliad	708	169	Pecos	293	24
Gonzales	2,147	666	Polk	1,308	219
Gray	523	207	Potter	398	283
Grayson	2,815	1,035	Presidio	226	2
Gregg	857	164	Rains	647	174
Grimes	1,566	256	Randall	680	379
Guadalupe	2,097	689	Reagan	107	24
Hale	1,703	1,068	Real	222	30
Hall	747	80	Red River	2,360	354
Hamilton	1,496	298	Reeves	322	14
Hansford	421	88	Refugio	270	49

TEXAS—(continued)

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Roberts	113	39	Travis	2,092	760
Robertson	1,622	217	Trinity	852	87
Rockwall	425	214	Tyler	1,198	187
Runnels	1,473	406	Upshur	1,893	226
Rusk	3,189	480	Upton	38	10
Sabine	943	69	Uvalde	641	148
San Augustine	1,002	77	Val Verde	220	6
San Jacinto	1,106	184	Van Zandt	2,934	976
San Patricio	888	297	Victoria	1,232	204
San Saba	927	114	Walker	1,195	191
Schleicher	242	67	Waller	1,005	331
Scurry	945	191	Ward	88	9
Shackelford	324	86	Washington	2,848	381
Shelby	2,799	269	Webb	277	24
Sherman	260	90	Wharton	2,466	825
Smith	3,498	642	Wheeler	853	67
Somervell	352	44	Wichita	765	438
Starr	1,023	32	Wilbarger	997	399
Stephens	497	81	Willacy	865	456
Sterling	88	34	Williamson	3,338	1,293
Stonewall	453	131	Wilson	1,617	636
Sutton	150	10	Winkler	36	9
Swisher	967	507	Wise	1,873	951
Tarrant	3,043	2,238	Wood	1,834	356
Taylor	1,282	630	Yoakum	312	98
Terrell	107	1	Young	960	295
Terry	968	560	Zapata	250	17
Throckmorton	436	94	Zavala	246	39
Titus	1,462	200			
Tom Green	1,033	384	State Total	292,946	90,323

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37); N. J., Tenn. (Vol. 11:39).

WORLD SERIES heralded debut of WITN, Washington, N. C. (Ch. 7) which began programming Sept. 28 after test patterns the preceding day and became area's NBC affiliate. It's second outlet in area, being only 18 mi. from WNCT, Greenville (Ch. 9), uses 20-kw GE transmitter, 102-ft. 5-bay Alford antenna on 818-ft. Stainless tower. It's controlled by Roberson family, operating local radio WRRF, FCC having this week approved transfer of 25.38% of stock which W. H. Anderson & R. M. Fountain each held and which they sold for \$65,920 each. Wm. S. Page, owner of radio WELS, Kinston, N. C. is other principal. Station is headed by W. R. Roberson Jr., pres.-gen. mgr., with Hal Wilson as production mgr.; T. H. Patterson, commercial mgr.; L. E. Hiland, chief engineer. Base hour is \$325. Rep is Headley-Reed.

WHTN-TV, Huntington, W. Va. (Ch. 13) was all set to start ABC service Oct. 2, competing with WSAZ-TV (Ch. 3) and nearby WCHS-TV, Charleston (Ch. 8). Backed by theatreman S. J. Hyman, new station has Fred Weber, onetime gen. mgr. of MBS recently heading WFPG and the defunct WFPG-TV, Atlantic City (Ch. 46), as pres.-gen. mgr.; George A. Miller Jr., ex-WSAZ-TV, sales mgr.; George R. Snell, ex-WLEX-TV, Lexington, Ky., program mgr.; Harold Sturm, from WHTN, chief engineer. It's starting with 5-kw RCA driver, and 20-kw GE amplifier, using temporary one-section antenna on 40-ft. pole; it goes to 316-kw ERP within month, or as soon as 18-gain 240-ft. RCA antenna, first of its kind, can be installed on modified former tower of WSAZ-TV. Base hour is \$450. Rep is Petry.

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In our continuing survey of upcoming stations, these are latest reports from principals:

KLEW-TV, Lewiston, Ida. (Ch. 3) has signed with CBS and hopes to start in early Nov., reports gen. mgr. Charles R. White, ex-commercial mgr. of KPTV, Portland, Ore. Tower construction begins week of Oct. 3; 5-kw GE transmitter, 3-bay antenna, cameras and other gear are on hand. Carrying own program schedule, it will

be operated as non-satellite by Tom Bostic's KIMA-TV, Yakima, Wash. (Ch. 29), which also operates satellite KEPR-TV, Pasco, Wash. (Ch. 19), holds CP for satellite KBAS-TV, Ephrata, Wash. (Ch. 43) and is applicant for Ch. 8 satellite in Walla Walla. KLEW-TV rep not chosen.

WCBI-TV, Columbus, Miss. (Ch. 4), now doesn't plan to start until spring or summer of 1956, writes gen. mgr. Bob McRaney. It recently got approval to change TV site to plant of radio WCBI, and is installing 5-kw RCA transmitter purchased from KOTV, Tulsa (Ch. 6); it also has 5-bay RCA antenna on hand. Construction contract for 500-ft. Andrews tower will be let in 2 weeks. Owner Birney Imes Jr. also owns Mississippi AMs WELO, Tupelo; WNAG, Grenada; WMOX, Meridian. TV station mgr. will be Chris Everson, WCBI, production mgr., replacing Joseph Carson, who remains mgr. of WMOX, Meridian. Tom McFerrin, WCBI chief engineer, will also be TV chief engineer. WCBI-TV will affiliate with CBS & NBC. Base rate will be \$140. Rep will be McGillvra.

KHAS-TV, Hastings, Neb. (Ch. 5) now plans start about Dec. 1 with NBC, writes gen. mgr. Duane L. Watts, ex-KHOL-TV, Kearney, Neb. RCA 10-kw transmitter is due about Nov. 1 and work has begun on studio-transmitter building and 650-ft. Ideco tower, which will have 12-bay RCA antenna. Seaton Publishing Co., publisher of *Hastings Tribune*, headed by Fred A. Seaton, asst. to President Eisenhower, has transferred CP to new Nebraska Television Corp., retaining 56% control (Vol. 11:36). Robert Schnuelle, ex-KHOL-TV, will be production mgr. Base rate will be \$200. Rep will be Weed.

KOSA-TV, Odessa, Tex. (Ch. 7), less than 20 mi. from Midland's KMID-TV (Ch. 2), plans mid-Dec. test patterns, commercial start Jan. 1, writes John Vacca, ex-WMAQ, Chicago, being promoted from KOSA radio program mgr. to TV station mgr. It has 10-kw GE transmitter and 12-bay antenna ordered for delivery in 90 days, already has begun construction of building with 45x45-ft. studio. Cecil Trigg is pres.-gen. mgr., with 50% interest held by his radio KOSA; city councilman Ed Costello, also ex-KOSA, is sales mgr.; Wm. R. Schock, ex-KPLC-TV, Lake Charles, chief engineer. Rep will be Branham.

KTHV, Little Rock, Ark. (Ch. 11), installing 50-kw RCA transmitter, now plans Nov. 1 test patterns, programming later in month, reports gen. mgr. B. G. Robertson, for exec. v.p. Henry B. Clay, who owns 11% of KTRE-TV, Lufkin, Tex. RCA 12-bay antenna was due Oct. 1, work having begun on 1175-ft. Ideco tower it will share with KARK-TV, Little Rock (Ch. 4). KTHV is 42% owned by local radio KTHS, a subsidiary of *Shreveport Times* (KWKH); 32% by *Little Rock Arkansas Democrat*, with pres. A. K. Engel holding another 10% personally; remainder by National Equity Life Insurance Co. Ernie Burns, ex-KARK-TV, will be production mgr., with following coming from KTHS: Cecil Bland, program mgr.; W. V. Hutt, commercial mgr.; Cecil Suitt, chief engineer. KTHV joins CBS April 1, meanwhile will carry CBS & ABC shows not cleared by present affiliate KATV, Pine Bluff-Little Rock (Ch. 7). Base hour will be \$200. Rep will be Branham.

KMVI-TV, Wailuku, Hawaii (Ch. 12) now plans Nov. 1 test patterns, Nov. 15 programming, reports KMVI mgr. Richard E. Mawson. GE transmitter and 6-bay RCA superturnstile antenna were due to arrive from Honolulu Oct. 1. Semi-weekly *Maui News*, owner, plans to operate it as Maui Island's 2nd satellite, re-transmitting programs of Honolulu's KONA in much same way that satellite KMAU picks up programs of parent KGMB-TV, Honolulu (Vol. 11:16), both having transmitters on Haleakala Crater. KMVI-TV will originate only slide commercials with audio. Minute spot rate will be \$12.50 plus art work.

TVs IN INVENTORY—THE 'NEW CONCEPT': Trade has about 2,350,000 TV sets in pipelines at all levels as of Oct. 1, as it squares away for what promises to be biggest 4th quarter in its 10-year history. Though the inventory total would have been deemed alarmingly high a year ago on that date -- when it was 2,000,000 -- a new attitude has taken hold this year, shaped by high production and sales. Said one marketing man:

"We've changed our concept of what constitutes high inventories. When sales were running under 7,000,000 a year, inventories of 1,700,000 or so were regarded as excessive. This year, when we're selling more than 7,500,000, maybe 8,000,000, we have to get used to higher inventories. If we had less than 2,200,000 now, I'd say inventories were dangerously low."

Some favorable factors for trade are evidenced in analysis of inventories. For instance, inventories declined by about 60,000 in Sept., a month which usually sees stocks go up. Secondly, and perhaps more important as illustrating the recent trend to higher-priced sets, table models outnumber consoles in inventory, with many of them 17-in. leader variety. From every set maker comes report that consoles are up nicely over year ago, that "selling up" is catching on everywhere.

Upward revision of production mix and/or increases in retail prices are spur-ring sell-up trend, of course (Vol. 11:37-38). Then there's getting-bigger market for replacements, which normally finds folks turning in smaller-screen receivers for 21-in. consoles or 24-in. RCA, one of few which hasn't raised prices yet, is being watched closely for its decision. Several companies are known to be preparing to do whatever RCA does in regard to pricing.

Brief highlights of other major trade developments this week:

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Whirlpool Activity: Value of Whirlpool-Seeger distributorship took another jump this week, following its purchase of International Harvester's refrigerator plant & property at Evansville for \$19,000,000. John S. Holl, v.p. of Seeger div. (which makes Coldspot refrigerators), said the purchase would enable his company to meet expanding needs for refrigerator output, but doubted that production in new plant could begin much before fall of 1956. Harvester, which is now leaving appliance business to concentrate on farm equipment, has until March 31 to turn over property, for which it paid \$5,000,000 in 1946. Sale includes 70-acre plant site, 962,000-sq. ft. factory and equipment. It does not include good will. Meanwhile, Whirlpool announced realignment of sales personnel, including transfer of several RCA Estate officials (RCA owns 20% of Whirlpool-Seeger). In addition to those reported last week (Vol.11:39), v.p. John W. Craig becomes director of merchandise development; Thomas Barley, ex-RCA range sales promotion mgr., named sales mgr. of range div.; H.D. Baker, ex-Admiral v.p., named gen. mgr. of refrigerator div.; Evans T. Morton, also ex-Admiral, named product mgr. of refrigerator div.

Is Color Catching On? RCA insists it is, though its distributors are as yet counting their own and their dealers' sales by the dozens rather than in thousands. After the recent network color successes, notably the sometimes superb pickups of World Series games, it's interesting to note that the detractors of color-now -- and there are plenty of them in the industry -- aren't as positive in their bearishness as they once were, and that the trade seems to be taking a closer look.

RCA is pushing color hardest, of course, but as yet offers no production or sales figures. Our own at-deadline telephone survey of some of its distributors dis-counting their own and their dealer sales by the dozens rather than in thousands. (Irving Sarnoff); that Raymond Rosen & Co., Philadelphia, is asking for more sets -- though it hasn't said it's exceeding the 150-per-week goal pres. Tom Joyce set for himself; that Eastern Co., Boston, has moved all 200 sets thus far delivered to it,

selling 50 this week alone and ordering more (Alan Steinert); that Southern Wholesalers, Washington, finds interest at high pitch, sold 90 sets in last 3 weeks, its dealers selling 26 in last 10 days, one dealer selling 5 (Wm. O'Connor).

Irving Sarnoff is convinced, he told us, that "we've seen the first beginning of color lifting its feet off the ground" and he makes point of the fact that one color set sale is equivalent of 4 at \$199. Steinert said flatly, "This thing is off the ground." RCA people generally exude a confidence that doesn't seem synthetic, and it's intimated that production of both tubes and sets may soon be stepped up. Said RCA pres. Frank Folsom: "I can say with all seriousness and sincerity that I feel better about it than at any other time. We're selling all we're making, and the reports from our distributors and dealers are very satisfactory."

(For further reports on color, see pp. 7, 14 & 15.)

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Economic Outlook: American Statistical Assn. meeting in N.Y. this week heard prediction of a 3% increase in gross national product next year, to hit annual rate of \$405 billion by mid-1956. Prediction came from Wm. F. Butler, consulting economist of Chase Manhattan Bank, who forecast increases in total consumer expenditures, business investment and public works more than offsetting 10% decline in auto sales and 15% in housing purchases. Similar prediction was given to annual convention of American Bankers Assn. in Chicago this week by Allyn P. Evans, pres. of economic consultants Lionel D. Edie & Co., N.Y., who warned, however, that rising business inventories might be one of big economic worries next year.

Consumer Spending: Americans had \$107 billion left to spend as they chose last year after paying \$148 billion for necessities and \$33 billion for taxes, according to Institute of Life Insurance. That means \$600 for each man, woman and child. Of the total, more than \$23 billion went for autos, \$18 billion for savings. Consumers are currently spending 36¢ for services out of every dollar spent for goods and services, according to National Industrial Conference Board -- increase of 5¢ over 1947 when 31¢ was spent for services. NICB reported about 20% of increase in spending for services was due to greater use of electricity for home appliances.

Consumer Credit: First National Bank of Boston has spelled out extent of consumer indebtedness -- and the figures are truly startling. For example, combined public and private debt now averages \$14,696 per family, with consumer and home mortgage debt totaling \$112 billion. Commented bank: "By lowering down payments and extending maturities for short as well as for long-term personal debts, certain groups of consumers are being placed in a vulnerable position...While it is true that debt financing permits present enjoyment of products that could be purchased only after years of saving, there is a limit to the extent to which this may be done without jeopardizing the interest of the borrower and lender, and endangering the economy." Opposite view was taken by Philip Woollcott, chairman of American Bankers Assn.'s installment credit commission. He said: "There is no need to tighten credit to good risks, as long as reasonable self-restraint is exercised. It is almost impossible to hold the extension of installment credit to a rigid set of terms. Thus, controlled flexibility appears to be the sound policy to follow and relaxation of terms to meet unsound competition should be guarded against."

Production: TV output totaled 189,899 week ended Sept. 23, compared to 198,874 preceding week and 183,912 week ended Sept. 9. It was year's 38th week and brought production for year to date to about 5,575,000 vs. 4,700,000 in same period of 1954. Radio production totaled 267,994 (109,420 auto) week ended Sept. 23, comparing to 270,207 week ended Sept. 16 and 234,812 week before. For 38 weeks, radio output totaled 9,650,000 vs. 7,700,000 in corresponding period of 1954.

Dr. W. R. G. Baker, GE, reappointed chairman of RETMA TV committee, which assumes responsibilities of old subscription TV, educational TV and uhf policy committees. Other members: Benjamin Abrams, Emerson; Robert S. Alexander, Wells-Gardner; E. C. Anderson,

RCA; Max F. Balcom, Sylvania; H. C. Bonfig, CBS-Columbia; Allen B. DuMont; Paul V. Galvin, Motorola; Larry F. Hardy, Philco; Gilbert W. King, International Telemeter; J. H. Laub, Skiatron; Milton J. Shapp, Jerrold; Robert Tait, Stromberg-Carlson; L. C. Truesdell, Zenith.

Trade Personals: Raymond W. Saxon, gen. sales mgr. of RCA Victor TV div., named northeast regional mgr., Boston, succeeding R. M. Macrae, who becomes distribution v.p. of RCA Victor Co. Ltd., Montreal; Joseph P. Bannon, field sales mgr., is promoted to succeed Saxon . . . Ned S. Underhill promoted to Capehart-Farnsworth operations director, succeeding Robert E. Kohler, now works mgr. of Federal Radio's Clifton, N. J. plant; Jack Hall promoted to succeed Underhill as purchasing agent . . . R. J. Sargent, Westinghouse mgr. of major appliances, elected chairman of major appliance div., National Electrical Mfrs. Assn. . . Paul V. Lovegren, Magnavox purchasing agent, will handle all govt. & industrial div. purchasing, reporting to Robert B. Brown, ex-Capehart-Farnsworth & RCA, newly appointed director of materials of the div. who in turn reports to Howard B. Allen Jr., its director of operations; duties of late Joseph M. Hayes, director of purchasing, have thus been delegated and no successor named . . . Franklin L. White, ex-York Corp., named mgr. of Philco air conditioning div., reporting to v.p.-gen. mgr. Raymond A. Rich . . . David Room promoted to manufacturing mgr., Canadian Westinghouse TV-radio div., reporting to div. mgr. Ricardo Muniz . . . Russell W. Johnson, ex-DuMont, named asst. adv. mgr., Westinghouse TV-radio div. . . Ernest A. Marx, Chief of DuMont international div., now in Europe on business, returns Oct. 25 . . . Philip H. Weil, GE Dallas district mgr., transferred to N. Y. as district mgr., succeeding Harold McCormick, now adv. mgr. of TV-radio div. . . I. J. Ross-Evanson, ex-Management Systems Inc., Chicago, named asst. managing director of NARDA . . . John Liss, ex-Hallicrafters, Kansas City, named Scott Radio midwestern sales mgr. . . Wm. W. Posey, ex-National Union Electric, named CBS-Hytron east central district sales mgr., Detroit . . . Morris Harris, DuMont production control mgr., technical products div., promoted to resident counsel.

Dr. Elmer W. Engstrom, exec. v.p., RCA research & engineering, to receive SMPTE Progress Medal at society's Lake Placid, N. Y. convention Oct. 4 for contributions to advancement of motion picture technology. Medal was last awarded in 1953 to Fred Waller, inventor of Cinerama.

Topics & Trends of TV Trade: There were 110,200 dealers in nation handling TV-radio as of July 1, compared to 107,100 on July 1, 1954, according to RETMA's annual survey released this week. Significance of report lies in fact that while TV-radio dealers have consistently led all other categories of retailers in Dun & Bradstreet's monthly summary of bankruptcies, even more dealerships have risen to take their place.

Geographically, it was reported that 35,000 dealers were located in Midwest, 22,850 in Southwest, 21,700 in North Atlantic states, 16,650 in Far West, 14,000 in South Atlantic region. Majority of stores, 85,900, handle both TV & radio, 19,900 sell radios only, 4400 TVs only. Reflecting increased retail TV sales for that period, each dealer sold average of 70 sets in 12 months ended June 30, compared to 60 in preceding 12 months.

RETMA reported that 42,800 were classified as TV-radio-appliance stores, 19,050 were furniture stores, 12,200 were essentially hardware stores, 12,200 dept. & general merchandise stores, 23,950 miscellaneous retail outlets.

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NARDA annual convention will be at Chicago's Conrad Hilton Jan. 15-17, coinciding with second week of winter furniture markets. Registration fee of \$30 should be sent to A. W. Bernsohn, NARDA managing director, Merchandise Mart, Chicago.

DISTRIBUTOR NOTES: In unusual case of distributor handling competing TV lines, Major Appliance Distributors Inc., Charlotte, took on CBS-Columbia this week, will also retain DuMont by splitting its staff. Jack Trexler is sales mgr. for CBS-Columbia, Bert Crabtree for DuMont . . . DuMont appoints Gilbert Distributing Co., Rochester, N. Y., replacing E. T. Donohue Distributing Co. . . . Bendix Radio appoints Hayes & Hopson Inc., 20 S. Spruce St., Asheville (M. A. Hayes, pres.) and Silkworth Distributing Co., 1659 N. Saginaw St., Flint . . . Household Appliance Distributors Miami (Philco) appoints Earl Crawford pres., succeeding Ted Pritikin, now chairman; Richard Pritikin succeeds Crawford as gen. sales mgr.; Robert Pritikin named operations mgr. . . Independent Distributors Inc., Grand Rapids (Crosley-Bendix) appoints Sherard S. Johnston gen. mgr.; W. F. Prentice succeeds Johnston as sales mgr. . . Main Line Cleveland Inc., Cleveland (RCA) appoints Donald Cole merchandise mgr., replacing Herbert Williams, resigned . . . Westinghouse Electric Supply Co., San Francisco, appoints Frank Potter consumer products sales mgr., succeeding J. F. Ogden, transferred to Portland, Ore. branch; Lester O. Braun named consumer sales mgr. in Cincinnati, succeeding Charles Nickols, transferred to Evansville . . . Admiral Distributors, Boston, appoints John R. Hodgins gen. sales mgr. . . Southern Bearings & Parts Co., Charlotte (Admiral) appoints Fred N. Hall Jr. appliance sales mgr. . . Hoffman Sales Corp., San Francisco appoints Lawrence Baldocchi area TV sales rep . . . George Resen & Co., Baltimore (Olympic) appoints Howard Reynolds, ex-Maryland Wholesalers (Admiral), as sales rep; new address is 1504 Ridgeley St. . . Raytheon appoints Birch Distributing Co., 134 E. Spring St., Columbus, O. (H. A. Birch, pres.); Hub Distributors Inc., 594 Commonwealth Ave., Boston (M. Beckwith, pres.); Television Accessory House, 41 Broadway, Providence (Sol Kamin, pres.); Furste Auto Supply Inc., 1620 Planter St., Mattoon, Ill. (Arlen Furste, pres.); Don E. Martin Distributing Co., Harlingen, Tex.

Electronic Distributors' Research Institute has been formed by group of 14 distributors as a management research consulting service. J. Howard Reed, 1107 Church St., Evanston, Ill., is exec. secy.

TV-Here-to-Stay Dept.: A 4-year-old 17-in. Sylvania set which stubbornly survived collapse of house in Aug. 19 N. Y. floods, sailed mile downstream, spent 2 days in mud under 15 ft. of swirling waters, was recovered by owners, dried out for day and worked again; only damage was slight warping of cabinet. And, to substantiate upcoming advertising claims, Emerson recently heaved one of its "Never Break" radio cabinets from car doing 105 mph—and it never broke.

New TV picture tube line, RCA "Silverama" series, was introduced last week in 25 types—including 10, 12, 16, 17, 20, 21, 24 & 27-in.—said to fit virtually every receiver on market. Year's warranty covers all tubes in line.

Among 7 receiving awards from Society of Industrial Packaging and Materials Handling Engineers, at annual exposition in N. Y. last week, were Joseph Lee Krager Jr., RCA, Camden, and Ernest R. Highlander, Entron Inc.

Excise tax collections on TV-radio-phonos totaled \$136,849,000 in fiscal year ended June 30, compared to \$135,535,000 in preceding fiscal year, reports Internal Revenue Service.

Admiral has sold 225 table models (17-in.), mounted on wrought iron stands, to Park Lane Hotel, Toledo, for installation in each room.

Capehart-Farnsworth increased prices of two 21-in. open-face consoles from \$300 to \$320 and \$350 to \$360.

Electronics Reports: Automation in radio production, utilizing printed circuits, has saved Sylvania 70% in total labor on one model, resulted in higher quality product and permitted plants to locate in unskilled labor areas, cutting costs further. More than 1000 engineers and management representatives at RETMA Automation Symposium at U of Pa., Sept. 26-27, heard Sylvania automation engineering mgr. Carl F. Carlzen report that technique can alleviate TV manufacturer set stockpiling, meet changing market demands after introduction of new lines, turn out better goods with "reliability of 98-99%" in quality control.

GE's Dr. W. R. G. Baker, moderator of panel discussion, urged engineers to approach automation with optimism, his company's TV-radio plants in Syracuse having been on automation for some time. Use of automation, he said, has not caused unemployment but has generally increased labor force. Harvard Prof. James Bright, panel member, charged industry is guilty of "sloppy thinking" on automatic production. He said many firms install equipment with prime motive of cutting labor cost. "Once the system is installed, it is apparent that its value is determined first by quality instead of labor saving." Increased use of automation, he pointed out, probably will create new jobs such as electronic technicians and engineers, already in short supply.

Panel was unanimous in urging component suppliers in TV-radio industry to standardize equipment which would further reduce factory operating costs and increase efficiency of automatic equipment.

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Sylvania Electric Products, deeply involved in atomic energy field, now plans complete reactor fuel fabricating and reprocessing service for nuclear reactor owners and has begun studies on problem, Washington Atomic Industrial Forum—with more than 1000 attending—was told this week. Stanley B. Roboff, Sylvania atomic energy div., said, "We will have no business in fuels, or anything else, until there is a real reactor industry in this country. We are, therefore, leaning over backwards to remove the doubts and questions concerning fuels and reprocessing of fuels as rapidly as we know how."

"Ten golden years" for electronics are forecast by GE's electronics v.p. Dr. W. R. G. Baker in Sept. 26 *N. Y. Journal of Commerce*. But, he adds, it's "difficult right now for anyone to predict just where we will stand volume-wise 10 years from now." TV will account for 80% of its entertainment phase in 10 years, he said; it now represents some 70%.

Electronics components symposium, 6th in govt.-industry series, will be held at Washington May 1-3, sponsored by IRE, AIEE, RETMA & West Coast Electronics Manufacturers Assn., supported by Defense Dept., Bureau of Standards. Technical program is under chairmanship of Paul Darnell, Bell Labs; symposium chairman is A. W. Rogers, Signal Corps, Ft. Monmouth, N. J.

DuMont introduces 4 new precision electronic instruments—cathode-ray oscillograph, sine-wave generator, extended-range oscillator, amplifier voltmeter—at sales engineering symposium in Chicago's Sherman Hotel, Oct. 2. Company will exhibit full line at Chicago National Electronics Conference Oct. 3-6.

Govt. is stepping up effort to develop substitutes for mica in electronic tubes, capacitors & other critical applications. ODM will concentrate on synthetic research and development of other materials to offset short supply of imported dielectric.

National symposium on microwave techniques will be held Feb. 2-3 by Philadelphia IRE section and IRE's Professional Groups on Antennas & Propagation and Microwave Theory & Techniques.

Defense Secy. Wilson personally stepped into Air Force-Comptroller General controversy over \$2.4 billion contract with AT&T for defense communications setup (Vol. 11:39), with request this week that Comptroller reconsider ruling that agreement was invalid until approved by Congress. Wilson said "SAGE" project is vital to nation's defense and had been approved in effect when Congress voted money for equipment earlier in year. He plans to confer on it with Comptroller General Campbell next week. Democrats' determination to make political football of dispute remained unabated as Congressional investigators began gathering material for hearings early next year.

G. M. Giannini Co., Pasadena, Cal. electronics firm, has called remaining 1790 shares of convertible preferred for redemption at \$111 per share Nov. 30; preferred convertible to 12 shares of common up to that date. If all preferred is converted, there will be 100,000 common shares outstanding. Firm reports net income equal to about \$1.25 per share for period Jan. 1-July 17; backlog unchanged at about \$3,000,000.

Orville M. Dunning, engineering v.p., Hazeltine Electronics Corp., has resigned effective March 16, 1956 and pres. Philip F. LaFollette announces election of asst. v.p. Richard L. Beam as successor. Webster H. Wilson, an asst. v.p., was elected v.p. in charge of govt. & commercial dept., and Victor J. Young, chief design engineer, was elected asst. v.p.

USA national committee of International Scientific Radio Union (URSI) will meet at U of Fla., Gainesville, Dec. 15-17 for sessions on radio & troposphere, ionospheric radio, radio noise of terrestrial origin and radio astronomy. John P. Hagen, Naval Research Lab, Washington, is secy.

M. E. Paradise, v.p. in charge of Hoffman Electronics Corp.'s National Fabricated Products and National Semiconductor divs. in Chicago, and their pres. before they were acquired by Hoffman in July, elected to Hoffman board of directors.

P. R. Mallory & Co. elects to its board C. Harvey Bradley, chairman of warehouse div. Jones & Laughlin Steel Corp., and James A. Roemer, pres. of Mallory-Sharon Titanium Corp., which is associated with Sharon Steel Corp. in production of titanium for alloys.

Percy C. Smith, ex-gen. mgr., Burroughs Corp. electronics instrument div., and onetime mgr. RCA scientific instruments engineering, named mgr. Brush Electronics equipment dept.

G. R. Morrow elevated from v.p.-mgr. to pres. of Midwestern Instruments, Tulsa automation and instrumentation firm, succeeding M. C. Morrow, who becomes chairman; E. J. Handley elected finance v.p.

Frederick C. Bash, ex-Magnavox, RCA & Westinghouse, joins National Co. as product mgr. of atomic frequency standards dept.

Harry Oedeckerk, chairman of Hycon Mfg. Co., into which Avco recently bought (Vol. 11:34), elected an Avco director.

Frank P. Pennucci, purchasing director, and Bernard B. Cohen, engineering director, elected v.p.'s of General Transistor Corp.

Adm. Robert B. Carney, retired chief of naval operations, joins Westinghouse Oct. 1 as consultant on development of military equipment.

Dr. Claude E. Shannon, Bell Labs, wins Franklin Institute's Stuart Ballantine Medal for "outstanding achievement in the field of communication."

Wilbert H. Steinkamp, ex-Beckman Instruments v.p., joins Weston Electrical Instrument Corp. as sales v.p.

Color Trends & Briefs: RCA's total "dedication" to color is manifested in a folder headed *Color TV Is Here for You! Pioneered and Developed by RCA*, mailed this week to all its 170,000 stockholders. It carries schedules of NBC colorcasts and reiterates Chairman Sarnoff's statement that "color TV will 'break through' and be well under way before Christmas of the present year." The folder points to an estimated 15 color hours weekly this season, states "RCA color TV will be in short supply for the Xmas trade" and notes, as if in response to the skeptics:

"To those who say that Color TV receivers, at present prices, cannot be sold in quantity, we point to the tremendous production of more than 6,000,000 passenger vehicles a year by the automobile industry—with the average car sale around \$3000—or to the tens of thousands of radio-phonograph combinations sold in the \$600-\$900 price range. After the 15% down payment, the carrying charges on the \$795 RCA Victor Color TV receiver, for a 24-month period, are only \$33.12—well within the range of the mass market.

"Color TV is here for you—now! Thousands of dealers across the nation are featuring RCA Victor Color TV receivers in operation in their stores, where you can see color 'Spectacular' programs and other exciting shows and events in full color. Keep posted on color television's new programs and other advances through RCA's advertising in newspapers, on radio & TV, and through other media.

"Join the 'swing to color' and enjoy the finest in home entertainment, and the pleasure of introducing Color TV to your friends."

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Color interest: *Newsweek* devotes Oct. 3 cover story to "Color TV in '56," subheading it "More Sets and More Shows but Not the Big Splash"—which just about tells its version. Article is largely rehash of trade reports of last few months, features imposing schedule of big colorcasts to next Jan. 15. "Will '56 be the big year?" it asks, and replies: "In terms of volume, no. Color will be merely a trickle when measured against black-&-white sales. But the 200,000 to 400,000 sets [variously estimated 1956 production] could mean an important breakthrough. Color could gain momentum." And RETMA pres. H. Leslie Hoffman is quoted as stating: "Every color set will sell 4 during the 12 months after people are exposed to the kind of programming scheduled." Note: *Fortune Magazine* also is due out shortly with an appraisal of color TV.

Mass color TV market still 4-5 years away, Advertest Research concludes this week after N. Y. survey. Poll showed: Only 1% plan to buy set within year; 6% within 2-3 years; 22% in 4-5 years; 32% didn't know when. Also, 1% were willing to pay \$1000 for color set; 6% would pay \$750; 14% liked \$500 tag; 47% held out for \$250 price; 33% won't buy at any price. Only 70% of black-&-white TV owners were aware that color is on market; 50% couldn't name producer of sets; 80% hadn't seen color program.

Remote colorcasting by an individual station is still a rarity—but Klaus Landsberg's KTLA, Los Angeles, undertakes it again Oct. 2 from annual Fishermen's Fiesta at San Pedro. California Fish Cannery Assn. is sponsor. KTLA also colorcast the Pasadena Rose Parade last New Year's Day and the Headdress Ball from the Los Angeles Ambassador in April.

Britain will have color TV by 1958. That's prediction of NBC studio & plant planning director Sol Cornberg on return from London, where he was consultant on construction of studios for Granada Theatres Inc., ITA commercial contractor. "The British are experimenting in color, and are as advanced as we are in black-&-white," he said.

Observations on color by P. A. (Bud) Sugg, mgr. of *Oklahoma City Oklahoman's* WKY-TV, one of first to be equipped for local colorcasting and a leader in its promotion: "I think the programming plans of NBC and CBS will provide considerable impetus in creating a desire on the part of the viewers for color receivers. Only this week I attended a luncheon [where] prominent businessmen asked me about color and stated their desire to purchase a receiver, although some of them still had a bad taste occasioned by the extremely small tubes in the receivers they saw a couple of years ago. Certainly NBC's production this week of 'Our Town' was one of the best I have yet seen and, coupled with the football game and the World Series, I don't see how it can miss."

More color films for TV are in works, with 2 new 30-min. series—*Long John Silver* and *Judge Roy Bean*—out for fall market, distributed by CBS-TV Film Sales & Screencraft Pictures, respectively. Current shows color-filmed include Ziv's *Mr. District Attorney*, *Meet Corliss Archer*, *Favorite Story*, *Cisco Kid*, *I Led 3 Lives*, *Boston Blackie*; Guild's *Life with Elizabeth*, *Floridan Zabach Show*, *Liberace*; Award TV's *Jimmy Demaret Show*; *Flamingo's Superman*; RCA's *Sam Snead Show*; Transfilm's *Man to Man*, produced for National Council of Churches of Christ and distributed free.

Network color schedules for next 2 weeks: NBC-TV—Oct. 3-7 & 10-14, *Howdy Doody*, 5:30-6 p.m.; Oct. 9, *Color Spread*, "Show Biz," featuring Art Linkletter, Groucho Marx, Beatrice Kay, Buster Keaton, Dennis Day, Phil Harris, Bert Lahr, Rosemary Clooney, Eartha Kitt, 7:30-9 p.m.; Oct. 15, NCAA football, Notre Dame vs. Mich. State, 2:45-5:30 p.m. CBS-TV—Oct. 4 & 11, *Red Skelton Show*, 9:30-10 p.m.; Oct. 6, *Shower of Stars*, "Time Out for Ginger," starring Jack Benny, Ruth Hussey, Gary Crosby, Edward Everett Horton, 8:30-9:30 p.m.; Oct. 8 & 15, *Gene Autry Show*, 7-7:30 p.m.

Clever color promotion: Ohio Valley Bus Co., Huntington, W. Va., equipped several of its buses with color sets provided by local distributors, parked them at 3 downtown locations so World Series could be watched. Signs on buses, from which upright poles were removed, directed viewers to retail TV stores, where color sets were being demonstrated and sold, and to WSAZ-TV studios.

How Donn Bennett Productions Inc., named for the veteran producer of *The Big Idea* sponsored by Philadelphia Saving Fund Society on WCAU-TV, Philadelphia since 1951, incorporated itself, raised \$300,000 in capital (net of \$270,000 after underwriter's profit) through public sale of \$1 par shares at \$3 per share, is disclosed in prospectus published under date of June 13, 1955 by Boenning & Co., 1529 Walnut St., Philadelphia. The 100,000 shares offered out of authorized 500,000 (104,000 more going to Donn Bennett) were oversubscribed on day of offering; stock now is quoted at 3 bid, 3¼ asked. Syndicated program deals with new inventions, started on WCAU-TV in 1949, conceived by Bennett, who also created and produced *Stop the Clock*, *What in the World*, *Wits End*, *Dance Party*, *Stars in Your Eyes*. Assets of corporation were \$311,969 as of last June 1, net profit potential for first year ending Sept. 1, 1956 estimated at \$54,191 (26½¢ per share) and \$515,210 second year (\$2.52), based on sales of *The Big Idea* only, no other revenues. Prospectus shows as additional earnings potential a monthly bulletin *The Big Idea Invent-ory*, for which it estimated 1000 subscribers by Sept. 1, 1957, mainly companies interested in new inventions; tells how Cy Millikan & Lloyd Rudd appeared on *The Big Idea* in 1949, resulting in formation of Rudd-Milikan Co., manufacturer of Kwik-Kafe automatic vending machine, which grossed \$6,000,000 last year and broke ground for \$500,000 plant in Hatboro, Pa.

GENERAL ELECTRIC's "post acceleration" color tube (p. 2) was described by Dr. Chester G. Lob, mgr. of its thermionics subsection, as basically a 3-gun type which uses direction selection in the front end to cause each of the 3 beams to strike the proper array of phosphors with which it is associated. The direction selection mechanism, he said, is of the masking type except that the term "electron optical" masking should be used rather than "shadow masking." He explained:

"The front end of our tube consists first of an array of parallel wires which in unison form the color selection electrode. In close proximity to this array is the phosphor screen containing an array of phosphor lines for each of the primary colors to be excited. Because electron optical masking is used instead of the conventional shadow-masking, the color selecting electrode, which we shall call grille, has an extremely high transparency . . . greater than 90%, meaning that more than 90% of the electrons ejected from the gun strike the phosphor screen and contribute to picture brightness.

"This [brightness] compares quite favorably with the shadow mask tube and its transparency of only 12-14%. In that case more than 85% of the expensive high voltage power does nothing but heat up the shadow mask and does not contribute to brightness. For equal high voltage power input, our tube then is theoretically more than 6 times as bright as the shadow mask type tube."

Dr. Lob then stated that the development program is in 2 stages, first being the so-called "sandwich tube" which contains the grille mounted on a frame and an internal flat phosphor plate inserted in the front end of the tube. This was the tube demonstrated. Second phase, he said, is so-called P.O.F. or "phosphor on the envelope face" which was shown only as an artist's sketch.

Financial & Trade Notes: Magnavox earned record net of \$2,426,087 (\$3.05 per share) on sales of \$55,071,765 for year ended June 30 vs. \$2,102,530 (\$2.64) on \$62,974,430 in 1953-54 period. Substantial increase in consumer shipments and Federal tax reduction accounted for 15% earnings boost despite sales decline. First quarter 1955-56 sales are reported at \$10,348,000, record 50% above same period last year; net income, \$332,000 (42¢). Proxy statement to stockholders announcing annual meeting Oct. 26 revealed chairman R. A. O'Connor, holding 55,293 shares out of 796,614 outstanding, received salary of \$65,000; pres. Frank Freimann (75,169, including 25,484 in trust), \$75,000; Gerard M. Ungaro, v.p., secy. & gen. counsel (5903), \$40,000.

* * * *

Among officers' & directors' stock transactions reported to N. Y. Stock Exchange during Aug.: Ross D. Siragusa made gifts of 3357 Admiral, holds 244,099; Benjamin Abrams bought 5000 Emerson, holds 225,000; J. Geoffrey Notman sold 5000 General Dynamics, holds 2410; F. D. Beamer sold 500 Lear, holds 6; Kurt Widder sold 1800 Skiatron, holds 9950. John W. Belanger bought 2625 GE in Sept., transferred 100 to Mrs. Anna N. Belanger, holds 7557. RCA also increased holdings of own common from 71,782 to 78,682 shares.

Sparks-Withington earned \$168,244 (16¢ per share) on sales of \$26,801,332 in year ended June 30 vs. net loss of \$304,975 (after \$219,877 tax credit) on sales of \$30,440,062 in 1953-54 period.

Scott Radio reports net loss of \$191,110 on sales of \$892,958 for year ended May 31 vs. loss of \$263,370 on \$2,143,235 sales in previous year.

As demonstrated alongside an RCA shadow-mask tube with both motion and still pictures, brightness of both tubes appeared about same at average evening viewing light of 7 ft. lamberts. GE's remained bright at 25-100 ft. lamberts (daylight) while RCA's tended to wash out. GE's was quite luminous at 250 ft. lamberts, which was said to be about usual light on dealer's floor, while the RCA picture washed out almost entirely.

But the first RCA pictures were clearer, crisper and cleaner—entirely acceptable, all the newsmen agreed—while the GE picture at all lighting stages had palpable defects. Notably, there were annoying moire effects, which were explained as being due to "chill wrinkles" in the glass. When phosphors-on-face is perfected, we were told, these defects would be removed. But there was expressed puzzlement that GE should even show a test picture that was admittedly inferior to that of its competitor.

Fact that the RCA color tube shows up best with little or no room lighting, whereas the prospective GE tube is luminous at high lighting, plus fact that GE tube is all-glass rectangular and can eventually be made more economically, were put forth as the prime advantages. GE tube is not interchangeable in RCA chassis, but will require no more circuit tubes and no more complicated circuitry, we were told. Summed up, the advantages to trade and public of the GE tube were put thus by C. M. Donnelly, specialist, electronics components dept.:

"The advanced concept of the post acceleration tube has yielded advantages in brightness and effective contrast in ordinary and high illumination, and extra manufacturing and operating tolerance margins. With these also have come smaller, less complex deflection components, easier requirements for driving power, fewer convergence adjustments, and smaller power supply needs, all leading to cost saving benefits."

Barnes Engineering Co., Stamford, Conn., electronics research firm headed by Dr. R. Bowling Barnes, recently gen. mgr. of Olympic Radio development div. and ontime v.p. of American Optical Co., reports net sales of \$302,602 for period from Dec. 10, 1954 to June 30, 1955—with net loss and earned surplus deficit of \$494,310 at end of period. Recently spun off by Olympic and acquiring some of its research assets and those of Olympic's Electrona Corp. and Multra Corp. at total cost of \$784,278, Barnes Engineering Co. held stockholders meeting Sept. 26 to ratify purchase of Clarksburg Television Cable Corp., operating community antenna systems serving 4245 subscribers in Clarksburg, Bridgeport & Nutter Fort, W. Va., for which it paid 170,000 shares of its outstanding 299,570 shares of common stock. Stockholders meeting also elected 5 directors: Dr. Barnes, Dr. Charles J. Burton, Glen McDaniel, Heywood Fox, James G. Rogers. McDaniel is RETMA gen. counsel and its former pres.; Rogers is pres. of KFSD-TV & KFSD, San Diego; Fox is partner of Fox, Wells & Co., N. Y. investors.

Strike of 750 Sylvania employes shut down Buffalo TV-radio plant this week after Local 511 (IUE-CIO) rejected company's offer of new 3-year contract providing for average 7% wage increase, cost-of-living "escalator" clause and fringe benefits. It was first strike in Sylvania's 21 years at Buffalo. TV-radio production continued at new Batavia, N. Y. plant, where contract is with another local. Meanwhile, strike at Bendix Radio plant in Towson, Md. entered 5th week as we went to press, with no sign of settlement between company and International Assn. of Machinists.

MEXICO'S THIRD U. S. border outlet—XEFE-TV, Nuevo Laredo (Ch. 11), opposite TV-less Laredo, Tex.—began operating early in Sept., described by John H. Mayberry, chief engineer of radio KUNO, Corpus Christi, as “one of the most unusual TV stations on the air.” It cost less than \$10,000 to build and is said to have an operating overhead of less than \$500 per month.

Owned by R. T. Carranza, operator of radio XEFE, the station programs primarily in Spanish, carrying about 50% live talent, 25% film, 25% rebroadcasts from whatever other stations it can pick up. It has a composite transmitter which consists of 4 RF stages and puts out about 100 watts power. It has 2 aluminum Channel Master towers, one each for video and audio, with stacked receiving type yagi antennas directed northeast. Transmitter building, between towers, connects to antennas with open 300-ohm lines.

Transmitter is unattended and is fed by coaxial from studio, where 2 oscilloscopes are used for monitors and one TV receiver for pickups for rebroadcasts. Studio has 2 cameras mounted on home-made dollies, each with Zoomar lens. Rates are not reported but are said to be comparable to small AM stations in U. S. Rep is National Times Sales (see *TV Factbook No. 21*, p. 259).

Note: Holding CP for Ch. 8 in Laredo, Tex. is Vidicon Industries of America, Midland, Tex., assigned call letters KHAD-TV but reporting no starting plans since grant last July 20. Partners are H. C. Avery Jr., architect, and David H. Cole, contractor. Only other Mexican-licensed border stations are XETV, Tijuana (Ch. 6), near San Diego, and XEJ-TV, Juarez (Ch. 5), opposite El Paso.

Change of NARTB name back to old NAB was advocated as “less cumbersome” in resolution passed by this week’s Region 3 meeting in New Orleans. Session was highlighted by off-the-cuff maiden speech by FCC Comr. Richard Mack, speaking on function of regulatory commissions; criticism of multiplicity of audience measurement services, a subject due to come before TV circulation committee at Oct. 4 meeting in N. Y.; panel discussion of TV Code by Glenn C. Jackson, mgr. of WAGA-TV, Atlanta, and Herbert A. Carlborg, CBS-TV director of editing; suggestion by William Fay, pres. of WHAM-TV, Rochester, that Citizens Advisory Council of distinguished citizens be set up to advise industry how to serve public better; criticism by Grover C. Cobb, KVGB, Great Bend, Kan., chairman of NARTB AM committee, of “owners and operators who have such an investment in TV [that they] let their radio stations run themselves while they devote their time to the allegedly more glamorous and certainly more costly [TV] medium”; talk by NARTB pres. Harold Fellows in which he urged radio stations to increase rates.

“I Love Lucre” captions item in *World’s Press News*, Britain’s Fleet Street mouthpiece, referring to BBC program controller Cecil McGivern’s retort to ITA’s commercial program threat: “We do not intend to lose anything because of money. After all, it is our viewers’ [set tax] money and our viewers expect us to pay for what they want . . .” ITA, incidentally, has acquired CBS-TV’s *I Love Lucy* for its schedule. The British newspaper trade journal, which in striking contrast to its U. S. counterpart has been taking an extremely friendly attitude toward commercial TV and giving TV-radio rather good coverage, also reports that in the next 3 years or so some private TV stations may start operating in towns not covered by ITA, which so far has a station only in London and others projected only for Birmingham & Manchester. It quotes the pres. of British Televiewers’ Society, adman Richard Newcombe, as being “much concerned that half the country should have commercial TV and the other half should be left out.”

Interest in closed-circuit TV reached new peak this week following last week’s triumphant telecast of Marciano-Moore heavyweight championship bout to some 400,000 spectators in 133 theatres (Vol. 11:39). Nathan L. Halpern’s Theatre Network TV Inc. is now reported to have achieved sales of \$1,500,000 last year as against \$150,000 in 1951 when it started. Closed-circuit business and sales meetings, though less glamorous than prizefights, are TNT’s bread-&-butter. More closed-circuit TV history was made Sept. 27 when 1200 members of American Management Assn. watched actual labor-management arbitration session between SKF Industries and United Steelworkers (CIO) on theatre-size screen in New York hotel ballroom. NBC-TV is enthusiastic about another use of closed-circuit TV—private color telecasts for sponsors and their dealers and distributors. NBC’s telesales dept. recently presented closed-circuit color show for 2700 Johnson outboard motor dealers in 18 cities after Johnson bought series of participations in *Today & Tonight*. After the 45-min. show, Johnson Motors reported \$7,000,000 in new orders from dealers. Other recent NBC closed-circuit color shows for sponsors included special promotions for General Cigar, Alcoa and Cluett-Peabody Co. Scheduled this month are shows for Beech-Nut Packing Co., Hallmark Greeting Card Co., and a special hookup for Packaging Institute of America to demonstrate impact of color TV on product packaging.

More liberal FCC attitude toward community antenna ownership of private microwave systems was hinted this week as FCC for first time approved applications for relay whose ownership interlocks with a community antenna system. The experimental authorization was granted to Hualapai Peak Carrier Co., owned by O. Ellis Everett, who will also be 60% owner of Kingman TV Co., new Kingman, Ariz., community system. Microwave will relay signals of Phoenix’ 4 stations and Las Vegas’ 2 from mountain peak to community system in Needles, Cal., as well as Kingman system. Also approved by Commission this week was microwave authorization for Pioneer Transmission Corp., to relay signals of KOOK-TV, Billings, Mont. to community system in Riverton, Wyo.

Who jammed World Series, or where’s the varmint that had KID-TV up a tree? That’s burning question around Idaho Falls station this week after it was struck out by secret jamming of channel despite carefully-laid plan to broadcast Series via microwave relay from KTVT, Salt Lake City. After rigging extensive installation involving links with KLIX-TV, Twin Falls and KIDO-TV & KBOI-TV, Boise, attempt to handle first game flopped when “outside” radio signals gummed up KTVT’s Ch. 4. Carroll Seacrist, KID-TV chief engineer, led posse through Idaho hills at night, found camouflaged battery-powered transmitter in tree near relay point. After appropriate removal ceremony, remaining games went on as scheduled.

Britons may not like to be told by Americans—but, according to press association reports, NBC pres. Pat Weaver, plumping heartily for commercial TV, suggested in London speech Sept. 27 that they might take a tip from American practices and let TV put more drive into their economy. He told Institute of Practitioners of Advertising that they should consider fact that sponsored TV in this country has tempted people to work harder and earn more by holding up to them a picture of better products and better living. TV moves goods, he said, and he expressed scant patience with those who opposed TV advertising.

Ralph Lowell, chairman of Lowell Institute Cooperative Bestg. Council of Greater Boston, one of several groups identified with educational WGBH-TV, elected chairman of Educational TV & Radio Center, Ann Arbor, Mich. (film network headquarters), succeeding Dr. George D. Stoddard.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
FOR MANAGEMENT
OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
ARTS AND INDUSTRY

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Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS — October 8, 1955

ALLOCATIONS DISCUSSIONS begin at FCC, which asks ODM about chances of getting more vhf. ABC & CBS propose vhf mileage-power cuts (pp. 1 & 8).

THEATRE TV WORLD SERIES unlikely in 1957; despite ability to offer big money, pay-TV proposals seen getting thumbs down as result of fans' clamor (p. 2).

NETWORK RADIO REORIENTS to "block" programming and participating sales in effort to stave off further losses of audience and billings (p. 3).

REASONS WHY BRITISH pictures appear better on home screens explained by Hazeltine's Arthur Loughren and British expert Col. Henn-Collins (pp. 3 & 4).

PAT WEAVER TELLS OFF British antagonists of commercial TV, notably the newspapers and the snobs; "an all-people elite" called "grand design" of TV (p. 5).

SMALL MARKET HELP offered by NBC-TV in "Program Extension Plan" giving "dividends" to advertisers who order any of 44 smaller-area stations (p. 7).

MORE GOING INTO COLOR set production and merchandising as RCA reports satisfactory set sales so far; momentum of World Series maintained (p. 11).

NEW SOURCES OF POWER—human voice and sunlight—tested successfully in "wrist-watch" radio transmitter and rural telephone system (p. 15).

MINOT, N. D. VHF granted to owners of Bismarck's KFYZ-TV; FCC proposes to open up 2 vhf educational channels to commercial applicants (p. 8).

NEW BISMARCK, N. D. and Mayaguez, Puerto Rico stations get under way, bringing on-air total to 455—with possibility of 14 more remainder of year (p. 10).

1000-ft. TOWER CEILING fight abandoned by military as industry-govt. committee ratifies plan asking new airspace criteria, more "antenna farms" (p. 16).

NETWORK RADIO billings figures discontinued by PIB. But monthly TV reports continue, show \$30,344,948 in Aug., indicating \$400,000,000 year (p. 16).

FCC SEEKS ANSWERS TO ALLOCATIONS DILEMMA: FCC's long-awaited major reappraisal of vhf-uhf allocations began this week -- but no major decisions have been made yet. All 7 members participated in discussions Oct. 3-4, listened to staff analyze possible courses of action without giving any recommendations.

Most concrete action taken by FCC was to write Arthur Flemming, director of Office of Defense Mobilization, asking him to explore possibility of obtaining some more vhf channels from Govt. users. No number was specified, because the Commission doesn't know how many it wants -- or whether it's sure it wants them. Meanwhile, FCC staff is working up plans to see what could be done with 3-4 extra channels. There's some optimism that such channels can be obtained, despite warnings that the military needs every vhf channel it has for "scatter" transmissions (Vol. 11:32, 39).

Next FCC session on subject is on or about Oct. 17. In absence of specific decisions this week, Commission and industry are boiling with speculation as to the direction discussions will lead. A persistent prediction is that all deintermixture petitions will be turned down, followed by several big vhf final decisions on hearings which have been held up by FCC consideration of the petitions.

* * * *

Commission received substantial response, meanwhile, to its plea that industry submit its ideas -- ABC and CBS contributing specific suggestions Oct. 7.

ABC proposes extensive deintermixture, stating that this will nurture growth of uhf, and at same time advocated careful vhf mileage-power cuts to permit addition of vhf stations in major markets.

CBS submitted 2 alternatives: "Plan A" proposes vhf drop-ins via mileage-power cuts, gives uhf very minor role. "Plan B" is predicated on obtaining 3 more vhf channels -- one from FM, 2 from Govt. -- and abandoning uhf completely.

CBS submitted proposed city-by-city allocation plan; ABC didn't. Consulting engineer John Mullaney, who recently tendered plan for adding vhf assignments via mileage and power cuts, directionals, etc. (Vol. 11:32), this week supplemented his

study by sending in table showing where 234 vhf stations could be added, along with proposed powers, distances from other stations, offset-carrier positions.

(For the details of foregoing proposals, see p. 8.)

* * * *

Hungering for advice, Commission is now getting plenty of it, will get more. CBS top brass conferred with FCC Chairman McConnaughey Oct. 6, delegation including pres. Frank Stanton, William Lodge, Richard Salant, Ralph Hardy, Sidney Alexander. Next day, ABC pres. Robert Kintner lunched with McConnaughey, accompanied by Ernest Lee Jahncke, Frank Marx, Robert Hinckley. On Oct. 11, Dr. Allen B. DuMont and top staff are due in Washington. Previously, McConnaughey and RCA-NBC chairman Gen. Sarnoff held long conference -- with Gen. Sarnoff's recommendations, if any, remaining undisclosed. To date, NBC has submitted no proposal.

RETMA's new allocations committee, under GE's Dr. W.R.G. Baker (Vol. 11:40), meets Oct. 19, hopes to come up with something for FCC before Dr. Baker leaves for Europe Nov. 1. Senate Commerce Committee's ad hoc committee of engineers, under MIT Prof. Edward Bowles, is still exchanging memos, has done nothing final yet.

Senate Committee's own study is still alive, theoretically, and hearings are still due to start Jan. 17 despite fact that TV probe staff has no majority counsel. At that time, FCC will be expected to report what it has done about allocations as well as progress on network investigation under Roscoe L. Barrow (Vol. 11:39).

Things have finally come to a head, with FCC expected to "do something," but no one at Commission says he can predict when decisions will be made. Though there are cynical predictions Commission might conclude status quo is best, it's regarded as politically expedient for FCC to come up with some plausible solution -- lest it risk becoming exposed sore spot for Republican Administration when Democrats seek issues for next year's election campaigns.

WORLD SERIES ON THE POPCORN CIRCUIT? Is theatre TV ready to make a grab for TV's most popular and thrilling program -- the World Series?

The widely bruited success of recent pay-to-see theatre telecast of Marciano-Moore heavyweight championship bout to some 400,000 paying customers (Vol. 11:39-40), just one week before the free telecast of a hot 7-game Series to perhaps 90,000,000 viewers in U.S., Canada and Latin America, quite naturally has aroused some conjecture in the trade press and elsewhere about the future of World Series TV.

The facts are these: Gillette's 6-year-pact for sponsorship of the Series on NBC-TV and Mutual Radio still has one year to run, but baseball commissioner Ford Frick already is involved in preliminary negotiations for rights to 1957 Series -- though contract probably won't be signed until next summer.

TV rights to 1955 Series cost Gillette something over \$1,000,000 -- and there is no question that rights for 1957 will go for considerably more.

How much can theatre TV offer? The answer, on paper, is -- plenty. With a theatre audience of a mere half-million spectators (200 theatres) paying \$4 a head, the gross for 4 games could be \$8,000,000, and the theatre syndicators could offer at least \$2,500,000 for rights to the 1957 classic. But --

Granted that theatres theoretically could outbid home TV, our inquiries this week indicate that theatre-TV proposals aren't likely to get very far -- even if they could be backed up with a certified check, which, as of now, they cannot.

"There are some things more important than money," Frick told us this week in telephone interview. Though he didn't elaborate, he obviously had in mind the public relations value of free televised series -- and conversely, outraged reactions of fans everywhere if free TV should suddenly be taken away.

"We have no preconceived ideas, though," he added. "We'll listen to anybody." Despite reports that Theatre Network TV will make strong pitch for the 1957 Series, Frick said there had been no overtures yet from closed-circuit groups.

Mere whisper of extension of pay-TV idea to a cherished and traditionally free TV attraction already has fans worked up. Front page editorial in influential Sporting News Oct. 5 warned: "Never televise the World Series on a prepaid basis..."

If commercial sponsors can be persuaded to offer more for their rights to the air waves, well and good. But if the time comes when the average fan has to pay to watch a telecast of a World Series game, then the time also will have come to wonder when grass will start to grow around home plate."

Note: Aroused by theatre-TV boxing bouts, 2 Penna. state legislators have introduced bill to require \$2000 yearly license fee for any establishment charging admissions to telecasts.

THE CHANGING FACE OF NETWORK RADIO: You won't recognize network radio this winter. Beset by loss of billings and audience to TV, it's undergoing a radical face-lifting in programming and sales patterns. The old 15 & 30-min. shows for single sponsors have all but disappeared -- and in their stead have come the concepts of "block" programming and participation sales, the latter pioneered and made profitable by TV.

ABC, CBS & NBC have announced fundamental changes in their radio networking in last few weeks (Vol. 11:37-39). MBS is due to come out next week with own version of how stations, in words of v.p. Robert Monroe, "can make affiliation with Mutual a profitable investment." Taken together, the changes add up to a revolutionary shift in direction of network radio -- and, incidentally, point up how radio has reversed TV's growth pattern, in which networks started comparatively small, then grew stronger as medium developed. Network by network, this is the radio picture:

NBC: Consistently a second runner to CBS Radio over last few years -- some of its affiliates complaining of stepchild treatment because of RCA-NBC dedication to TV -- NBC was nevertheless only network to show gain in July radio billings over July 1954 (see PIB table, Vol. 11:38), doubtless due to success of weekend Monitor.

NBC will extend the "quick listening" format of Monitor to weekdays starting Nov. 7 (Vol. 11:37). This has admittedly antagonized some long-loyal affiliates, who complain revenue from the program is insufficient to compensate them adequately -- to say nothing of the unanimous opposition of the spot reps. NBC has reported about \$600,000 already on books for Monitor in 4th quarter.

CBS: Its "segmentation plan" opens several top-rated evening shows to 5-min. partic. sales, at \$2100 per 5-min. segment (Vol. 11:38). Sales v.p. John Karol said plan represents "a shift in sales philosophy to allow the advertiser to buy in relation to the changing habits of listening."

ABC: It has overhauled virtually its entire evening schedule, effective Oct. 24, dividing programming into 5 separate 30-min. "units," each with a separate theme (Vol. 11:38). Entire schedule will be sold in 5-min. partic., at \$800 per.

MBS: New plan, due to be announced next week, will be based on concept of radio as a "companion" to listeners, as first outlined at NARTB convention in May (Vol. 11:22). Without revealing details, Monroe said plan involves "block" programs which will be unlike either NBC's Monitor or ABC's "thematic" plan. It's understood also to include more 5-min. programs and greater use of local-sale 6-sec. IDs.

Note: PIB has discontinued monthly reports on radio network billings due to recent changes in rate and discount structures that render it difficult and ineffectual to compare networks' gross billings figures (see p. 16).

BETTER BRITISH IMAGES—EXPERTS TELL WHY: We stirred up the cats, apparently, with our reports on the superior quality of British TV images (Vol. 10:45 & 11:36, 40) -- and this week, from both sides of the ocean, came some more explanations. Curiously not a single observer has yet retorted 'tain't so, though perhaps somebody will yet. We've asked the network engineering chiefs and some of the leading station engineers and consultants to comment, too.

If these reports contribute a mite toward eventual improvement of American TV engineering -- which from testimony to date is apparently susceptible of improvement -- the job of pointing up the problem will have proved well worth while.

This week's contributors of expert comment are Hazeltine's research v.p., an acknowledged authority, Arthur V. Loughren, and the British consulting engineer Lt. Col. C.A. Henn-Collins. The British authority is one of the best, as we ourselves can attest from contacts with him during the North African campaign when as a major

he was opposite number to the then Maj. Esterley C. (PX) Page handling Allied radio communications. Consulting engineer Page, whose firm has won renown for its work on "forward scatter" (Vol. 11:32) and who is presently engaged largely in installing stations in the Far East for Uncle Sam, forwarded our query to Col. Henn-Collins.

"It's trite," writes Col. Henn-Collins from London, "to point out that we are not a people for the 'mostest' and 'bestest' and 'grandest', but in the matter of TV pictures, as viewed in the home, it is factual that we usually provide a superior picture. When I have been in the U.S., I have often thought as much. However, I have also seen in the U.S. TV images superior to that provided here by either [BBC or ITA] service, but those have been in TV control rooms..."

Writes Art Loughren: "The question you raise with respect to the British TV image being better than ours and why has been noted by too many observers to permit one to dismiss it as some kind of hallucination..."

For their detailed comment, see below.

WHY THE BRITISH TV images, as viewed in the home, are so obviously superior to the American is diagnosed in technical and economic terms by 2 highly qualified engineering authorities with experience both here and abroad. Here are the replies received in response to our inquiries from Hazeltine's research v.p. Arthur V. Loughren and from Lt. Col. C. A. Henn-Collins, British consulting engineer with offices at 16 Berkeley St., London W-1:

"If we try to explain the observed difference in terms of the resolving power of one system versus the other," states Loughren, "we get nowhere. The real measure of this is obtained by dividing the available bandwidth in kilocycles per second by the number of complete pictures per second. Taking the separation between picture and sound carriers as an indication of the available bandwidth, this gives 140 kilocycles per picture for the U.K. system [405 lines] as compared to 150 kilocycles per picture for the U. S. system [525 lines]. This shows that the system resolving powers favor the U.S. system by a very small margin.

"If it isn't resolving powers, then what is it? I think the answer lies in two things: First, better handling of the contrast range which the subject matter presents; second, more careful attention to the minimizing of residual errors in the amplitude and phase characteristics of every element in the entire circuit between subject and antenna. The comment which you quoted in The Digest [Vol. 11:39] to the effect that British practice involved 4 times as large a technical crew for a broadcast as were required in U. S. practice is certainly a supporting observation for this view of mine.

* * * *

"In much of British live pickup practice, the cameras employed use camera tubes of different types than those usually employed here. These British camera tubes require, I understand, higher light levels than is true of the image orthicons customarily employed in this country. On the other hand, it is possible that by their use, images with superior rendition of the contrasts of the original scene are obtained. I think much of the comment about the difference between pictures in the one area and in the other are concerned with what I might call 'muddy blacks'. This is typically a problem of contrast rendering.

"To make a further point: The first time that I saw a really sparkling television picture was when D. C. Espley showed me pictures which he had generated from motion picture film using a mechanical flying spot scanner. This was in 1937 in the laboratories of the General Elec-

tric Co. Ltd. at Wembley. The next pictures of essentially comparable quality which I saw were those shown by the Bell Laboratories, also from a flying spot film scanner, in I think 1940. To this day, I have seen almost nothing on the air in this country comparable to those earlier demonstrations. However, much of the British live TV broadcasting approaches in quality the performance of good British film pickup.

"It should be pointed out that U. S. TV practice faces a quite nasty technical problem in handling of film, with no counterpart to this problem faced in Britain. I refer to the fact that film runs 24 frames per second whereas British TV runs 25 frames per second and U.S. TV 30 frames per second. Now, in the British case the practice is merely to speed up the film 4% so that it is run at 25 frames per second for TV purposes. In the case of the U. S. practice, speeding up the film from 24 to 30 frames per second upsets both the sound and the speed of action too badly to be tolerated. Therefore, the U.S. problem involves making 5 TV pictures from 4 frames of film without stuttering either visually or audibly and without impairing the resolution of the film in the process. It is only quite recently that solutions of this problem which were applicable to the flying spot scanner type of film pickup have commenced to see public use. By contrast, this type of film pickup has been in use in Britain since the late 30's.

"Another difference, and to my mind a most important one, between the situation in the U.K. and in the U.S. relates to competition. In this country, competition keeps our broadcasters scrambling, but it keeps them scrambling not for the things which they themselves would best like to work on but rather for the things which in their judgment will best meet the public clamor. My belief is that there has been, unfortunately, very little clamor by the public in this country for improvement in pictorial quality. In consequence, the TV broadcasters of the U.S.—a thoroughly competent lot of people—have made their improvements in some other directions."

* * * *

Lt. Col. Henn-Collins diagnoses the situation this way: "Picture definition and quality depend not only on the number of lines and frames in a given period, but on the rate of change of information that any one line can reproduce. To reproduce properly the information in a British TV signal, the effective bandwidth of the whole communication system right to the picture tube scanning coils wants to be at least 3 mc. The BBC and ITA pay close attention to this and most receivers sold here achieve this. Taken with two other things outlined below, the result is the good picture you and your friends have noticed.

"Secondly, noise is kept well down in the camera and

subsequent chains and close attention is kept to the proper modulation level vis-a-vis the 'back porch' of each TV frame. This is important because you will recall our modulation is upside down compared with yours.

"In both countries, many films are used for TV. You have a special problem in relating the film speed to the 30cps recurrence. Except from the makers of the equipment, I don't think I will bring coals of fire on my head by pointing out that many of the film scanners used in the U. S. appear inferior to the flying spot scanners used here."

The U. S. receiver, more selective than the one or 2-band British set, also is a contributing factor, in Col. Henn-Collins' view. "To make the best of the 525-line signal," he adds, "you want an effective bandwidth throughout of about 4.5 mc. I believe most U. S. receivers are much more selective than that. The few I have checked over certainly were.

"This, combined in many cases with noisy signal sources, insufficient attention to contrast, and performance of the film scanners adds up, in my opinion, to the usual result which has led to the present comparison which may seem invidious to some people."

As for the observation that the British employ more technicians per picture, Col. Henn-Collins says it isn't so. "In fact," he states, "technical talent is that short that with the introduction of competitive TV the available chaps are spread more thinly on the ground than before."

B RITISH NEWSPAPER efforts to deprecate TV advertising as practiced in America, and the tendency in some British quarters to look down their noses at the American system, got a few pointed answers from NBC pres. Pat Weaver, speaking Sept. 27 in London. Obviously aroused, pulling no punches, Weaver asserted:

"Because of the misinformation about TV in the U. S. that has been printed here, let me assure you of one certainty: In the States, TV advertising has been overpoweringly, overwhelmingly, fantastically successful, particularly for the advertiser. The *Daily Express* said in an editorial: 'In America businessmen are giving up this method of advertising,' that is, TV. This is true in precisely the same way that it is true to say that in America the people are giving up breathing. Some pass away every day."

Welcoming the new ITA, retorting to the antagonists of the new commercial TV system with which BBC must now share audience (the most articulate, apparently, being within the BBC itself), Pat Weaver went on: "As a believer in the incentive system, I have always thought that taking pride in having a broadcasting instrument that did not carry advertising was like taking pride in a railway system that did not carry freight . . .

"The BBC by its very nature will not do what commercial TV must do. Commercial TV [has a mission] to reach the big audiences and improve them. The BBC gives the people what they want, group by group. British commercial TV, like American TV, must give the people what they will look at, but they should always, as we do, realize that all programs can serve a purpose beyond diversion, can carry a higher information content. It is easy to program with what people already want to see. This is excellent but limited. It is difficult to program so that people watch what they want to see in a form that includes things they don't want to see.

"It seems to me that commercial TV, because of the need to attract a total audience, will have more influence in elevating British tastes than the BBC, which is filling and responsive to needs that already exist and that, thanks to commercial TV, will be ever enlarged. British commercial TV thus can follow what we at NBC consider the grand design of TV, the creation of an all-people elite.

Magazine of British business, *The Director*, estimates advertisers will spend \$50,930,000 on commercial TV during its first year, which began Sept. 22 (Vol. 11:39). Of this, 20% represents production costs and remainder goes to ITA contractors on the 3 stations thus far projected—one in London, now operating; one each in Birmingham & Manchester, due on air within next 3-6 months. "This is a high price to pay," comments *Advertising Age's* London correspondent, "when at present the number of London sets able to receive commercial TV does not exceed a half million. The question posed is whether the contractors can maintain the initial heavy demand for peak time. There are already indications that the demand has eased. This week both London contractors offered facilities for 5-second stills at average cost of \$140 at peak time." Note: London dispatches this week reported ITA running into difficulty trying to sell time on morning shows for housewives (at \$910 a minute as against \$2800 for night spots), but contractor Associated Rediffusion says it's not discouraged. Adless BBC runs only test films in morning in belief women have too much to do around the house to watch before lunchtime. It signs on in mid-afternoon.

Teleprompter's new "TelExecutive", cueing device about size of a portable typewriter and weighing under 20 lb., designed to be carried about by speakers and operable on a desk, table or lectern, is now being produced by Underwood Corp. and marketed at \$495 list.

We believe that we are shaping a society which acknowledges that no true prosperity, no enduring culture can stand on a bedrock of human misery or of race or class or group subjection. We believe that it is impossible for a society to consider itself mature and intelligent and humane so long as any normal person in it has been denied exposure to the great ideas, the great achievements, the great history of man. This is the opportunity and the destiny of commercial TV. It is the one communications medium that can offer the heritage of man to everyone in a living, vibrant and interesting form.

"To do this, we must first engage the attention of the total audience. We must expose all of our people to the thrilling rewards that come from an understanding of fine music, ballet, the classics, science, the arts, everything. In our minds, to program for the intellectual alone is easy and duplicates other media. To make us all into intellectuals—there is the challenge for commercial TV."

All this isn't to say that we're satisfied in America with our program schedule, Weaver went on. "We are not. We have good things and we have bad things. We have problems that are serious and problems that are insoluble.

"In the design of our schedule to reach the entire public, we believe that if we do not reach the total audience we fail and that if our influence and impact on the total audience is not positively and affirmatively for good, we also fail . . . [But] those who decry the American system and commercial TV are wrong. If they say that we have failed, they have not sufficiently studied the records. We have not yet succeeded, it is true, but we have not failed."

Exulting over turn of popular sentiment against subscription TV and FCC's lack of interest in subject, theatreman Alfred Starr, co-chairman of Committee Against Pay-to-See TV, outlined history of fight at Theatre Owners of America convention in Los Angeles Oct. 6. He told exhibitors they could take credit for being first to start organized campaign against pay-as-you-see, concluding: "It is most important to continue our efforts. Our opponents, although hurt, still are fighting and we must be prepared for any contingencies."

Personal Notes: C. M. Jansky Jr., senior member of Jansky & Bailey, consulting engineers, returns Oct. 12 on S.S. *Kungsholm* after attending Baltic & North Sea Radio-telephone Conference at Gothenburg, Sweden as a U. S. delegate . . . Curtis D. Peck, from NBC owned-&-operated stations div., N. Y., appointed operations director of its WNBK & WTAM, Cleveland . . . Wm. Hubbach promoted to sales mgr. of KOMO-TV, Seattle, King Mitchell to radio sales mgr., both sharing responsibilities of v.p.-commercial mgr. Ray Baker, resigned . . . George M. Burbach, gen. mgr. of KSD-TV & KSD and a director of *St. Louis Post-Dispatch*, of which he was formerly business mgr., honored with life membership on board of directors of city's famed Municipal Opera . . . Alvin E. Unger, Ziv radio sales v.p., placed in charge of new Chicago office handling TV-radio; Ben Phillely becoming national radio sales mgr. . . . Gerald Lyons, DuMont Network public relations director, resigned this week to join Carl Ruff Assoc., N. Y. (public relations) . . . W. R. (Ike) Twining, in Pacific Coast newspaper brokerage business, joins San Francisco staff of Blackburn-Hamilton Co., TV-radio-newspaper brokers, under mgr. Wm. T. Stubblefield . . . Earl Corbett, station director of radio WCPO, Cincinnati, named to new post of commercial program mgr., WCPO-TV . . . Robert Rierson, ex-WBTW, Florence, S. C., named production director, WBTW, Charlotte, replacing Sam Zurich, now N. W. Ayer, N. Y. . . . Charles R. Howard, ex-KBTW, named promotion mgr. of KFEL-TV, Denver . . . Gustav B. Margraf, NBC v.p. in charge of program talent procurement, has resigned to join Reynolds Metals Co. as general solicitor under Joseph B. McConnell, ex-NBC pres., now Reynolds gen. counsel . . . Robert F. Davis promoted to research director, CBS-TV Spot Sales . . . Jason Lane promoted to research mgr., NBC film div. . . . John J. Keenan, ex-WSJV, Elkhart, Ind. and WKZO-TV, Kalamazoo, named sales mgr. of WNEM-TV, Bay City, Mich. . . . Robert B. Smith, ex-Grant Adv., San Francisco & Reno, named national sales mgr. of KUTV, Salt Lake City, succeeding John Brophy, resigned . . . Alfred Mendelsohn promoted to asst. TV sales mgr. of Universal Pictures subsidiary, United World Films; Errol Linderman promoted to mgr. of TV service dept. . . . Herman Edel, ex-WABD, N. Y., named adv. & sales promotion mgr., Sterling TV . . . Leonard H. Golden-son, pres. of AB-PT, elected chairman of Research & Educational Foundation, United Cerebral Palsy, of which he's also chairman and past pres. . . . Donald Shaw Jr., promoted to director of ABC-TV's new station clearance dept., reporting to John H. Mitchell, v.p. in charge of TV network . . . Wendell B. Campbell, CBS v.p. in charge of administration, appointed to newly created position of v.p. in charge of CBS Radio spot sales . . . Harry Beaudouin, ex-NBC press dept., named asst. to director of public relations, Republican National Committee . . . Roger D. Rice resigns as Seattle mgr. of KTVW, Tacoma, to become sales mgr. of upcoming WIIC, Pittsburgh (Ch. 11), due in Nov. . . . Barry Hirsch returns to WKRC-TV, Cincinnati as film director after hitch in Navy.

Ex-FCC Comr. Robert F. Jones has opened own law offices in Perpetual Bldg., Washington (Metropolitan 8-6632), having retired from Scharfeld, Jones & Baron, which has changed its name to Scharfeld & Baron.

FCC Office of Chief Accountant will be abolished, as expected (Vol. 11:31), with retirement of chief accountant Wm. J. Norfleet Oct. 31. His staff will be split, economists incorporated as a div. of Broadcast Bureau, accountants going to Common Carrier Bureau.

Guy David Nottingham, who took leave from WBAL-TV, Baltimore to study British TV methods, then resigned, has been engaged as a producer for Granada TV, one of ITA commercial contractors.

AGENCIES: Horace Hagedorn, ex-pres. of Kiesewetter, Baker, Hagedorn & Smith, now dissolved, joins Sullivan, Stauffer, Colwell & Bayles as v.p. . . . A. J. Taranton, ex-pres. of Radio-TV Executives Society, N. Y., named a senior v.p. of Ted Bates & Co. . . . Peter S. Cardozo, creative supervisor of TV-radio dept., promoted to v.p., Fuller & Smith & Ross . . . Wm. A. Chalmers, ex-v.p. & TV-radio director of Campbell-Ewald, Detroit, named mgr. of Los Angeles office, Calkins & Holden . . . Herbert M. Johnson, ex-Sarra Inc., named TV creative director, MacFarland, Aveyard & Co., Chicago . . . Ralph Ward, ex-ABC-TV & Rockhill Productions, joins Young & Rubicam in charge of live TV commercials . . . Peter Keveson, ex-v.p. & TV-radio copy chief, Lennen & Newell, named TV-radio commercial copy director, Doherty, Clifford, Steers & Shenfield . . . Sumner J. Lyon joins Lennen & Newell as asst. director of TV commercial production . . . Trevor Evans, Pacific National Adv. Agency, Seattle, elected chairman of 1955-56 board of governors, American Assn. of Advertising Agencies Pacific region.

James B. Tharpe has resigned as mgr. of DuMont transmitter sales dept. to become pres. of Visual Electronics Corp., 500 Fifth Ave., N. Y., independent sales agency newly formed to handle DuMont TV and other transmission equipment; he will contact N. Y. area accounts and, in association with Herbert Bloomberg, will cover area between N. Y. & Chicago. Products of Tel-Instrument Co. and Adler Communications are also being represented by Tharpe, a Ga. Tech graduate and Navy electronics research & development veteran. To succeed Tharpe, DuMont this week promoted Kenneth F. Peterson to serve under C. Robert Mezger, gen. sales mgr. of technical products div.

FCC examiner Herbert Sharfman, taken to George Washington Hospital this week with undetermined ailment, reported at week's end that "I feel like a malingerer because I feel so much better." He said his physician doubted he'd suffered heart attack but was awaiting conclusion of tests before making decision. He has 2 major cases pending: Edward Lamb's renewal of WICU, Erie, for which reply findings are due Oct. 10; protest against site-move of WJRT, Flint, for which reply findings were due Oct. 7.

FCC Comr. Edward Webster, recently returned from 3 weeks' conference on maritime safety in Gothenburg, Sweden, left for New Orleans this week to attend meeting of Radio Technical Commission for Maritime service and American Merchant Marine Conference; he's due back in Washington Oct. 13.

FCC Comr. Richard A. Mack will be speaker at next luncheon of Federal Communications Bar Assn. at Washington's Willard Hotel Oct. 17, with all commissioners to be guests. Meeting will also pay tribute to Mrs. Fanny Litvin, FCC examiner who retired Sept. 30 after 30 years with Govt.

George T. Cameron, 82, publisher of *San Francisco Chronicle*, who 3 years ago named his nephew Charles deYoung Thieriot as asst. publisher, died in that city Oct. 3. Surviving is his widow, Mrs. Helen deYoung Cameron, daughter of the *Chronicle's* founder. Thieriot helped found and has directed newspaper's pre-freeze Ch. 4 KRON-TV, an NBC basic (Harold P. See, gen. mgr.), and engineered acquisition of control of KBAK-TV, Bakersfield (Ch. 29).

George Blake, 38, head of the New York TV & industrial film production firm bearing his name, best known for his direction of *Candid Camera*, died of a heart ailment Oct. 7 in Yonkers, N. Y.

S MALL-MARKET STATIONS will have access to more top NBC-TV programs as result of network's new Program Extension Plan (PEP) disclosed at press luncheon Oct. 5 in N.Y. Effective Nov. 1, plan offers to advertisers substantial cost reductions for extending their programs to 44 selected smaller-market stations. An advertiser buying a certain number of the 44 stations gets additional stations in group as "dividends." NBC will bear the cost of furnishing these additional stations at no reduction in compensation, a feature which distinguishes it from the CBS-TV "Extended Market Plan" (Vol. 10:49).

NBC exec. v.p. Robert Sarnoff explained that the more PEP stations ordered by the advertiser, the more stations in the group are made available to him without charge. The result, he said, is a large reduction in the over-all cost of stations in this group to a point where they become "very attractive" advertising values.

Along with PEP dividend plan is new provision whereby 100 stations become minimum "basic network" for advertisers (from present 55) in prime evening periods. Sarnoff said this provision does not apply to programs which are made available as a service to stations not ordered by advertiser under NBC's "Extended Program Service" plan (Vol. 11:17).

"The only advertisers who will have any cost increase in meeting the minimum requirements are those with

below-average evening lineups, who are unwilling to make their programs available to unordered stations," Sarnoff said. "By adding PEP stations, even these few advertisers can get valuable additional coverage at a fraction of what they normally would have to pay."

Another aspect of NBC's aid-small-market plan is addition of 6 top network programs to "Extended Program Service" plan, whereby stations not used by sponsor can receive programs with commercials deleted, for sale to local sponsors. During last season, 10 shows totaling over 25 hours of programming a week were made available on this basis to almost 100 stations which otherwise would not have carried them. The shows added this week are *NBC Matinee Theatre*, *Colgate Variety Hour*, *Perry Como Show*, *Sun. night Color Spread* spectaculars, *Milton Berle Show*, *Martha Raye Show*, *Pinky Lee Show*—bringing total amount of free programming to almost 35 hours a week.

These stations are participating in PEP: KRBC-TV, Abilene, Tex.; WALB-TV, Albany, Ga.; KALB-TV, Alexandria, La.; WLEV-TV, Bethlehem, Pa.; WISE-TV, Asheville, N.C.; KBMT, Beaumont, Tex.; KOOK-TV, Billings, Mont.; KFYZ-TV, Bismarck, N.D.; WHIS-TV, Bluefield, W.Va.; KIDO-TV, Boise, Ida.; KXLF-TV, Butte, Mont.; KFBC-TV, Cheyenne, Wyo.; KRDO-TV, Colorado Springs, Colo.; KVBO-TV, Corpus Christi, Tex.; WMSL-TV, Decatur, Ala.; WEAU-TV, Eau Claire, Wis.; KVAL-TV, Eugene, Ore.; KIEM-TV, Eureka, Cal.; WFLB-TV, Fayetteville, N.C.; KQTV, Ft. Dodge, Ia.; KSFA-TV, Ft. Smith, Ark.; KFXJ-TV, Grand Junction, Colo.; CKKT-TV, Great Bend, Kans.; KHAS-TV, Hastings, Neb.; KID-TV, Idaho Falls, Ida.; KPLC, Lake Charles, La.; WKNY-TV, Kingston, N.Y.; KIRJ-TV, Las Vegas, Nev.; WLEX-TV, Lexington, Ky.; WIMA, Lima, O.; KBES-TV, Medford, Ore.; KCJB-TV, Minot, N.D.; WJDM-TV, Panama City, Fla.; WTAP-TV, Parkersburg, W.Va.; WIRI, Plattsburgh, N.Y.; KCSJ-TV, Pueblo, Colo.; KOTA-TV, Rapid City, S.D.; KZTV, Reno, Nev.; KROC-TV, Rochester, Minn.; KSWs-TV, Roswell, N.M.; WICS, Springfield, Ill.; KVOA-TV, Tucson, Ariz.; KIVA-TV, Yuma, Ariz.; WHIZ-TV, Zanesville, O.

Station Accounts: Detroit Lions' gen. mgr. Nick Kerbawy is one sports official who isn't worried about TV's alleged inroads on attendance. "We're not questioning whether pro football can live with TV," he told newsmen this week. "It's a question of whether we can live without it. TV represents the difference between making and losing money." Lions' games are sponsored on WJBK-TV by Speedway Petroleum and Goebel Brewing Co., thru W. B. Doner Co. & Campbell-Ewald . . . Among other pro football sponsors: Atlantic Refining Co. buys alt. sponsorship of Chicago Bears, N. Y. Giants, Philadelphia Eagles & Pittsburgh Steelers; Falstaff Beer buys Chicago Cardinals and alt. on Bears; Carling Beer, Cleveland Browns; Burgermeister Beer, Los Angeles Rams & San Francisco 49ers; Amoco, Washington Redskins; Ford Dealers Assn., alt. Eagles; Duquesne Beer, alt. on Steelers . . . Roto-Broil Corp. of America to spend \$1,000,000 for Xmas campaign starting Oct. 1, including spots in 75 major markets, thru Product Services Inc. . . . Magna Engineering Corp., L.A. (power tools) to sponsor twice-weekly *Tom Harmon's Workshop*, do-it-yourself show on KNXT, Hollywood, thru N. W. Ayer . . . American Bakeries buys *Screencraft Pictures' Judge Roy Bean* in 42 midwest markets, thru Young & Rubicam . . . Montgomery Ward to sponsor TPA's *Count of Monte Cristo* in Denver, Bristol Myers in L.A., among 34 markets where show has been sold . . . Phillips Petroleum now sponsors *Ziv's I Led Three Lives* in 46 markets, having added 16 last week, thru Lambert & Feasley, N. Y.; in 3rd year, show is now in 118 markets . . . Among advertisers currently reported using or preparing to use TV station time: Purple Plum Assn., Portland, Ore. (plum canners), thru Dawson & Turner, Portland; Lee Ltd., Beverly Hills, Cal. (Courtley men's deodorant), thru Erwin, Wasey & Co., L.A.; Stephen F. Whitman & Son, Philadelphia (chocolates), thru N. W. Ayer, Philadelphia; Oswego Jelly Co., Oswego, Ore. (jams & jellies), thru Wyckoff & Assoc., San Francisco; Richfield Oil Corp of N. Y. (gasoline), thru Morey, Humm & Johnstone, N. Y.; Kraft Foods Co., Chicago (Italian dressing), thru Needham, Louis & Biorby, Chicago; Denta-Fresh Inc., Evansville, Ind. (disposable toothbrush), thru B & M Adv. Co.,

Evansville; Monticello Drug Co., Jacksonville, Fla. ("666" cold preparation), thru Charles W. Hoyt Co., N. Y.; Electric Storage Battery Co., Philadelphia (Exide batteries), thru Aitkin-Kynett Co., Philadelphia; Bonnie Dog Food Co., Sacramento (Bonnie dog & cat food), thru Wilson-Markey Adv., San Francisco; Ratsey & Laphorn Inc., N. Y. (Draw-Tite tents), thru Woodward & Byron, Westport, Conn.; Anso Div., General Aniline & Film Corp., Binghamton, N. Y. (photographic products), thru Benton & Bowles, N. Y.; Bostwick Labs, Bridgeport, Conn. (Hep Safe-T-Spray Oven Cleaner), thru Ovesey, Berlow & Straus, N. Y.; Valvoline Oil Co., Freedom, Pa., thru James Stewart Adv., Carnegie, Pa.

Network Accounts: Steve Allen, who recently signed new 3-year contract with NBC-TV, will shift his *Tonight* schedule later in year, dropping Mon. show and adding Sat. program (11:30 p.m.-1 a.m.) NBC is also contemplating increased budget, new cast & separate production unit for Sat. show . . . Pharmaceuticals Inc. to sponsor *Life Begins at 80* on ABC-TV Sun. 9:30-10 p.m., later moving to Sun. 10-10:30 p.m., and *Ted Mack's Original Amateur Hour* on ABC-TV Thu. 10-10:30 p.m., thru Edward Kletter Assoc. . . . ABC-TV reports sellout of sponsors on J. Arthur Rank package, *Famous Film Festival*, Sun. 7:30-9 p.m.—latest being Johnson & Johnson (surgical supplies), 6 partic., thru Young & Rubicam & N. W. Ayer; Beltone Hearing Aid Co., 2 partic., thru Olian & Bronner Inc., Chicago; Chrysler, 1 partic., thru McCann-Erickson, Detroit . . . Mutual of Omaha to be alt. sponsor (with American Chiclé) of *Zoo Parade* on NBC-TV starting Oct. 23, Sun. 3:30-4 p.m., thru Bozell & Jacobs . . . Crosley to be alt. sponsor (with Whitehall Pharnacal) of *Midwestern Hayride* on NBC-TV starting in Nov., Wed. 10:30-11 p.m., thru Earle Ludgin & Co. . . . Whitehall Pharnacal buys twice-weekly partic. on NBC-TV's *Tonight* starting Oct. 10, Mon.-thru-Fri. 11:30-1 a.m., thru Biow-Beirn-Toigo . . . Admiral reports 115 stations cleared for Bishop Sheen's *Life Is Worth Living* on ABC-TV starting Oct. 13, Thu. 8-8:30 p.m. . . . Brown & Williamson Tobacco Co. (Viceroy, Kool) drops *Penny to a Million* on ABC-TV.

A LLOCATIONS CHANGES suggested by virtually everyone so far have one thing in common—that substantial number of vhf assignments can be made in major cities by dropping present mileage-power minima. Where they differ is in degree—and the role of uhf.

ABC's proposal to FCC this week (p. 1), submitted in form of petition to revise allocations standards and table of assignments, makes these specific recommendations:

(1) FCC should reaffirm importance and permanence of uhf.

(2) Deintermixture should be undertaken "by removing ungranted vhf channels from cities where there are existing uhf stations having a good chance of survival and reassigning these vhf channels to cities where they are needed because uhf cannot compete effectively."

(3) Add vhf to cities with 2 vhf's by: cutting co-channel separations to as low as 130 mi. in all zones; tailoring powers of new drop-in stations by having them produce no more interference to co-channel stations than they would if they operated with 1000-ft. heights and maximum powers at minimum distances now specified in rules; adding directional antennas; taking over unused or ungranted vhf educational channels where needed.

(4) Give new vhf channels to operating uhf's.

One point stressed hard by ABC is that its plan leaves road clear to other remedies if it doesn't work; that other plans guarantee death of uhf.

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CBS's "Plan A" would put 3 or more vhf channels in 84 of top 100 markets instead of 52 currently in prospect. It would do this by:

(1) Reduction of co-channel mileages to 130 in Zone I, 140 in Zone II, 150 in Zone III—but protecting co-channel stations' Grade B contours even more than present rules protect them.

(2) Use of directional antennas.

(3) Employment of vertical polarization.

(4) Deintermixture in Peoria and Madison only, leaving them all-uhf.

(5) "Move-ins" of 8 vhf stations from smaller to larger cities.

CBS's "Plan B" assumes 3 more channels might be obtained — 88-94 mc from FM, 134-140 mc from military, 168-174 mc from govt. non-military — and uhf would be eliminated. This would provide 3 or more vhf channels in first 100 markets plus 50 or so more stations in markets not covered by stations in first 100 markets. Operating uhf stations would be shifted to vhf wherever possible, but some 60 uhf's wouldn't get vhf in their present markets.

CBS presentation, submitted as letter to FCC, not a petition, recommends that Plan A be adopted immediately unless 3 extra channels can be obtained quickly. In latter case, it says Plan B is preferable.

CBS acknowledges that there's conversion problem in Plan B; that present sets aren't equipped to get new channels. But it estimated conversions can be made for \$10-\$20, plus \$10 more if vertical polarization is used.

Criticism of "Mullaney Plan," advanced by CBS, is that new stations would be so closely spaced that they'd seriously reduce coverage of existing stations while having only very small coverage themselves.

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Engineer John Mullaney's letter to Commission was intended, he said, to dispel belief his proposal is a "low-power plan"; show where assignments may be made; indicate how offset carrier may be employed; demonstrate that high-gain directional receiving and transmitting an-

COMMISSION GRANTED construction permit this week for Ch. 10 in Minot, N. D. to owners of KFYZ-TV, Bismarck (Ch. 5), and proposed to open 2 educational channels to commercial applicants. (New Bismarck station KBMB-TV, Ch. 12, linked to present one in Minot, meanwhile prepared for debut; see p. 10.)

The proposed educational channel changes could develop into battle royal, Joint Committee on Educational TV having decided at Oct. 6 meeting to fight them as it is now opposing FCC's proposal to switch Des Moines' Ch. 11 from educational to commercial (Vol. 11:23, 29). Channels involved in new proposal are Ch. 5 in Weston, W. Va. and Ch. 3 in College Station, Tex.

Weston rule-making, with Comr. Bartley dissenting and Comr. Mack not voting, was in response to petition by WJPB-TV, Fairmont, W. Va. (Ch. 35) and supported by Fairmont State College — but opposed by West Virginia U, Morgantown; Salem College, Salem; West Virginia's Research Center Inc., and Rep. Bailey (D-W. Va.). In Texas case, FCC proposed that Ch. 3 be assigned jointly to Bryan & College Station and that Ch. 54, currently assigned to Bryan, be reserved for educational use in place of Ch. 3. Move was requested by group of Brazos County businessmen headed by John M. Lawrence III. Deadline for comments on both proposals is Nov. 7.

NBC's current Buffalo affiliate, WGR-TV, this week filed "economic injury" protest seeking stay of network's purchase of competitor WBUF-TV (Ch. 17), approved last week by Commission (Vol. 11:11, 15, 39-40). WGR-TV charged sale would cause loss of its NBC affiliation and result in economic injury. It also questioned NBC's qualifications as licensee, referring to reports Commission is investigating proposed Westinghouse swap of its WPTZ, Philadelphia (Ch. 3) for NBC's WNBK, Cleveland (Ch. 3) along with their radio affiliates (Vol. 11:21). If FCC finds "coercion" existed in this proposed transfer, WGR-TV argued, it can only conclude that network is unfit "to operate any broadcast station in the public interest."

Other activities at FCC this week were highlighted by: (1) Initial decision by Examiner Cooper ruling that there was no evidence of "trafficking in licenses" involved in transfer of CP for KNAC-TV, Ft. Smith, Ark. (Ch. 5) to Donald W. Reynolds who now owns uhf KFSA-TV, Ft. Smith (Vol. 11:18-19). (2) Petition by WLOW, Portsmouth, Va. — which once operated Norfolk uhf WTOV-TV — to cancel CP for WNBE-TV, New Bern, N. C. (Ch. 13) because of failure to construct station, and assign Ch. 12 to Princess Anne, Va. (Norfolk), substituting Ch. 13 for 12 at Arapahoe, N. C.

Four TV applications were filed this week, bringing total pending FCC action to 159 (19 uhf). They were: For Montrose, Colo., Ch. 10, satellite installation, by owners of KFXJ & KFXJ-TV, Grand Junction & KGLN, Glenwood Springs, Colo.; for Clovis, N. M., Ch. 12, by local radio KICA; for Roswell, N. M., Ch. 10, by KBIM; for Deadwood, S. D., Ch. 5, by KDSJ. [For details, see *TV Addenda 21-M* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 21* with Addenda to date.]

tennas are practical. He says average distance of proposed new "secondary" stations to existing stations would be 137 mi. (lowest is 86 mi.) and he reports average minimum ERP would be 63 kw. Lowest would be about 100 watts, highest 316 kw. He notes that only 31 uhf stations wouldn't be provided vhf, though he believes most of these can be taken care of by careful juggling.

Telecasting Notes: Sudden snag may be developing to hinder or even block future release of theatrical films to TV—in form of possible upped demands from Jimmy Petrillo's AFM. Musicians' union this week caused new group of 45 feature films to be removed from the TV market by Associated Artists Productions, though some 30 stations had already ordered the films in "Movieland" package. Involved were 35 Pine-Thomas features originally released through Paramount and 10 productions distributed theatrically by Universal-International. It's been AFM's practice in past to collect 5% of TV gross for films produced since 1948, but in case of the "Movieland" group, Petrillo reportedly asked for retroactive payment of 5% of Associated Artists' total gross on all televised films since 1947. The syndicator refused, turned back the 45 features . . . Is this a warning from Petrillo of things to come, as more and more recent features are released to TV? An AFM spokesman insists it's not precedental, but there's general uneasiness lest this is opening blow which could set off new demands not only by musicians' union, but by other unions, as price of showing features on TV . . . Still going up: CBS-TV's \$64,000 *Question* topped all ratings for third straight month in Sept. ARB's Sept. 11-17 survey gave it rating of 66.4—nearly 20 points above No. 2 show, CBS-TV's *Toast of the Town* with 46.9—and an estimated 58,980,000 viewers. Nielsen poll for 2 weeks ended Sept. 10 showed 55.5 rating and 17,766,000 viewing homes for \$64,000 *Question* and 38.6 & 12,360,000 for *Toast*. NBC believes it's chipping away at former's rating, however; its new *Playwrights '56*, which bowed Oct. 4, Tue. 9:30-10:30 p.m., got 11.8 Trendex during 10-10:30 period compared with 45.2 for \$64,000 . . . Walt Disney's *Mickey Mouse Club* opened Oct. 3 on ABC-TV, 5-6 p.m. to mixed reviews—but apparently the kiddies liked it, ABC boasting that Trendex gave it 9.2 rating and 44.9 share of audience vs. 8.8 and 42.9 for other 2 networks combined on opening day; by Oct. 5, show's rating was 12.3 vs. 9 for other 2 networks in same time period . . . Uplift and information, in the form of public affairs programming, will cost CBS-TV nearly \$3,000,000 in production costs this year, representing work of 200 staff members, according to public affairs director Irving Gitlin . . . CBS planning 3 documentaries for theatrical release, all based on TV series—(1) version of its upcoming *Air Power* series; (2) *The Pacific*, using footage from *Adventure* series; (3) *Navy Log* . . . Orson Welles and CBS have called off plans

for his production of half-dozen 90-min. color film spectacles, some of which were to have been shot in Europe . . . Talk about oldies: Cinema-Vue Corp., 90-08 68th St., Forest Hills, N. Y., headed by Joseph Smith, offering TV stations shorts dating back to 1910 that include Charlie Chaplin, Keystone Kops, Hal Roach & silent cartoons . . . Betty Hutton, who "retired" after getting poor reviews on early NBC-TV color spectacular *Satins & Spurs*, returns to same network Oct. 25 for 8-9 p.m. show with Jimmy Durante & Sophie Tucker . . . News every hour on the hour—an old standby on radio—will be adapted to TV by Fred Weber's new WHTN-TV, Huntington, W. Va. (Ch. 13); varying in length "according to the time and importance of the material," hourly news reports will be accompanied by UP facsimile photos . . . Moviemaker with an idea: On Tuesdays at 9 p.m., just after the feature movie ends, a TV set is moved onto the stage at G. E. Schnibben's Carolina Theatre in Florence, S. C., and the audience watches \$64,000 *Question* via local WBTV.

How feature film prices have soared in last 10 years was related by TV executives this week as Govt. presented witnesses in its "16mm" anti-trust suit against 5 major movie companies, contending they conspired to keep features off TV (Vol. 8:30 & 11:38-39). CBS-TV pres. J. L. Van Volkenburg told Los Angeles Federal Court he negotiated with RKO and Universal for old features in 1951, but gave up because price was too high. He said average price of feature films, for 6-7 showings on TV, has jumped from \$125-\$130 in 1948 to \$7500-\$10,000 today. WOR-TV's Milford Fenster testified feature film prices have jumped tenfold since 1950—from top price of about \$800 then to \$8000 now. This week's court sessions were marked by clashes between Judge Yankwitch and gov't. attorney Samuel Flatow. At one point the judge accused Flatow of having "gone the New Deal 100% better" by contending that a legal action "can become illegal merely because it is a result of a concert [of action] regardless of whether it results in an unreasonable restraint of trade." At another point, he accused Govt. of seeking to regulate movie industry as a public utility.

Withdrawal of Vitapix Corp., station-owned film organization, from its exclusive tieup with Guild Films was announced this week by Edward E. Hall, exec. v.p., who stated Vitapix is being reorganized and will move to new quarters in mid-Oct.

Color Trends & Briefs: World Series colorcasts brought more residual pro-&con comment this week. Our own view, after seeing several of the games in color, was that quality ranged from poor to fair; that industry has to gain more operating experience and/or technical development before outdoor colorcasts are comparable with studio originations. In addition, it's clear that while color may add to enjoyment of sportscasts, it adds far less than it does to typical studio spectacles.

Problem in World Series was largely the inability of camera to handle enormous contrast between deep shadow and bright sunlight without extraordinary care by cameramen.

To comments of others last week may be added observations of Herald Tribune Syndicate's John Crosby and *Billboard's* Sam Chase. Crosby was peeved, wrote: "I have now seen a fight, a tennis match and a World Series in color and none of them has been nearly as effective as plain old black-&white." Chase liked it, stating: "Coverage of the Series in hue adds vastly to the excitement. It brings the TV-bound fan many steps closer to the real thing."

Comments on color quality of studio shows, however, have been uniformly favorable—regardless of programs' other entertainment values. Particularly impressive re-

cently were CBS's Oct. 6 *Shower of Stars*, starring Jack Benny & Ruth Hussey in "Time Out for Ginger" and NBC's Oct. 1 *Max Liebman Presents*, featuring Jeannie Carson, Wally Cox & Elsa Lanchester in "Heidi."

Another interesting reaction is that of children to *Howdy Doody* in color. Previously not particularly excited about color, youngsters rush to color set, are mighty disappointed if relegated to black-&white receiver.

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Network color schedules for next 2 weeks: NBC-TV—Oct. 10-14 & 17-21, *Howdy Doody*, 5:30-6 p.m.; Oct. 15, NCAA football, Notre Dame vs. Mich. State, 2:45-5:30 p.m.; Oct. 17, *Producers' Showcase*, "Cyrano de Bergerac," starring Jose Ferrer, Claire Bloom, 8-9:30 p.m.; Oct. 18, *Milton Berle Show*, 8-9 p.m.; Oct. 23, *Maurice Evans Presents*, "Alice in Wonderland," starring Gillian Barber, Eva LeGallienne, Bobby Clark, Martyn Green, Burr Tillstrom, 4-5:30 p.m. CBS-TV—Oct. 11 & 18, *Red Skelton Show*, 9:30-10 p.m.; Oct. 15 & 22, *Gene Autry Show*, 7-7:30 p.m.; Oct. 12, *Arthur Godfrey*, 8-9 p.m.; Oct. 20, *Shower of Stars*, "House of Shadows," starring Diana Lynn, James Daly, James Gleason, Jane Darwell, 8:30-9:30 p.m.; Oct. 22, *Ford Star Jubilee*, "Together with Music," starring Noel Coward, Mary Martin, 9:30-11 p.m.

TWO MORE VHF starters—KBMB-TV, Bismarck, N. D. (Ch. 12) and WORA-TV, Mayaguez, Puerto Rico (Ch. 5)—bring to an even 50 the number of new stations that have gone on the air thus far this year and leave only 14 on roster of likely starters during remainder of year (for list, see Vol. 11:40). On-air total is now 455, of which 108 are uhf outlets.

KBMB-TV's test patterns, all set to start Oct. 10 and to run 9 a.m.-5 p.m. daily, are preliminary to commercial debut by month's end with CBS programs. Chief owner John W. Boler also operates KCJB-TV, Minot (Ch. 3) & KXJB-TV, Valley City (Ch. 4) and recently got FCC approval of microwave system to link all 3 (Vol. 11:39). KBMB-TV has 10-kw Federal transmitter & 4-bay Federal antenna atop State Capitol building, will rebroadcast CBS shows of KXJB-TV for most part. National sales v.p. for Boler stations is Wm. L. Hurley, 4000 Front St., Fargo, N. D.; Fred Drewry is resident mgr. Base hour rate is \$150, all 3 stations being offered in combination at \$637.50. Rep is Weed.

WORA-TV, Mayaguez, begins programming Oct. 12, having started test patterns Oct. 1. Island's third TV, it's at western end, over 70 mi. from other two in San Juan. It has 500-watt RCA driver and GE antenna on 100-ft. tower at site 2972-ft. above sea level, some 2000-ft. above av. terrain. Power boost is planned within a month, or as soon as 10-kw transmitter is installed. Owner is sugar cane grower Alfredo R. de Arellano Jr.; New Orleans' WJMR-TV, with which it's affiliated, is due to acquire 30%. Senor de Arellano is gen. mgr., with WJMR-TV's George R. Mayoral as exec. v.p.; Reinaldo DuPont, from WORA, sales mgr.; Tom Abbott, from WJMR-TV, program mgr. Base hour is \$120. Rep is Adam Young.

Only recent equipment reports were RCA's shipment Sept. 23 of 50-kw transmitter to KSLA, Shreveport (Ch. 12); GE order for 5-kw transmitter and 6-bay antenna for upcoming Ch. 6 satellite KHOK-TV, Hayes Center, Neb. (Vol. 11:39) and for used 20-kw amplifier and new 12-bay antenna to go within 45 days to KOOL-TV, Phoenix (Ch. 10).

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In our continuing survey of upcoming stations, these are only reports received this week:

WSAV-TV, Savannah, Ga. (Ch. 3) plans to start construction immediately, now that it has met condition imposed by FCC in awarding CP, reports pres.-gen. mgr. Harben Daniel. FCC prohibited it from using as tower base 3 small steel sleeves installed on penthouse roof of Liberty National Bank Bldg. during remodeling. Now Commission has approved plans to install new steel sleeves on roof for Ideco tower base. Station doesn't expect to be on air for several months, plans to start with limited studio facilities, more elaborate plant later. RCA equipment has been ordered and station will be primary NBC, according to Daniel. Meanwhile, U. S. Court of Appeals in Washington has scheduled oral argument Oct. 10 on competing WJIV appeal to set aside grant to WSAV (Vol. 11:10).

CJLH-TV, Lethbridge, Alta. (Ch. 7), 50 mi. from Montana border, now has Oct. 22 test pattern date, plans programming last week of Oct., reports production mgr. Bob Ranson, ex-radio CJOC. It's first Canadian station to use a Standard Electronics transmitter (10-kw), due from Canadian Westinghouse by Oct. 11. Alford antenna is scheduled for installation on 600-ft. Stainless tower week of Oct. 10. Outlet is equally owned by Norman Botterill, mgr. of CJOC, and Hugh Buchanan, publisher of *Lethbridge Herald*. Base rate will be \$160. Reps will be Weed and All-Canada.

TELEVISION penetration of farm homes in 3 more states was revealed this week in latest installment of Census Bureau's county-by-county Census of Agriculture, conducted in Oct.-Nov. 1954. In Maine, 8921, or 38.2% of state's 23,368 farms had TV; in Oregon, 15,933, out of 54,442, or 29.2%; in New Mexico, 3648 out of 21,070, or 17.3%. The county-by-county figures:

MAINE					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Androscoggin	1,009	490	Penobscot	2,219	1,109
Aroostook	3,940	354	Piscataquis	530	257
Cumberland	1,749	966	Somerset	1,878	679
Franklin	968	242	Sagadahoc	368	202
Hancock	1,252	565	Waldo	1,553	677
Kennebec	2,132	994	Washington	1,120	273
Knox	806	305	York	1,477	810
Lincoln	975	497			
Oxford	1,392	501	State Total	23,368	8,921

OREGON					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Baker	998	101	Lane	4,042	1,229
Benton	1,153	370	Lincoln	677	71
Clackamas	5,607	2,487	Linn	3,196	935
Clatsop	697	172	Malheur	2,446	891
Columbia	1,773	719	Marion	4,543	1,934
Coos	1,408	15	Morrow	463	24
Crook	393	17	Multnomah	1,680	886
Curry	390	41	Polk	1,605	532
Deschutes	1,067	44	Sherman	265	82
Douglas	2,155	235	Tillamook	857	215
Gilliam	212	27	Umatilla	2,143	143
Grant	403	2	Union	987	51
Harney	322	10	Wallowa	686	33
Hood River	1,002	275	Wasco	805	110
Jackson	2,647	1,228	Washington	3,676	1,558
Jefferson	590	69	Wheeler	173	—
Josephine	1,443	481	Yamhill	2,473	863
Klamath	1,297	75			
Lake	426	8	State Total	54,442	15,933

NEW MEXICO					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Bernalillo	883	402	Otero	369	53
Catron	315	30	Quay	863	55
Chaves	672	367	Rio Arriba	1,880	167
Colfax	442	13	Roosevelt	1,585	144
Curry	957	65	Sandoval	879	105
De Baca	267	31	San Juan	830	6
Dona Ana	1,119	561	San Miguel	865	48
Eddy	630	202	Santa Fe	703	128
Grant	340	31	Sierra	256	22
Guadalupe	333	27	Socorro	398	105
Harding	263	23	Taos	1,082	73
Hidalgo	175	4	Torrance	551	125
Lea	747	193	Union	680	63
Lincoln	418	62	Valencia	1,074	348
Los Alamos	*	*			
Luna	325	165	State Total	21,070	3,648
McKinley	419	1			
Mora	750	29			

* Not surveyed.

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37); N. J., Tenn. (Vol. 11:39); Ark., Conn., Mass., R. I., Texas, Wash. (Vol. 11:40).

Radio station sales, involving TV principals, approved by FCC: (1) WALT, Tampa, from W. Walter Tison to admen Harold Kaye & Emil J. Arnold, for \$100,000 (Vol. 11:36); Tison is v.p.-mgr. & 20% owner of WTVT (Ch. 13). (2) KBAK, Bakersfield, Cal., from *San Francisco Chronicle* to ex-FCC attorney John P. Hearne and admen Howard L. Tullis & Benton Paschall, for \$85,000 (Vol. 11:33); *Chronicle* owns KBAK-TV (Ch. 29). (3) KGWA, Enid, Okla., from George E. Failing to group headed by R. H. Drewry, owner of 53.5% of KSWO-TV, Lawton, Okla. (Ch. 7) and 29% of KMID-TV, Midland, Tex. (Ch. 2), for \$62,500 (Vol. 11:33).

Station sales consummated this week, subject to FCC approval: KXL, Portland, Ore. (10-kw, 770 kc, independent), sold by group headed by E. B. Craney, who also is pres.-gen. mgr. of KXLF-TV, Butte, Mont. (Ch. 6), to Lester M. Smith & Lincoln Dellar, owners of KJR, Seattle, for \$450,000. KVNI, Coeur d'Alene, Ida. (250-watts, 1240 kc, MBS), by Scripps Newspapers and Burl C. Hagadone to Alan Pollock, who also owns 5% of KBET-TV, Sacramento (Ch. 10), for \$85,000. Both sales were negotiated by Blackburn-Hamilton.

MORE SET MAKERS GETTING INTO COLOR SWIM: With NBC and CBS accelerating their color-casting schedules, with publicity about color rampant in all media, and with RCA claiming "satisfactory sales results" so far, there were signs this week that other manufacturers are preparing for more active color merchandising. For example:

(1) Philco is telling its distributors -- who manifestly are bothered by the RCA publicity about color, whether or not they're convinced of its saleability -- that it will deliver "a few sets" to those who want them by Thanksgiving. This is in keeping, a spokesman said, with promise at June convention where mock-ups were shown but where the attitude toward color was distinctly bearish.

The Philco color sets, said the spokesman, "aren't the last word, engineering-wise" -- and he emphasized, as did pres. James H. Carmine at convention, that they will use "the 21-in. CBS-Hytron tube, produced by Sylvania." They will retail at \$795 in consolette, \$895 as console.

(2) Admiral will accelerate color production later this month, but spokesman declined to give any figures. He said his company is currently making "a handful" of color sets (though it hasn't been promoting them very heavily) and will get "considerably more active" within the month.

(3) Motorola stepped up its color promotions beyond earlier plans, is using its partic. sponsorship on NBC Matinee Theatre colorcasts to talk up color, and also expects to soup up its production schedule shortly. Motorola, it's recalled, took financial setback in its earlier effort to merchandise 19-in. color (Vol. 10:44, 47).

(4) Hoffman Electronics completed installation of all special equipment to produce color sets at its Pasadena plant, with main Los Angeles factory devoted to black-&-white exclusively. Pres. H.L. Hoffman said regular shipments of its 21-in. "Colorcaster" receivers (at \$795 & \$895) will start immediately.

Previously announced color receivers by Andrea, Capehart-Farnsworth, CBS-Columbia, DuMont, Emerson, Hallicrafters, Magnavox, Packard-Bell, Raytheon, Sentinel, Sylvania, Stromberg-Carlson & Westinghouse haven't made much dent on market yet -- obviously because they're not being produced in quantity or promoted heavily, or both.

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RCA has given out no over-all color sales figures so far. Though it admits that totals are not very impressive when ranged alongside the continually high sales of black-&-white (which have averaged 165,000 a week at retail so far this year), RCA appears to be quite satisfied with results of its color merchandising to date. An official statement from company said:

"Public reaction to colorcasts of World Series...is creating a demand for color TV receivers reminiscent of the early postwar days of black-&-white TV. In many areas, local inventories of color TV receivers were sold out before and during the World Series games."

RCA distributors reported mounting interest and sales generated by the Series and unusual NBC-CBS colorcasts. In addition to those reported last week (Vol. 11:40), John Holzman, Ohio Appliances Inc., Cincinnati, reports selling 68 sets during the Series; RCA Victor Los Angeles factory branch sold 181 in last 10 days; Southern Wholesalers, Washington, sold 90 to dealers last 3 weeks, 35 of them sold to public.

Biggest RCA distributor, Bruno-New York, reported its dealers sold 60 units in 4-day week, as against 102 preceding week. This wasn't surprising, it was said, because dealer business generally was poor this week -- "a sort of letdown after the Series." Numbers right now aren't too important, said Bruno's David Oreck, for sets aren't too plentiful; the important thing, in his words, is that "dealer lethargy toward color has pretty well washed out and there's now a different attitude on the part of the trade." He cited Liberty Music Store's enthusiastic ad in Herald Tribune

Oct. 2 "thanking RCA Victor and NBC for making color TV a reality," which will be repeated in the Times this Sun., Oct. 9. During Nov., Bruno itself is posting 250 "billboard spectaculars" around its area devoted to color. Bruno confidently expects to average better than 150 per week sales.

Thomas F. Joyce, pres. of Raymond Rosen Co., Philadelphia, said "momentum of the Series is still being maintained here, though sales this week were slightly off the Series week, as we expected." He told us he still hoped to meet his original goal of 150 sales a week "if I can be assured of getting the merchandise." He also remarked that distributor sales to dealers were equivalent to dealer sales to consumers. "There's no inventory in this stuff," he said. "The dealers move the sets out as fast as they get them from the distributors."

Note: Perhaps one sign of color's "maturity" appeared this week in big ad in Washington newspapers by Todd's, big dealer, offering 15-in. color set for \$388. He told us he bought the set "for considerably under that figure" in close-out sale by Emerson, but declined to reveal profit margin.

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Increases in black-&-white TV prices will become virtually industry-wide in fortnight or so, following RCA's hike of its 21-in. table model leader from \$170 to \$180. It was last of TV's Big Four (RCA, Philco, Admiral, Motorola) to increase prices. This week also, Sylvania increased 3 sets by \$10 & \$20 -- and prospect is that others who have awaited RCA move will follow suit shortly.

Brief highlights of other major trade developments this week:

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Dealer Appreciation: The "forgotten man" in trade is the TV-radio-appliance retailer, says NARDA pres. Harry B. Price Jr., Norfolk. Addressing the International Assn. of Electrical Leagues in Toronto, he said: "Look at the illogicality of an industry that is setting impossible production and sales records, introducing many new items which are finding acceptance in hundreds of thousands, even millions of households all over America, in which dealers show an average net profit of less than 3%. This despite the fact that they pay a fat rent, tie up large chunks of capital in big-ticket merchandise, hire and pay regular salaries to the people in their organizations -- make all that investment and take all that risk." He called for greater cooperation between dealers and local electric leagues and praised the "spirit of good fellowship" at NARDA's recent Institute of Management in Washington, in which representatives of several electric leagues participated (Vol. 11:34).

Whirlpool Spinning: More tugging and hauling at the distribution pattern this week, following Whirlpool-Seeger purchase of International Harvester's refrigerator plant in Evansville last week (Vol. 11:40). Week's scoreboard showed that 2 more RCA distributors are taking over Whirlpool-Seeger line -- plus persistent rumor which continues to crop up despite vigorous denials. RCA owns 20% of Whirlpool-Seeger, as does Sears Roebuck. The shifts were in Buffalo, where RCA Victor Distributing Corp. branch took the line from Cladco Distributors, onetime Hallicrafters outlet, and in Syracuse, where Morris Distributing Co. took line from B.H. Spinney Co. The big rumor involved reported shift of Whirlpool-Seeger line to Raymond B. Rosen Co., the RCA distributor in Philadelphia, which now handles ABC-Kelvinator. Tom Joyce, pres. of Rosen Co., told us "there is absolutely no truth to this rumor."

Appliance Boom: Tremendous upsurge in household appliances in next decade was foreseen this week by Roger Kyes, General Motors v.p. in charge of appliances. In address at preview of 1956 Frigidaire line in Detroit, he said appliance industry in next 10 years has opportunity to become as important in economy as auto industry is today and should promote "product obsolescence" as auto industry does. By 1965, he said, 60% of American homes would be air-conditioned (compared to 5% now) and the annual sales of refrigerators and automatic washers will increase by some 1,000,000 units over current volume. Also, he predicted that as many as 10,000,000 families would have 2 refrigerators and that millions of cars would be air-conditioned. He said Frigidaire will try to increase its replacement business by improving products and by providing "a more orderly and satisfactory method for arriving at trade-in values of used products."

Economic Outlook: Torrent of high-level economic reports, all pointing to a continuing boom, came from leaders of Govt. and industry this week. Here's quick capsule summary of their conclusions: (1) Dr. Arthur F. Burns, chairman of President's Council of Economic Advisers, told N.Y. Chamber of Commerce that national economy could reach \$400 billion "in the near future"; he also said that "the widespread tendency toward increasingly liberal credit terms...has apparently run its course." (2) General Motors pres. Harlow H. Curtice, before sailing for Europe, said over-all business conditions in last 3 months of 1955 should prove as prosperous as first 9, primarily because of 65,000,000 employment; he didn't believe President's illness would affect economy. (3) J. Howard Edgerton, pres. of U.S. Savings & Loan League, predicted home mortgage loans will continue "in substantial flow" despite any Govt. curbs on credit. (4) Labor Secy. Mitchell said more Americans held jobs last month than in any previous Sept., though total declined from Aug., as students returned to school. (5) Mitchell and Commerce Secy. Weeks, in joint report, noted that value of new construction started in Sept. reached record high of \$4 billion.

Production: TV output totaled 186,467 week ended Sept. 30, compared to 189,899 preceding week and 198,874 week ended Sept. 16. It brought 9-month production to about 5,600,000 vs. 5,000,000 in same 1954 period. Radio production totaled 284,949 (103,932 auto) week ended Sept. 30, compared to 267,994 units week ended Sept. 23 and 270,207 week before. For 9 months, radio production was estimated at 9,900,000 vs. 7,900,000 in corresponding period of 1954. Note: RETMA this week put official 8-month TV production at 4,820,991, radio output at 8,725,012. They compared with 3,785,519 TVs, 6,110,119 radios produced in first 8 months of 1954. Of TV output, 727,941 were equipped for uhf at factory.

Trade Personals: J. E. Hall promoted to Capehart-Farnsworth purchasing agent, succeeding Ned S. Underhill, now operations director; Raymond W. Herrick, Chicago regional sales mgr., named national radio sales mgr. . . . Robert B. Brown named materials director, Magnavox govt. & industrial div., reporting to Howard B. Allen Jr., div. operations director . . . Wm. Balderston, Philco chairman, appointed chairman of 1955 Philadelphia Orchestra Fund . . . Robert B. Sampson, ex-administrator of distributor finances, RCA corporate staff, Camden, and ex-secy-treas. of RCA Distributing Corp., appointed mgr. of market research, RCA tube div., Harrison, N. J., under Harold F. Bersche, mgr. of marketing services . . . Ernest Setlowe, ex-Jefferson-Travis Inc., Emerson cabinet subsidiary, named cabinet buyer, DuMont TV receiver div. . . . Frank A. Mitchell, ex-Remington Corp., named sales mgr. of Emerson air conditioning div. . . . Charles H. Belzer Jr. promoted to Motorola asst. sales training mgr. . . . Wm. J. Bakrow, ex-General Motors & UP, named CBS-Hytron public relations mgr. . . . J. Stephen Katonah, ex-Arvin and Crosley-Bendix, named north central regional mgr., DuMont TV receiver div., working out of Minneapolis . . . Eugene R. Freling named Sylvania district sales mgr., Seattle . . . Charles F. Rey appointed Spartan district merchandiser for western Cal. . . . Walter Nachtigall, ex-Peck Adv., named sales & adv. mgr., Fanon Electric Co., Jamaica, N. Y. (phonos) . . . John J. Eibye Jr. named mgr. of Raytheon's New England sales & service district, equipment marketing div., succeeding Burton B. Stuart in Boston office, recently appointed product planning mgr., industrial sales dept.; Eugene H. Clark Jr. succeeds Eibye as product planning mgr., component sales dept. . . . John Greenwell promoted to mgr. of Hoffman Electronics' new color plant at Pasadena; Paul Kliment named chief color engineer.

Carl V. Haecker, 59, RCA mgr. of displays & sales promotion, died Oct. 6 in Presbyterian Hospital, Philadelphia, after a heart attack. He was onetime Montgomery Ward display & store planning mgr. and asst. advertising director of W.T. Grant Co. His widow survives.

DISTRIBUTOR NOTES: Philco appoints Love Electric Co., Seattle, replacing Radio Television & Appliance Co. . . . Sylvania appoints Air Products Inc., 2 NW 6th St., Oklahoma City (Earl Holyfield, pres.); Paul-Jeffrey Co., 112 Baker St., Syracuse (S. P. Solomon, pres.) and V. J. Stanley Co. Inc., 20 Curtice St., Rochester, N. Y. (V. J. Stanley, pres.) . . . CBS-Columbia appoints D'Elia Distributors Inc., 1330 Fairfield Ave., Bridgeport, Conn. (Charles A. D'Elia, pres.) and Arthur Fulmer of Kentucky Inc., Louisville, replacing Sutcliffe's Inc. . . . Raytheon appoints Hub Distributors, Boston, replacing Boyd Corp. . . . Bendix Radio appoints Paige E. Mulhollan Co., Tulsa, and McGowin-Lyons Hardware & Supply Co., Mobile . . . Sonora appoints Auerbach Distributing Co., Chicago . . . Krich-New Jersey, Newark (RCA) promotes Leonard Fischer to gen. sales mgr.; James S. Cohan rejoins firm as merchandise mgr. after year with GE Supply Co., N. Y. . . . North Pacific Co., Portland, Ore. (RCA) appoints Robert W. Page adv. & sales promotion mgr. . . . GE Supply Co., N. Y., names Wm. G. Speckin, ex-DuMont N. Y., as adv. & sales promotion mgr. . . . Ray Distributing Co., Savannah (DuMont), extends territory to include Jacksonville area . . . DuMont appoints Bomar Appliance Co. Inc., 520 Western Ave., Knoxville (Mike Balitsaris, v.p.).

* * * * *

Color buildup: Dave Garroway's *Today* offering 4 RCA color sets as prizes in contest asking writers to finish sentence: "I want to see *Cyrano de Bergerac* on NBC-TV in color Oct. 17 because . . ." It's to be *Producers' Showcase* spectacular starring Jose Ferrer.

Two Sylvania executives and their wives were killed Oct. 6 in United Air Lines DC-4 crash near Laramie, Wyo., which took toll of 66 lives. They were John B. Merrill, 45, operations v.p. in charge of tungsten & chemical, atomic energy, electronics, parts divisions; James E. McGarr, 45, gen. mgr. of tungsten & chemical div. Mr. & Mrs. Merrill are survived by 2 children—Peter Gray, 3; Martha Cutter, 2. Mr. & Mrs. McGarr are survived by 4 children—Peter, 18; David, 16; Stephen, 12; Jane, 10. Both families resided in Towanda, Pa.

Topics & Trends of TV Trade: Chances of excise tax relief for uhf and color sets when Congress reconvenes still look rather dim, following opposition this week of Treasury Dept. In testimony before House Ways & Means subcommittee Oct. 5, Dan T. Smith, asst. to Treasury Secy. Humphrey, declared:

"It is our feeling that special tax treatment would be in effect a concealed subsidy. If it is desirable for the Govt. to do something to promote the manufacture of these sets, it would be better to have a direct subsidy so that the cost would be known." Smith said the Administration is "concerned with what seems to be the momentum of exemptions" from excise taxes. He noted that frequently one exemption is used as a precedent for a request for another, and the result is a "snowballing" effect.

A spokesman for RETMA, which has been pressing for excise tax relief, admitted that the Treasury's position, while not wholly unexpected, had weakened industry's position on sought-for uhf and color exemption. But, he said, it would have no effect on RETMA's battle for a general 5% reduction on all TV sets, to equate them with the 5% tax now in effect on most household appliances. Sigurd Tranmal, Stromberg-Carlson, member of RETMA tax committee, will explain RETMA's views further in testimony before the House subcommittee Oct. 12.

* * * *

Labor developments: (1) IUE set Oct. 16 deadline for new strike by 44,000 workers in 28 Westinghouse plants, including TV-radio factory at Metuchen, N. J., following rejection of 23½¢ hourly wage boost proposal. (2) Sylvania signed 3-year contract with IUE covering 750 workers at Buffalo and Batavia, N. Y. TV-radio plants, ending 5-day walkout in Buffalo. (3) Bendix Radio strike at Towson, Md. plant entered 6th week as we went to press, with no sign of settlement in sight.

First DuMont-brand radios will reach consumer market in Nov., v.p.-gen. mgr. Wm. H. Kelley telling us company will "feel its way" slowly with "modest production" at outset. First line consists of 2 table radios at \$30 & \$35, two clock radios at \$40 & \$45. Though DuMont has incorporated radios in some of its large TV consoles in past, this is its first separate radio line.

Phonograph price increases by year's end seem near certain, judging from announcement by Phonograph Mfrs. Assn. this week expressing concern of several key members about rising cost of components and national shortages. Joseph Dworken, Dynavox, pres. of group, said shortages of copper & nickel could have serious impact in Sept.-Nov. quarter, which accounts for 65% of industry sales. Ben Birns, pres. of Sonic Industries, said he has alerted all distributors to problems of costs and shortages. Marvin Frank, pres. of Vanity Fair, said shortages have "already crippled production and deliveries."

Kaye-Halbert Corp., Culver City, Cal., was adjudicated bankrupt this week in Los Angeles Federal Court. Long identified as manufacturer of higher-priced, custom-feature TVs, company was headed by co-founder Harry Kaye. Referee Brink authorized trustee Milton D. Klein to keep plant open for 30 days to facilitate its sale.

Sylvania has increased prices on Decatur, a 21-in. table model, from \$260 to \$270; Kelsey, 21-in. open-face console, from \$260 to \$270; Pembroke, 21-in. console, from \$300 to \$320. It also added a 21-in. table at \$190 and 21-in. console at \$220—line now ranging from \$190 to \$470.

Magnavox adds 21-in. 3-way cordovan combination at \$330, a 24-in. open-face console at \$340 and a 24-in. 3-way full-door deluxe combination at \$625.

CBS-Hytron Sales Corp. has been set up as new CBS Inc. subsidiary to handle CBS tubes & semi-conductors.

Financial & Trade Notes: Carl M. Loeb, Rhoades & Co., which recently published a 42-p. report on RCA and on the future of the electronics industry in general (Vol. 11:35), has the following comment in its Sept. 20 *Fortnightly Review* on recent disclosure (Vol. 11:36) that RCA is considering raising additional capital for expansion, possibly through issuance of \$100,000,000 of convertible debentures:

"The need for new capital of such magnitude is only partially explained by the company's growth which will see revenue this year at new record of \$1 billion, or twice the level of 1950 and over 4 times that of 1946. Additional working capital may be necessary (1) to replace a \$15,500,000 cash investment in Whirlpool-Seeger Corp.; (2) to finance NBC's fivefold increase in color TV network broadcasting; and (3) to prepare for the expected near-term breakthrough of color TV which should result in a doubling of the TV-receiver industry's present \$1 billion manufacturing volume.

"However, the most significant contribution of new funds would be to bring to commercial fruition a large number of technological developments that have been germinating in RCA's laboratories. Specifically . . . computers, inventory control systems, and advanced communications techniques including microwave. When RCA ultimately establishes itself in these expanding frontiers, the relative sales importance of 'industrial electronics' may well be on a par with 'consumer electronics' (TV receivers, radios and broadcasting) which today contributes about 60% of revenues."

RCA's working capital at end of 1954 was \$235,000,000 and current ratio was 2½ to 1, report points out, with annual cash generation approaching \$40,000,000. Capitalization consists of \$150,000,000 of long-term debt, first maturities falling due in 1970, \$90,000,000 of straight preferred stock and 14,000,000 common shares. Latter's 1955 earnings are estimated at around \$3 vs. \$2.77 in 1954.

"If the new financing were to materialize," says the Loeb, Rhoades *Review*, "potential equity dilution of some 15% would be a small price to pay for maintaining leadership in TV, securing an important minority position in the largest domestic appliance company and participating prominently in the brilliant future for industrial electronics."

* * * *

McIntosh Laboratory Inc., Binghamton, N. Y. (hi-fi), headed by Washington consulting engineer Frank H. McIntosh, which in Jan. offered some of its stock on open market (Vol. 11:2), earned \$33,021 on sales of \$355,743 during 6 months ended June 30 vs. \$22,332 on \$255,051 for same 1954 period. For all 1954, net profit was \$23,928 on sales of \$540,414. As of last June 30, firm's assets totaled \$248,093; its liabilities included 24,000 shares of \$10 par 6% capital stock authorized (676 shares outstanding) and 24,000 shares of common (10,346 outstanding). Earned surplus was \$35,567.

Collins Radio Co., for fiscal year ended July 31, 1955, will report revenues in excess of \$100,000,000 and net income of about \$3,300,000 (\$2.25 per common share). This compares with \$90,300,464 revenues, \$3,390,306 net profit (\$6.83) in 1954 (since which time the common has been split 1½ for 1) and \$80,028,767 sales, \$1,953,613 profit (\$3.90) in preceding year (Vol. 10:43).

Avco earned \$63,801 on sales of \$206,433,203 for first 9 months of 1955 after \$665,000 tax credit vs. \$3,326,721 on \$283,355,394 for same 1954 period. Third quarter was seriously affected by 3-month strike at Richmond, Ind. plant. Firm anticipates improvement in civilian lines including TV & radio, has defense backlog of \$200,000,000.

Electronics Reports: New sources of electrical energy—human voice and sunlight—were tested successfully this week when Army Signal Corps at Ft. Monmouth powered a diminutive radio transmitter by sound waves and Bell Labs began operating a transistorized telephone circuit with solar battery.

Signal Corps "wrist-watch" transmitter uses single transistor, is small enough to fit inside telephone mouth-piece, can be produced for about \$20 and is expected to have range of one mile; first test covered approximately 600 ft. After audio wave hits microphone, part of its power is filtered to provide power for transmitter. Future sets are expected to be fitted into matchbox-sized "cabinet"; companion receiver with ability to store power is in works.

At Americus, Ga., Bell's solar-powered telephone (Vol. 10:18 & 11:39) made commercial debut on 8-loop rural line, was pronounced success and placed in operation for long-range study. WRBL-TV, Columbus, Ga., became first station to use tape recording of sun-energized conversation with 60-mile hookup to home of farmer who made initial call on system; WRBL-TV reported quality of tape superior to that usually recorded from rural phones.

* * * *

Single sideband transmission for radiotelephone service under 25 mc, saving half present channel width, is aim of proposed rule-making issued by FCC this week (Doc. 11513, Mimeo 22939). Proposal looks toward requiring all fixed stations under 25 mc, except Alaskan and maritime fixed stations, to switch to new type of transmission. About a year later, Commission plans to begin consideration of changing mobile stations, along with Alaskan and maritime fixed, to single sideband. Proposal suggests 5-10-year changeover period. Comments are due Dec. 30.

Clevite Corp. has acquired Intermetal G. m. b. H., Dusseldorf, Germany, which will be operated in conjunction with its subsidiary Transistor Products Inc., Waltham, Mass., major supplier of germanium diodes for TV. German firm employs 70, produces about 15 kinds of semi-conductor devices, including low level junction transistors and glass diodes. Dr. R. B. Holt, Transistor pres., this week named E. F. Giguere, ex-Federal, as sales v.p.

Sylvania broke ground for 50,000-sq. ft. Data Processing Center at Camillus, N. Y. (Vol. 11:15-16) this week in move to link 43 plants, 16 labs, 22 sales offices in 19 states to focal point for financial & production information. Center will open next Feb. 1, will house Univac system with 12,000-mi. private electronic communications network leased from Western Union.

Sparks-Withington Co., Jackson, Mich. (Sparton) has acquired Allied Steel & Conveyors Inc., Detroit, producer of custom-built conveyor systems.

A. Henry Casey named mgr. of new closed-circuit TV development of Hallamore Mfg. Co., Long Beach, Cal., recently made a div. of Siegler Corp., Centralia, Ill. (heaters).

Brig. Gen. William P. Pence, ex-asst. to Chief Signal Officer, has assumed new duties as chief of signal plans & operations div.

Dr. William O. Baker elected Bell Labs research v.p., succeeding Dr. James M. Fisk, who became exec. v.p. June 1.

Anthony J. Katona, Jerrold mgr. of community sales div., ex-Philco, appointed mgr. of Jerrold-Southwest Inc., headquartering in Dallas.

A. H. Hardwick, mgr. of International Resistance Co.'s N. Y. sales office, elected a v.p.

Martin W. Rogers, ex-Raytheon, named director of quality control, National Co.

Romus Soucek promoted to Westinghouse west coast mgr. for defense products, Los Angeles.

"Economy-priced" color TV is still some distance away, Motorola exec. v.p. Robert W. Galvin implies in Oct. 1 *Forbes Magazine* which reviews company's success in auto radio-TV-electronics field and forecasts continued rosy financial outlook. Of color TV at near black-&-white prices, he says: "That's not possible now. We'd need to sell a couple of million color sets a year to bring the price down to \$400. Frankly, we don't know when that will be." Article profiles Motorola pres. Paul V. Galvin, credits him with meeting terrific competition in post-war TV production (RCA, Philco, Admiral) and pulling firm up to fourth place among Big 4 TV manufacturers (Vol. 11:38). Galvins are sure of sound future in TV, radio & transistor business with \$1,500,000 already laid out to prepare for mass transistor production at Phoenix, Ariz. plant. "I don't know to the penny what we'll make this year," Pres. Galvin told *Forbes*, "but it seems safe to predict that it will be more than last year's \$7,600,000 earnings." Note: In July, Galvin predicted record volume of \$225,000,000 this year (Vol. 11:30). Motorola earned \$2,945,001 (\$1.52 per share) on sales of \$134,708,059 in first half of 1955 (Vol. 11:32).

SMPTE officers re-elected at Lake Placid, N. Y. convention Oct. 4, all unopposed: National Theatre Supply's John W. Servies, financial v.p.; Bell Labs TV research director Axel G. Jensen, engineering v.p.; Colburn Labs' George W. Colburn, treas. John G. Frayne, Westrex, continues as pres.; Wilton R. Holm, DuPont, was appointed secy. following resignation of Edward S. Seeley. Elected for 2-year terms as governors: Frank N. Gillette, GPL; Garland C. Misener, Anso; Richard O. Painter, General Motors; Reid H. Ray, Ray Film Industries; Lorin D. Grignon, 20th Century-Fox; Ralph E. Lovell, NBC.

Electronics industry leaders among witnesses to be heard at joint Congressional hearings on automation starting Oct. 14: Ralph J. Cordiner, GE pres.; Don G. Mitchell, Sylvania chairman-pres.; Robert C. Tait, Stromberg-Carlson pres.; Cleo Brunetti, director of General Mills engineering research & development. Hearings will go into economic and social impacts of automation.

Excellent subjects lined up for RETMA-IRE annual fall meeting in Syracuse Oct. 17-19 include transistors for TV-radio sets, color, reliability & quality control—with papers delivered by top industry engineers. Speaker at Oct. 18 dinner will be ex-RETMA chairman Robert C. Sprague, chairman of Sprague Electric, discussing "The Future of Electronics Through Automation."

RETMA's Military Products Div., recently-formed (Vol. 11:25), will hold first general membership meeting at Hotel Miramar, Santa Monica, Cal., Oct. 12-13. Donald W. Douglas Jr., Douglas Aviation v.p., will discuss electronics and aircraft industry; non-member electronics equipment manufacturers from West Coast are invited.

Sharp reduction in cost of industrial TV installations was reported by Jerrold Electronics' Max H. Kraus in paper Oct. 4 at AIEE fall meeting in Chicago. He said closed-circuit systems which used to cost \$5000-\$9000 now can be installed for \$1000-\$5000.

Hycon Mfg. Co. has formed new subsidiary, Hycon Electronics Inc., to take over design, manufacture & sale of commercial electronic test equipment developed by parent firm.

Dynamics Corp. of America (formerly Claude Neon) subsidiaries report \$13,000,000 in govt. radar and other electronics orders in last 3 months.

George E. McLaughlin, supt. of N. Y. Trade School, was presented with a plaque by RETMA Oct. 4 for his help in RETMA's vocational training program for servicemen.

Explosion in Aerovox plant at New Bedford, Mass. Oct. 7 killed 3 persons, injured 4.

Network Television Billings

August 1955 and January-August 1955

(For July TV-Radio report see *Television Digest*, Vol. 11:38)

NETWORK RADIO billings figures, released monthly by Publishers Information Bureau since 1949 and regularly published in this column, have been discontinued as of Aug. 1955 for reason that "recent changes in the rate and discount structures of the various networks have seriously affected the comparability of the gross billing figures, one network with another, and also the comparability of current figures with those of the past." PIB has concluded that any such data, as previously published, isn't valid any longer as indicative of month-to-month trends or relative time costs of sponsored programs. Networks were consulted and, since figures have been downtrending for several years and since none will release exact billings, they weren't averse to the discontinuance.

No similar problem, PIB states, arises in case of network TV—and the monthly TV reports, embracing gross time costs for each program, will continue to be released in same form as in past. Aug. report came out this week, showing combined gross of \$30,344,948 for month, up only slightly from year's low in July (Vol. 11:38). All networks showed substantial gains over Aug. 1954—save DuMont, which changed from a national network to a local operation as of Sept. 15.

For first 8 months of 1955, combined networks grossed \$257,517,496 vs. \$196,626,697 for same 1954 period. The \$30,000,000-plus Aug. gross, with best 4 months yet to be reported, augurs virtually certain record billings in excess of \$400,000,000 for the year, as predicted (Vol. 11:39). The PIB report:

NETWORK TELEVISION

	August 1955	August 1954	Jan.-Aug. 1955	Jan.-Aug. 1954
CBS	\$14,959,098	\$12,275,908	\$123,285,950	\$ 90,053,871
NBC	11,767,789	8,057,484	102,545,292	78,501,043
ABC	3,562,676	2,514,815	28,595,084	20,032,760
DuMont	55,385	820,633	3,091,170	8,039,023
Total	\$30,344,948	\$23,668,840	\$257,517,496	\$196,626,697

NETWORK TELEVISION—January-August 1955

	ABC	CBS	DuMont	NBC	Total
Jan.	\$ 3,718,195	\$15,831,141	\$ 723,960	\$13,172,695	\$ 33,445,991
Feb.	3,567,696	14,694,726	597,275	12,419,641	31,279,338
Mar.	3,806,425	16,036,896	628,625	14,102,093	34,574,039
Apr.	3,527,558	15,426,214	462,335	13,285,933	32,702,040
May	3,606,427	15,978,680	273,640	13,591,687	33,450,434
June	3,542,304	15,724,184	218,845	12,238,694	31,724,027
July	3,263,803	14,635,011	131,105	11,966,760	29,996,679
Aug.	3,562,676	14,959,098	55,385	11,767,789	30,344,948
Tot.	\$28,595,084	\$123,285,950	\$3,091,170	\$102,545,292	\$257,517,496

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's long-awaited continuing set census, county-by-county, probably won't be in operation before mid-1957—despite pres. Harold Fellows' hope, expressed at NARTB convention in May, for start of census before 1956 parley (Vol. 11:21). Following meeting this week of NARTB's TV circulation committee, chairman Robert D. Swezey, WDSU-TV, New Orleans, said that committee "hopes and anticipates" that set count "can be available for the industry by mid-1957." Alfred Politz Research, he said, is nearing completion of field tests on interview methods in first of 2 pilot markets. Next step will be to evaluate Politz findings in report to NARTB's TV board. Assuming board approves, a full-scale pilot study of a selected market will be conducted next year. Biggest delay thus far, said Swezey, has been development and manufacture of a special meter to be attached to TV sets for measurement of program viewing.

ABANDONING FIGHT for 1000-ft. ceiling on TV antenna towers, military and civilian aviation this week formally agreed to compromise plan drafted by working group of Joint Industry-Govt. Tall Structure Committee set up early this year by Air Coordinating Committee (Vol. 11:38). Agreement doesn't affect TV towers currently in use. As substitutes for a flat height limitation, the TV-aviation-govt. group adopted this 3-point program:

(1) Criteria for Airspace Subcommittee tower clearance will be re-examined to provide additional protection to heavily-traveled high-density airspace.

(2) FCC will be asked to institute rule-making to enhance attractiveness of "antenna farms" and multiple antenna towers.

(3) Legislation will be drafted to control location and height of TV receiving antennas and other structures which may be hazards to aviation.

Approval was unanimous—except for abstention of NARTB engineering mgr. A. Prose Walker, who said he can't take position on policy matters without authorization of NARTB board of directors, which meets in January.

The "antenna farm" proposal would seek FCC ruling that each applicant for tower over 500 ft. should be required to show why his antenna can't be located in a "farm" area. There's no assurance that any such rule-making procedure would be successful, although present FCC rules encourage use of multiple antenna sites. New proposal would put burden of proof on applicant to tell why he could not locate on common site.

New criteria for Airspace Subcommittee approval of towers over 500 ft. are likely to be tougher than present standards—but since TV industry will have voice in their drafting, they're not likely to be overly restrictive or prejudicial to best interests of the telecasters.

TV-radio planning for political conventions is nearing final phase with Republicans, but is still somewhat indefinite for Democrats. Network industry committee composed of NBC v.p. Davidson Taylor, CBS v.p. Sig Mickelson, ABC v.p. Thomas Velotta meets with GOP national committee in Washington Oct. 13 on pool coverage for San Francisco convention Aug. 20, expects to meet with Democrats later. CBS will be responsible for GOP pool arrangements, NBC for Democrats in Chicago Aug. 13.

Two-way international TV: Cuban baseball fans watched live World Series telecast this week as airplane over Gulf of Mexico picked up signals from Miami and relayed them to Matanzas on Cuba's north coast. Then production crew for NBC-TV's *Wide Wide World* succeeded in transmitting test pattern from Cuba to U. S., using same technique. First live network originations from Cuba will be seen on that program Nov. 13 & Dec. 18.

First AT&T off-air microwave service (Vol. 11:23) was inaugurated Sept. 28 in time for first World Series game. It brought signals of WDAY-TV, Fargo, N. D. to KFYZ-TV, Bismarck. Latter station's exec. v.p. F. E. Fitzsimonds was delighted with quality of pictures, called off-air pickup "a workable system that will undoubtedly expand live network service."

TV for free and TV for fee were combined Oct. 7 when Miami's WTVJ televised Miami-Notre Dame game for free showing over its own facilities and those of Notre Dame's WNDU-TV, South Bend, as well as \$4-a-head projection showing in Sheraton hotels in 10 cities through Sheraton Closed-Circuit Network.

Call letter change: KFEL-TV, Denver to KTVR—result of recent change of ownership (Vol. 11:31, 39).

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Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS — October 15, 1955

LOBBYING OVER UHF and allocations gets feverish at FCC; uhf operators urge Commission to delay deintermixture action; Crosley's 3-more-vhf plan (p. 1).

THE PUBLIC WINS as "modest moviemaker" decides to cut free plugs (p. 2). Movie companies' shows, "adult westerns" suffer in new-season ratings (p. 9).

NEW UHF TUBE, tiny GE "micro-miniature," may hold key to vastly improved uhf reception; manufacturers tell FCC of uhf tuner improvements (pp. 2 & 7).

BRITISH IMAGES NO BETTER, say engineers Wm. Lodge & Frank Marx; broadcasters Dick Shafto & Clair McCollough; McCann-Erickson's Harry McMahan (pp. 3 & 5).

8TH "VIDEOTOWN" SURVEY shows increased TV viewing, big rise in moviegoing, a little more radio listening; average would buy color set at \$336 (p. 7).

COURT OF APPEALS hears 4 decisions contested; Supreme Court to review FCC ownership rules; Mayer granted second uhf, Boston's Ch. 38 (p. 7).

AVERAGE RETAIL TV PRICE rises to \$215. Sylvania and Tung-Sol in limited color tube production; others stand by temporarily to gauge demand (p. 11).

RETMA EXCISE TAX APPEAL hits back at Treasury charge of "subsidy," says uhf and color exemptions needed to create new markets, employment expansion (p. 14).

CBS ECONOMIC STUDIES indicate 600 as maximum sup-portable stations, while conversion to all-uhf TV would take service from 3-6,000,000 families (p. 8).

PHILADELPHIA-BOSTON UHF grants to Herbert Mayer followed up by petition seeking all-uhf allocations for Philadelphia; reports on upcoming stations (p. 10).

LIVE COLOR CAMERA chains now operating at 16 stations; some have originated network shows (p. 17). Industry evaluates GE color tube (p. 13).

DuMONT SPINOFF PLAN approved, Goodwin & Cott heading broadcasting company which will sell stock for more capital; new manufacturing setup also in works (p. 16).

ALLOCATIONS FEVER MOUNTS AT COMMISSION: Seldom has FCC been center of such a maelstrom of pulling-&-hauling as it has been last week and this -- as time for crucial decisions on uhf and allocations seems to be at hand. And seldom have there been as many strong and unconfirmable rumors wafted about.

Most alarmed of all were the uhf operators who feared they were being forgotten by Commission as it listened to ideas of ABC, CBS & NBC -- as presented to FCC by network executives in person and on paper (Vol. 11:41). Startled, they asked for "audience" with commissioners, met with them Oct. 14.

Still another allocations suggestion was circulated at Commission -- Crosley submitting plan showing how 3 additional vhf channels could be allocated in the east. Crosley also told Commission it estimates cost of converting sets to new vhf channels would be minimum of \$17.50 for strip tuners. Plan suggests that new vhf channels be quarried from FM and safety & special services.

Also circulating this week was the talk, unconfirmed, that high Defense Dept. officials have assured FCC that 4 vhf channels could be given to TV. And there were plenty of informal suggestions offered to Commission -- quite a few of them recommending use of FM channels for TV. FM operators are expected to speak up shortly, along with manufacturers and others clamoring for more spectrum.

CBS's proposed allocations plan, submitted last week, has been backed by its economic analyses -- one covering maximum number of stations it believes U.S. can support, another weighing cost of shifting all TV to uhf (for details, see p. 8).

And still another deintermixture petition was thrown into the hopper -- a request that Philadelphia be made all-uhf, filed by Herbert Mayer, who recently was granted CP for Ch. 23 there as well as for Ch. 38 in Boston (see p. 10).

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Uhf operators really descended en masse upon FCC -- 50-man delegation representing some 60 stations meeting all commissioners except McConnaughey & Bartley. They urged FCC not to take any action further complicating allocations situation,

proposed full public hearings be conducted. They plan filing petition incorporating these recommendations. Commission is still scheduled to discuss deintermixture on Oct. 17, but uhf operators were confident it would hold off any critical decisions pending study of whole allocations situation.

Attendance at meeting wasn't limited to "have-not" uhf stations; plenty of the "haves" were also there, including George B. Storer and Earl Gammons (who now represents both CBS & Storer).

No one predicts with confidence where all this is leading. One veteran FCC staff member ventures that it will still wind up in a general allocations hearing -- without a "freeze"; the word is anathema at Commission.

ABC-TV BOWS TO HOLLYWOOD'S 'MODESTY': The movie industry's traditional aversion to superlatives came to the fore this week -- when MGM in effect told ABC, according to the press statements: "Please stop calling us colossal."

MGM thinks the word "good" should be substituted for "stupendous" -- "fair" for "sensational" -- "pretty" for "spectacular" -- or so we're led to believe. And it feels those program people over at ABC are giving MGM pictures too many free plugs.

At least that's the impression we get from the 1955-56 programming season's most sensational -- oops, we mean interesting -- announcement, to the effect that Hollywood's most flamboyant half-hour free commercial, MGM Parade, is going to be revamped, with more emphasis on entertainment. With a straight face, apparently, ABC-TV program director Robert R. Lewine commented this week that the MGM folks "are responsible for cutting down the plugs."

"They have told us to go easy in mentioning MGM," he said. "In the continuity of the show we will lessen the references to MGM and drop some of the superlatives, such as the word 'great'."

We think that's a great (excuse us, good) idea. But we can't help wondering why ABC is taking the rap. It was our understanding that the show was produced by MGM itself. Actually, there's no secret who was "responsible for cutting down the plugs" -- and both MGM & ABC concede it was really the public.

Other movie companies which have dipped their toes into TV this year via network programs should be hearing from the viewers, too. Already they've found that they can't all be Disneys -- nor will their magic names alone assure top TV ratings (see Telecasting Notes, p. 9). Like MGM, they must be sensitive to viewer opinion. Our own comment on MGM-ABC announcement: Other moviemakers please copy!

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The millenium has arrived in Hollywood -- and if you still have any doubt, consider this news flash from the cinema capital: The movie industry is thinking of buying some TV time! Council of Motion Picture Organizations is drafting plans for combined film industry sponsorship of its Audience Awards telecast, to keep it out of the hands of those awful "commercial sponsors."

NEW RECEIVING TUBE OFFERED AS UHF AID: Potentially the most important improvement to date in uhf receiver design was shown to set and tuner makers this week by GE.

It's the long-awaited "reasonably priced" uhf-vhf RF amplifier tube -- first such tube to be announced as ready for production, though other manufacturers are understood to be working on them, too.

Its principal advantages, as described by GE engineers: (1) Low noise factor (8 db), with relatively high gain of 15 db, can make possible far more sensitive uhf receivers. (2) Relatively low price of about \$2 to manufacturers, once the tube is in production in 6-9 months. Though \$2 is higher than most receiving tubes, the only previous uhf amplifier tube with satisfactory characteristics was priced at \$50-\$55.

Tube would make possible the first real vhf-uhf tuner, says GE. All previous "combination tuners" have consisted of separate uhf tuners mounted "piggyback" on vhf tuners. Using new tube, GE says a vhf-uhf tuner could be made as cheaply as the current piggyback models, with no loss in vhf performance but vastly better reception of uhf signals. (For description of vhf-uhf circuit, see p. 7).

The new tube is radical departure from all previous receiving tubes, in both appearance and construction. Only slightly larger than a transistor (3/8-in. long, 5/8-in. diameter), it's a ceramic tube constructed in layers, its metal parts made of titanium. Designated 6BY4, it's first in new line of "micro-miniature" tubes and is said also to have important military possibilities.

TV tuner manufacturers are taking wait-&-see attitude on the new GE tube. The ones we contacted were anxious to know more about it, get samples, put it through its paces. They weren't ready to go overboard, feeling changes in current uhf tuner design may not be feasible until it can be determined what FCC will do to encourage or discourage uhf (see p. 1) and what Congress does about excise tax exemption for all-channel sets (p. 14). It was obvious that the development would have gotten a much warmer reception 3 years ago.

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Need for a low-noise uhf amplifier tube was cited by several set manufacturers in comments filed by RETMA in response to FCC request for data on performance and possible improvements in uhf receivers (Vol. 11:26).

Data from 15 manufacturing companies indicated that noise figure of uhf sets built before 1955 varied widely, ranging from 10 to 25 db. During 1955 this range was reduced to about 12-16 db, and most manufacturers foresee a slight additional improvement for 1956. Among other improvements cited in the past year were ease of tuning, mechanical & electrical stability, smaller size, reduction of radiation.

Most manufacturers thought improvement in tuners could be achieved without additional cost, though some felt a new uhf amplifier tube might increase retail price about \$4. One set maker traced retail price differential of his vhf-uhf sets: In 1953, customer paid \$40-\$50 extra for uhf; in 1954, \$30-\$40; in 1955, \$20-\$25.

There were a couple of dissenting voices in the report: (1) "We purchase tuners made by tuner manufacturers. These are no better than last year and on the average the quality seems to have deteriorated." (2) While uhf tuner performance for black-&-white receivers has improved without increase in cost, in color sets "the oscillator drift problem seems to have no practical solution at the present time, and may require a substantial cost increase to achieve satisfactory tuner operation."

BETTER BRITISH PICTURES? THE OTHER SIDE: It may be the difference in picture sizes -- but it isn't superior technical excellence -- that gives the impression of better images on British TV than on American, according to those who differ with our observations and those of the technical experts who thus far have contributed to our symposium on the subject (Vol. 10:45 & 11:36, 40-41).

Space doesn't permit adequate excerpting of all the additional comments we've received, so we're confining this week's (see pp. 5-6) to those who dispute our premise and/or take exception to what the supporting experts have stated.

Nobody seems to disagree completely with our main thesis, which is that the British image to the lay American observer appears to be more satisfactory than ours. Even those who object to any broad indictment seek to explain away that "impression" by pointing to such factors as single-channel tuners in British receivers, antennas oriented to only one station rather than to multiple stations as here, losses in network transmission -- and even the use by some American stations of second-hand orthicons which they purchase from the more exacting networks for \$50.

Thus, in agreeing partially, they would seem to be self-contradictory -- but it's noteworthy that non-technical observers McCann-Erickson's Harry Wayne McMahan, v.p. for TV-radio commercials, and NARTB's TV chairman Clair McCullough, president of WGAL-TV, Lancaster, think we've been deluded by the smaller screen sizes there.

CBS engineering v.p. William B. Lodge spells out the receiver and other differences; ABC engineering v.p. Frank Marx notes different techniques, notably in operating procedure and maintenance; G. Richard Shafto, pres. of WIS-TV, Columbia, S.C. sees a combination of factors, particularly network, as accounting for "the general impression." They're all capable technicians, all but Marx having been in England only recently. (For the essence of their comments, see pp. 5-6.)

Personal Notes: Charles deYoung Thieriot, v.p. & gen. mgr. of Chronicle Publishing Co., operating KRON-TV, San Francisco & KBAK-TV, Bakersfield, named editor & publisher of *San Francisco Chronicle*, succeeding his uncle George T. Cameron, who died Oct. 3 . . . Harold E. Fellows, NARTB pres., currently recovering from pneumonia at Peter Bent Brigham Hospital, Boston . . . Ted Bergmann, director of DuMont broadcasting div. until new DuMont Broadcasting Corp. setup (see p. 16), has been assigned to director of Electronicam production services, which remains with Allen B. DuMont Laboratories Inc.; he reports directly to Dr. DuMont . . . E. C. Page, head of consulting engineering firm of Page, Creutz, Garrison & Waldschmitt, and Mrs. Page (the former Virginia Irwin, ex-FCC engineer) leave week of Oct. 17 for several months in South Pacific on defense communications business . . . Adolph L. Seton promoted to ABC-TV publicity mgr., N. Y., succeeding Ernest E. Stern, now director of adv., promotion & publicity for western div., Los Angeles; Anthony Leighton promoted to asst. to Seton . . . Duke Weitzman resigns as ABC mgr. of TV-radio promotion to join American Newspaper Publishers' Assn.'s Bureau of Advertising, with Seymour Vail, ex-NBC Spot Sales, succeeding him with title of copy chief, audience promotion . . . M. Clay Adams promoted to mgr. of new CBS film productions operations dept.; Clement Stigdon appointed asst. mgr. . . Edward J. DeGray, ex-Vitapix-Guild Films & CBS Radio, named director of ABC Radio station relations; Earl Mullin promoted to mgr. of station relations . . . Robert E. Noble Jr., nephew of Edward J. Noble, ABC-Paramount chairman, recently in TV station relations, named sales mgr. of WABC, N. Y., succeeding Charles Bernard, now with ABC Radio network sales . . . Marian Y. Komar promoted to gen. mgr. of KLAS-TV, Las Vegas, with Alex Gold succeeding her as sales mgr.; James P. Hart, from KLAS, to program director; Ralph E. Smith, chief engineer, now operations mgr. . . Edward E. Gardner, ex-Headley-Reed Chicago TV sales mgr., joins NBC Chicago radio staff . . . Carl Kent, ex-KVAR, Phoenix, named program director of KTVK, same city . . . Joe Roddy, gen. mgr. of Gordon McLendon's El Paso radio KELP, promoted to v.p. in charge of El Paso broadcast operations, also assuming charge of upcoming KOKE (Ch. 13), due in Dec. . . Dr. D. Morgan Neu named director of TV programs at Daniel Starch & Staff (research), replacing Jack Boyle, resigned to become pres. of Qualitative Research Inc., new Trendex subsidiary . . . Wm. Crumley, ex-*Television Magazine*, named research director of Adam Young TV . . . Charles W. Godwin has resigned as ABC director of radio station relations to become v.p. & adv. mgr. of *Sponsor Magazine*; Arnold Alpert, *Sponsor* midwest mgr., becomes asst. adv. mgr. in N. Y. . . Joseph M. Bryan, pres. of Jefferson Standard Bestg. Co. (WBTV & WBT, Charlotte; WBTW, Florence, S. C.) elected pres. of American Life Insurance Convention . . . E. A. (Buzz) Hassett Jr., ex-sales director of WMT-TV, Cedar Rapids, Ia., named national sales mgr. of KDUB-TV, Lubbock, Tex. . . Maitland Jordan, ex-mgr. of radio KJR, named national sales mgr., KOMO-TV, Seattle.

Donald Honrath, 44, mgr. of NBC's west coast continuity acceptance dept., died of polio in Mexico City last week while vacationing. He was unmarried, is survived by father.

Hugo A. Murray, 52, farm director of *Milwaukee Journal's* WTMJ-TV & WTMJ, also traffic mgr. of Milwaukee Stockyards, died of a heart attack Oct. 10.

Edward N. (Jim) McWilliams, whose *Ask-It Basket* on CBS was one of earliest quiz shows, died Oct. 14 at his home in Virginia Beach, Va.

AGENCIES: Hendrik Booraem Jr. resigns as McCann-Erickson v.p. to become TV-radio v.p. and member of plans board, C. J. LaRoche & Co. . . Clarence Hatch, who recently left D. P. Brother & Co., Detroit, to become a senior v.p. at Kudner, elected to agency's board of directors and exec. committee . . . Arthur A. Bailey, ex-pres. of Ward Wheelock Co., Philadelphia, Nov. 1 becomes exec. v.p. of Marschalk & Pratt div., McCann-Erickson . . . Joseph Forest, ex-v.p. of Transfilm Inc., joins William Esty Co. as exec. producer in TV commercial dept. . . Jay Kacin, ex-TV-radio director of Gardner Adv., St. Louis, joins McCann-Erickson as TV film production director . . . Mike A. Rakmil, TV production supervisor, named account exec., Harold F. Stanfield Ltd., Montreal . . . Paul B. Marion, ex-WBTV, Charlotte, now TV-radio director, Bennett Adv. Inc., High Point, N. C. . . Herbert Berger, ex-Guy Lombardo Enterprises, named business mgr. of TV-radio dept., Dancer-Fitzgerald-Sample . . . Joan Stark, ex-chief timebuyer, Wm. Weintraub & Co., joins Grey Adv. as timebuyer.

Big agency switches: Coca-Cola ends 49-year association with D'Arcy Adv. March 31, when it turns over estimated \$15,000,000 annual account to McCann-Erickson; Coca-Cola pres. Wm. E. Robinson, an RCA director & ex-publisher of *N. Y. Herald Tribune*, said company wants to take advantage of McCann-Erickson's world-wide setup in integrating its international and domestic operations. Also this week, Warwick & Legler took Schick account from Kenyon & Eckhardt but lost Pabst Blue Ribbon to Leo Burnett Co.

Assn. for Professional Broadcasting Education (APBE), organization of broadcasters and educators created to encourage careers in TV-radio, elects these officers for 1955-56: pres., Dr. Sydney Head, TV-radio director, U of Miami; v.p., Rex Howell, KFXJ-TV & KFXJ, Grand Junction, Colo.; secy.-treas., Russell Porter, U of Denver. At first meeting of directors this week, it was decided to establish an employment exchange as clearing house for graduates of APBE member schools and to publish a quarterly *Journal of Broadcasting*.

Commissioned by Robert H. Hinckley, who was a member of CAA and then Asst. Secy. of Commerce in the Roosevelt Administration and is now Washington v.p. of ABC and member of board of ABC-Paramount, sculptor Jock Manton has completed a bronze bust of former President Harry S. Truman, which was shown on John Daly's news show on ABC-TV Oct. 14. He has also done busts of Daly and Robert S. Kintner, ABC pres.

TV, radio & film producers will be presented awards by Edison Foundation at N. Y.'s Waldorf-Astoria Dec. 13 for best juvenile programs, in move to raise standards of mass media to combat juvenile delinquency. Recipients will be announced later.

Robert E. Kintner, ABC pres., named 1955 "Man of the Year" by *The Pulse* research organization for his "outstanding contribution to communications industry," will receive award at luncheon Oct. 26 at Plaza Hotel, N. Y.

Frank Lowe, TV production mgr., Anderson & Cairns Inc., will direct his folk drama script, which won prize of University Women's Club of Virginia, in the repertory of next summer's famed Barter Theatre, Abingdon, Va.

Honorary degree of "American Farmer" has been awarded to W. A. (Doc) Ruhmann, farm editor of WBAP-TV & WBAP, Ft. Worth, by Future Farmers of America.

Another all-night TV experiment fails: New York's WOR-TV drops its 1-7 a.m. show after 3-week run.

New reps: WATV, Newark, to Forjoe (from Petry); new CKVR-TV, Barrie, Ont., to Adam Young.

Station Accounts: Association campaigns in offing: National Assn. of Independent Tire Dealers, Washington, for its newly-formed Tire Retreading Institute, thru Bozell & Jacobs, Washington; Independent Grocers Assn. of America, Chicago, thru Reach, Yates & Mattoon Adv., N. Y.; Supina Assn. of America, El Paso (new Supina long staple cotton), thru Douglas D. Simon Adv., N. Y. (Charles Sandak, account exec.; Mrs. Mary Alice Stewart, 40 Worth St., N. Y. rep.); New 100% Pure Maple Syrup Institute, St. Johnsbury, Vt., thru Bosh Stack Assoc., N. Y. . . . N. Y. State Bankers Assn., representing 650 commercial and savings banks, to conduct big spot campaign during "Know Your Bank Week" starting Oct. 16 in effort to "humanize" bankers, offering 21-in. color set and Bermuda vacation among contest prizes . . . Biggest sponsors of syndicated films are local auto dealers, spending \$36,000,000 this season (not including additional co-op dollars shared with manufacturers), reports Oct. 12 *Variety*; auto makers are top sponsors on network TV, spending estimated \$83,400,000 this season (Vol. 11:35) . . . Billboard, specializing in coverage of films for TV, this week (Oct. 15 issue) instituted new 4-p *TV Program & Time-Buying Guide* charting ratings of network and syndicated film shows and designed to show "who's buying what where" even before new shows are aired . . . "CBS Week" will start in Milwaukee Oct. 19 as result of promotional tie-in by CBS-Columbia factory branch and CBS-owned WXIX; about 50 dealers will display pictures of CBS personalities in their windows, while factory branch conducts big spot campaign to sell its TV-radio line. Similar promotions are planned later with CBS affiliates WBAY-TV, Green Bay, and WKOW-TV, Madison . . . Philip Morris has increased appropriation for 10 & 20-sec. spots on about 50 stations for next 52 weeks, placed thru Biow-Beirn-Toigo (Isabel Ziegler) . . . Kellogg Co. to use TV spots in selected markets to introduce new "Special K" high-protein cereal, thru Leo Burnett Co., Chicago . . . Research for Better Living Inc. plans \$200,000 TV-newspaper campaign for its T-W-O, new weight control plan, thru Weston Adv., N. Y. . . . Among advertisers currently reported using or preparing to use TV station time: International Breweries Inc., Detroit (Mel-O-Dry beer & ale), thru Brooke, Smith, French & Dorrance, Detroit; Midland Pharmacal Corp., N. Y. (Snug denture cushions), thru Street & Finney,

N. Y.; Harold F. Ritchie, Clifton, N. J. (Scott's emulsion), thru Atherton & Currier, N. Y.; White House Co., Harrison, N. J. (record packages, ornaments), thru Parker Adv., N. Y.; Borden (Rich Roast Instant Coffee), thru Young & Rubicam and Doherty, Clifford, Steers & Shenfield; John Oster Co., San Francisco (Cummins Tools), thru Diamond & Sherwood Inc., San Francisco; Redi-Magic Milk Shake Mix Co., L. A., thru Roy S. Durstine Inc., L. A.; Mothers Cake & Cookie Co., Oakland, Cal., thru Honig-Cooper Co., San Francisco.

Network Accounts: CBS-TV's "Extended Market Plan," whereby small-market stations get top-rated network programs at minimum cost to advertisers (Vol. 10:49), got another boost this week when Miles Labs and Anheuser-Busch each ordered all 22 EMP stations for their shows—*Bob Crosby Show*, Tue. 3:30-4:45 p.m., and *Damon Runyon Theatre*, Sat. 10:30-11 p.m., respectively. Additions brought to 46 the number of programs (for 40 advertisers) being carried under EMP plan . . . Alcoa buys annual Xmas classic, *Amahl and the Night Visitors*, for *Alcoa Hour* Xmas on NBC-TV, 9-10 p.m.; it's 5th straight year the prize-winning Gian-Carlo Menotti opera has been on NBC-TV . . . Quaker Oats to sponsor *Sgt. Preston of the Yukon* on CBS-TV starting Oct. 20, Thu. 7:30-8 p.m., thru Wherry, Baker & Tilden . . . Ralston-Purina and Masland Carpets buy 15-min. segment of *Garry Moore Show* on CBS-TV starting Oct. 17, Mon.-thru-Fri. 10-11 a.m., thru Guild, Bascom & Bonfigli and Anderson & Cairns . . . Toni buys remaining sixth of *Perry Como Show* on NBC-TV starting Oct. 14, Sat. 8-9 p.m., thru Tatham-Laird . . . American Radiator & Standard Sanitary Corp., Pittsburgh, to spend \$1,200,000 for partic. on NBC-TV's *Today*, *Home & Tonight*, thru BBDO . . . GE to sponsor annual L. Bamberger dept. store Thanksgiving Day parade from Newark on CBS-TV Nov. 23, Wed. 6:15-6:45 p.m.

Network affiliations: Switch of KDAL-TV, Duluth (Ch. 3) to CBS will be effective Oct. 30, with WDSM-TV (Ch. 6), controlled by Ridder newspaper interests who also control CBS-affiliate WCCO-TV, Minneapolis (Ch. 4), becoming NBC basic (Vol. 11:33). Upcoming KPAR-TV, Sweetwater, Tex. (Ch. 12), owned by KDUB-TV, Lubbock, joins CBS under Extended Market Plan Nov. 1.

DOUBTS THAT BRITISH technical quality surpasses American when it comes to TV images (see p. 3) are expressed in letters received this week from others who have observed TV in Britain—the always-lucid William B. Lodge, CBS engineering v.p. who returned only a few weeks ago, putting the case thus:

"Frankly, I doubt that the technical quality of day-in, day-out transmissions in Great Britain is superior to that of our national networks and of better-run American stations. On the other hand, I can understand why this impression is not uncommon. The reported transmission differences, I believe, are occasioned by receiver differences.

"First, British TV receivers generally have smaller picture tubes than Americans are used to. A picture that looks 'sharp' on a 14 or 17-in. screen looks 'softer' on a 21 or 24-in. screen.

"Second, British receivers generally incorporate what is known as a DC restorer—a circuit which makes black look properly black under all conditions, giving an impression of greater sharpness. You may have noticed this effect at times in using a color set, which does have DC restoration for black-&-white reception. (There are coun-

terbalancing factors in favor of American receiver design practice, but that is too long a story to go into here.)

"Third, until very recently, British receivers were tuned and carefully adjusted to a single channel. In our country, all receivers have multi-channel tuners. In channel-to-channel tuning, the receiver is not always carefully tuned to each channel. Further, receiving antenna installations are frequently a compromise for a number of channels rather than, as was common in Great Britain, optimized for a single channel.

"I believe that these point-of-reception differences have led many American observers subconsciously to conclude that American TV transmission is inferior."

Until recently, Lodge adds, BBC film transmission was probably superior to ours, and he sets forth much the same reasons explained by Hazeltine's Arthur V. Loughren last week (Vol. 11:41). But now, for equally good film, he believes "it's a toss-up between U. S. and British film transmission." As for studio work, about which *New York Times'* Jack Gould gave accolade to the British (Vol. 11:40), Lodge observed:

"The British, in some TV studios, use other types of camera tubes than the image orthicon. These require more light but, under certain conditions, offer an improvement in grey scale or tonal rendition. On the other hand,

British pictures have fewer scanning lines (405 vs. our 525) and, if the picture is very bright, flicker is quite noticeable at the 50cps half-frame rate. I believe it is true that BBC uses greater care and refinements in achieving the maximum attainable resolution with their 405-line picture. But, based on our observations during several months at the time of the Coronation, and admitting that there are show-to-show and scene-to-scene variations in quality on both sides of the Atlantic, I do not believe there is any consistent superiority of British TV pictures over American."

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Another top network engineering authority, ABC's engineering v.p. Frank Marx, also doesn't go along with the broad thesis that the British do a better job. "Properly produced, transmitted and received pictures on the U.S. system," he insists, "are in every respect equal to, if not superior to, those viewed on the English system."

Differences may arise, Marx concedes, from techniques, operating procedures and maintenance, for BBC from its first TV days used a larger technical staff than the commercial people felt they could afford, and it was put through a careful training program with repeated refreshers. Moreover, he states, the tempo of British TV is different—the pace slower.

"But I don't think you can point to any one reason why their pictures have been reported superior to ours. From a purely technical standpoint, assuming all things being equal, there is no reason for this to occur. With highly trained operating personnel, peak operating conditions, well adjusted monitors and/or receivers, and time in which to produce technically perfect pictures, I have no hesitancy in saying that we can do—and do from time to time—turn out a product comparable to none."

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"I don't go along," says G. Richard Shafto, a technician who literally grew up with the broadcasting business and who now heads WIS-TV, Columbia, S. C., along with several radio stations, "with the general characterization that the British image is much better than ours. The British picture is uniformly closer to the upper capabilities of their system. This may be quibbling—but what I'm saying is that the British picture is subject to less variation in quality. It seldom recedes to the level of our TV at its worst and it never gets up to ours at its best..."

"There is no single fault . . . but in the aggregate they do result in creating the general impression which you and other observers have voiced."

Dick Shafto, who also was in England last summer, points out that all network transmissions in England are via microwave, which he says is vastly superior to the oldest type of coaxial cable that still serves several thousands of miles of U. S. interconnections. In England, he adds, the small number of stations, most carrying the same program, results in "permanent termination of the network, corrected to reduce noise and provide high quality," whereas the varying lineups of U. S. stations ordered for commercial programs forces AT&T to re-route networks between station breaks. At WIS-TV, for example, it isn't unusual to get one program from N. Y. via Chicago, the next via Atlanta, another via Washington-Charlotte.

"Remember that in the U. S. we have 3 program sources which are switched to different interconnected station lineups, and we have vastly greater network distances and many, many more interconnected stations. Our network transmission problems become complex compared with the simple stability of British interconnections. Whereas AT&T network transmissions once constituted the highest quality pictures on most stations, many good films now excel the best quality of a live network show, and good local camera pickup is as real as life."

The networks, Shafto charges, "are guilty of sending out some horrible black-&-white transmissions of color originations in their zeal to bring color to the public" and they "must be more alert to the serious impairment that so often occurs on 99% of the sets that must see this color picture in black-&-white. Most of this trouble can be traced to the pickup point where AT&T is helpless to correct it."

As for film, the good U. S. product has it all over the British, he adds, pointing to *Groucho Marx, Life of Riley, Fireside Theatre* as examples. In live camera work, he thinks the American job, "under normal operating conditions and with good lighting," is vastly superior.

"I note your recent published comments [Vol. 11:36] that '4 times as many engineers per program' may account for superior British performance. I submit that it is not the number of engineers during the program which makes the greater contribution to good live camera performance. Because image orthicons cost \$1200 and may have only 300-500 hours of the best picture quality, economics has forced some U. S. stations to buy used orthicons for \$50 from the networks—and with such picture tubes there no longer exists the capability of a good live camera picture."

Trust the American broadcaster, Shafto concludes, to keep abreast of progress and make improvements as they come along. "There will always be good and bad images on our TV stations," he states. "But because this is becoming a highly competitive business, and because the public is growing in its appreciation of good quality program content and transmission, the reward of greater audience will inspire ever-improving performance from our American stations."

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McCann-Erickson's Harry Wayne McMahan, v.p. for TV-radio commercials, who observed British TV rather closely for 4 weeks this summer, is the first to state flatly "It isn't so."

"I'm not qualified from an engineering standpoint," he states, "but I must say I cannot agree with those who believe the engineering quality of the British TV image is superior to ours . . . I found many examples of fine techniques and craftsmanship—but no engineering superiority."

"For example, in watching the studio production of the Ben Lyons-Bebe Daniels show, I felt that the camera work and lighting were perhaps a shade under our present standards here. If this were true, it seems to me it might make it doubly difficult for the final picture quality to give an impression of superiority. Hence I'm somewhat baffled at the conflicting viewpoint."

McMahan suggests those who believe the British image superior might have been led astray by watching 14 & 17-in. sets as against our dominantly 21 & 24-in. "If American and British TV pictures were viewed side by side on 14-in. screens, would there really be that difference?" he asks. "Come to think of it, I'd like to go back and recheck this point."

WGAL-TV's Clair McCollough, who was there last spring, said he didn't notice that the British pictures were particularly better, though he, too, thinks the impression might have been gained from the smaller screens.

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Editor's Note: We watched BBC for a week or so on a 14-in. set, to be sure, but we still think that the picture quality as viewed on that set and on others during our tour was consistently better than anything we get in our home or have seen in others here on either 14, 17, 19 or 21-in. screens. And the preponderance of testimony, including that from some of the objectors to our thesis, thus far seems to support our observations. We'll have more from the experts to report in ensuing weeks.

TELEVIEWING is on the increase in "Videotown," Cunningham & Walsh found in 8th annual study of now-mature New Brunswick, N. J. market, first results of which were announced this week. Survey showed that all members of family now watch TV average of nearly 3 hours daily, about 12 minutes more than 1954 (Vol. 10:41, 50). Morning viewing has fallen off to 17% from 22% last year, but afternoon viewing by women increased to 27% in 1955. Other 1955 Videotown findings:

Viewing time: Children under 10 spend least amount of time watching TV—about 11 hours Mon. thru Fri. Teenagers watch 12-13 hours, father & mother watch about 14-15 hours, respectively, weekday evenings. Some 19 out of 20 sets are turned on for 4½ hours each evening.

Radio listening: Morning radio listening by TV owners continued to rise from 10% in 1951 to 25% in 1955. Evening radio listening has stabilized at about 10%, while afternoon has also remained static.

Reading & movies: Both pastimes have increased markedly in 1955, magazine reading rising 50%, movie-going on weekday nights 60%—both continuing steady comeback since low point in 1952. Newspaper reading, never much affected by TV, continues to hold up.

Set purchases: Trend toward reduced set purchases was reversed in 1954, when sales increased over 1953. Cunningham & Walsh received these explanations: "Many families who did not expect to buy a TV set found themselves in a position to do so. A substantial number (25%) bought because of reduced prices and special offers. Some received the set as a gift. Others said it was cheaper to buy a new set than to repair the old. A small percentage were waiting for color but found the price too high and didn't wait any longer."

Second sets: In 1955, for first time, most sales (75%) were to households which already had TV. Nevertheless, second-set market hasn't materialized to great degree—2-set homes amounted to 5% in April 1954 and 7% in June 1955. Most new 2-set owners keep old one until tube wears out, 44% putting it in bedroom, 33% in recreation room. Second set is often discarded first time it needs repair.

Color: Some 17% had seen color TV, double last year's figure. While nearly ¾ preferred color to black-&-white, they weren't anxious for color "at any price." On the average, they would be willing to pay \$336, and wanted 18-21-in. screen. After World Series, Cunningham & Walsh surveyed New Brunswick TV dealers, found that 5 sets were sold because of interest engendered by Series colorcasts—2 to bars, 3 to private individuals.

GE's new "micro-miniature" uhf tube, the 6BY4 (see story, p. 2), can be used in combination uhf-vhf tuner "to yield considerably improved uhf performance at the same cost as present uhf-vhf combination units," according to GE engineers, who give this description of a combination tuner: "In this service, the 6BY4 replaces the RF amplifier used on vhf-only. The crystal mixer and local oscillator, formerly used only on uhf, now can be used on both uhf and vhf, thus eliminating the vhf mixer-oscillator tube. The reduction in gain caused by the shift to a crystal mixer can be made up with a low-cost IF amplifier pentode. The net result is that the 6BY4 eliminates the vhf amplifier and mixer-oscillator tubes and requires one new IF amplifier tube. An additional cost-saving feature of the tube is its relatively high gain of 15 db on uhf channels, which may permit use of less expensive mixer crystals than were previously used."

BOSTON UHF CP, a Ch. 38 grant to Herbert Mayer (see p. 10), was sole CP issued by FCC this week while its staff was busy in Court of Appeals defending several final decisions. At same time, Supreme Court agreed to review Court of Appeals decision which denied authority of Commission to set specific limit on number of stations anyone can own (Vol. 11:9).

Court of Appeals got chance to judge inconsistencies or arbitrariness of FCC decisions, if any, by hearing argument on 4 cases in a row: Oct. 10, Savannah Ch. 3, granted to WSAV-TV, and Beaumont Ch. 6, granted to KPDM-TV (Judges Bazelon, Fahey, Danaher); Oct. 11, Petersburg, Va. Ch. 8, granted to WSEX-TV (Judges Edgerton, Miller, Washington); Oct. 12, Tampa Ch. 13, granted to WTVT (Judges Prettyman, Miller, Danaher).

Commission regards multiple ownership argument before Supreme Court, due probably in latter Jan., extremely important to its rule-making power in general, not only to station ownership. Court of Appeals, ruling in favor of Storer Bestg. Co., had said that FCC can't deny an application without a hearing, regardless how many stations applicant owned. FCC lawyers say such logic jeopardizes many of its rules, could mean that it must grant hearing on almost any kind of application, regardless how little it conforms to rules.

In other actions this week, FCC questioned owners of KIDO-TV, Boise, about their application for Ch. 13 satellite in Twin Falls. "McFarland Letter" said it looks as if station will have no local live programs, implied that it should be able to do as much as Twin Falls' KLIX-TV (Ch. 11). Commission also turned down petition for rehearing and reconsideration of decision granting KOSA-TV, Odessa, Tex. (Ch. 7).

Continental Telecasting Corp., newly formed syndicate for acquiring TV-radio properties (Vol. 11:35) filed application this week for purchase of KRKD, Los Angeles (1150 kc, 5-kw D, 1-kw N, independent) from Mr. & Mrs. Frank Doherty for \$417,500. Continental is headed by Arthur B. Hogan, pres. of Albert Zugsmith Corp., Los Angeles, which owns 36% of stock; Richard C. Simon-ton, principal in functional music operations in Los Angeles-Las Vegas, also 36%; Frank Oxarart, of KFWB, Los Angeles, who acquired 20% of Tucson's KVOA-TV & KVOA when stations were sold by group headed by adman John J. Louis (Vol. 11:27), 26%.

Two Birmingham radio stations sold, subject to usual FCC approval, involve TV interests. WILD (850 kc, 10-kw D, 1-kw N, MBS) is being acquired by Sherwood R. Gordon's WSAI, Cincinnati, for approximately \$400,000 from George Mattison and Houston's Mayor Roy Hofheinz, who also owns 16% of KTRK-TV and 25% of radio KTHT, both Houston. WSGN (610 kc, 5-kw D, 1-kw N, ABC), with WSGN-FM, is being leased by John S. Jemison Jr. group to owners of WTOV-TV, Winston-Salem (Ch. 26), with option to buy for \$123,250 after 5 years. Jemison group once held CP for WSGN-TV (Ch. 42), turned it in last year.

Gerald A. Bartell family's purchase of radio WBGE, Atlanta, for \$100,000 (Vol. 11:35) was approved by FCC this week. Bartells operate WMTV, Madison (Ch. 33), radios WOKY, Milwaukee & WAPL, Appleton, and are buying KCBQ, San Diego (Vol. 11:38).

Printers' Ink index for first 8 months of 1955 shows national ad expenditures up 12% from same 1954 period, with network TV up 26%, newspapers up 24%, magazines up 19%, network radio down 17%.

INTRIGUING economic studies submitted to FCC by CBS (see p. 1) make 2 points: (1) Nation can't support more than approximately 600 stations plus some satellites, even if they're all vhf—for visible future, at least. (2) Cost of shifting all TV to uhf would be loss of service to 3,000,000-6,000,000 families, public outlay of \$700,000,000-\$2.3 billion, telecaster outlay of \$115,000,000-\$460,000,000.

Prepared by CBS's able economist Sidney Alexander, first study analyzes income and expenses of stations in various-sized markets, concludes "conservatively" that: (1) Four-station market needs minimum of 139,000 homes, and there are 78 such markets. (2) Three-station market needs at least 83,000-139,000 homes, and there are 30 markets that size. (3) Two-station market requires 50,000-83,000 homes, and U.S. has 57 of these. (4) One-station market must run 22,000-50,000 homes, and these number 52.

Analysis assumes networks have equal competitive strength, report says. Assuming inequality, it's estimated nation could support 513-550 stations plus some satellites.

Study indicates maximum number of stations supportable is about 600, regardless of average station's coverage area. If average station's radius is assumed to be 50 mi., maximum supportable is 588. If radius is 75 mi., maximum goes down to 523. Then, surprisingly, if radius is cut to 25 mi., total is reduced even more — to 483. Report states: "Larger radii permit fewer stations to cover a given area, and shorter radii reduce the number of market centers that can support a station. That is, many market centers which can support a station with a 50-mi. radius of coverage can no longer support one with a 25-mi. radius of coverage. . . . If the power is to be reduced, or uhf to be generally adopted, while more stations would be needed to cover the country, fewer could be supported economically."

Summary states: "The great bulk of the unsuccessful, or unapplied for, uhf channels could not be successfully operated as program-originating stations now or in the near future, even if they were, by some miracle, transformed into vhf channels. The analysis also implies that a much smaller, but substantial, number of vhf channels are not likely to be commercially operable under the present conditions.

"In the long-run future, of course, the economics of the industry may, and indeed probably will, change, so that a larger number of stations can eventually be supported. The minimum cost of running a station may decline, and increased advertising revenues, particularly from local sources, will undoubtedly be forthcoming. Such was the history of radio broadcasting, and a similar development may be expected in TV. The first results of these tendencies will be the extension of the range of

profitable station opportunities into smaller and smaller markets. It may take somewhat longer, however, before a strain of TV stations is developed that can thrive in the shade of neighboring large-city stations. It is this latter development which is necessary to transform most of the present uneconomic channels into supportable ones, since most of the uneconomic channels are in 'overshadowed' markets, served by stations in nearby larger markets."

* * * *

CBS paints somber picture of an all-uhf TV system in America in its second study, a 20-p. document. Most serious cost, it says, would be loss of TV service to 3,000,000-6,000,000 American families "and the degradation of service to millions more."

Its lower figure — 3,000,000 — is based "on an assumption of future improvement in uhf coverage, and in particular, the universal use of superpower stations of 5,000,000 watts." The 6,000,000 figure is based on present uhf coverage "generously interpreted." Many additional families, says CBS, will probably lose service due to uhf's "swiss cheese effect" — holes and shadow areas.

If U.S. were converted entirely to uhf, the transition could be made either quickly or gradually. On basis of a quick shift — that is, a cut-off date on which every vhf station would drop vhf and start telecasting uhf signals — CBS estimates "once-&-for-all" conversion cost of \$1.6-\$2.6 billion to public and stations. Figure is broken down thus:

Total cost to public — \$1.5-\$2.3 billion. This includes 30,000,000 converters at \$25-\$35 installed, totaling \$750,000,000-\$1.05 billion; 20-25,000,000 antennas at \$20, totaling \$400-\$500,000,000; plus loss estimated at \$250 each on 1,500,000-3,000,000 "marooned" sets in areas which no longer get TV signal, for total of \$375-\$750,000,000. Total cost to stations — \$115-\$145,000,000, including \$85,000,000-\$115,000,000 for conversion of present facilities and \$30,000,000 for addition of boosters to increase power.

If a gradual transition were made, on basis of 7-year period during which every vhf station would also be required to telecast in uhf, CBS figures show wider latitude in costs, depending on whether public bought uhf-only, vhf-uhf or vhf-only sets during transition period. Total extra cost would be \$1-\$2.6 billion. The breakdown:

Total cost to public — \$690,000,000-\$2.15 billion, including \$315,000,000-\$1.4 billion for conversion of sets and antennas and \$375-\$750,000,000 loss on 2,500,000-5,000,000 marooned sets at \$150 each. Total cost to stations would be \$390-\$460,000,000, including \$115,000,000 for new facilities, \$30,000,000 for boosters, \$245,000,000 cumulated extra cost of simultaneous uhf-vhf operation and up to \$70,000,000 cumulated extra cost of uhf booster operation. CBS points out that the estimated cost to stations of the gradual transition is "about 1½ times as much as the total investment of all networks and vhf stations in tangible broadcast property."

UNIQUE 60-in. TV telephoto lens, built by engineers Earl Thoms and Al Smith of KING-TV, Seattle, was loaned to NBC-TV for highly effective use during Oct. 1 Ohio State-Stanford game. Station engineering director J. L. Middlebrooks reports that lens was developed because no manufacturer made one with sufficient focal length to cover certain sports events adequately. His description: "The lens itself has a focal length of 60-in. and is of the reflecting type. It is folded back alongside the camera and attached to the side door of the camera case. The mounting of the lens does not restrict access to the components which are located on the left-hand side of the TV camera. This type of mounting maintains a balance of the camera and affords the same steadiness of the shortest focal length TV lenses.

"One of the most novel features of the lens is the coupling unit between the lens and the lens turret. This coupling is designed in such a fashion that 3 other lenses of any size can be used along with the 60-in. lens. The cameraman can rotate the turret with ease to any one of the 4 lenses. The front of the lens barrel does not project any farther forward than a small standard lens. This means that the lens itself is centered over the pivot point of the camera. This feature makes it extremely simple to pan and follow fast sporting events."

Sole TV application this week was for Ch. 16 satellite in Coos Bay, Ore., by KVAL-TV, Eugene (Ch. 13). Applications pending now total 159 (19 uhf). [For details, see TV Addenda 21-N herewith.]

Telecasting Notes: The Almighty Trendex, as an index to viewer preference, indicates some rather startling trends in the 3-network program battle, now that the 1955-56 season is well under way. Some long-time favorites are slipping, due to stiff opposition programming, and some of this season's programming innovations aren't making quite as much splash as anticipated . . . **Movie producers'** new TV programs have had tough time winning audiences, according to Trendex surveys—exceptions being excellent new *Disneyland* series and Disney's overcommercialized *Mickey Mouse Club* (both ABC). New *20th Century-Fox Hour* (CBS) did best with 19.8 on its debut last week; the incredibly poor *MGM Parade* (ABC) has been described as "disappointing," rating-wise; *Screen Directors' Playhouse* (NBC), slotted opposite *Disneyland*, got a mere 7 Trendex; *Warner Bros. Presents* (ABC) has had tough time, its second half competing with NBC's Bob Hope-Martha Raye-Milton Berle hour and gleaning only 6.8 & 9.9 in its first 2 weeks—but the full hour show came up to average 13.1 rating Oct. 11 . . . The new "adult westerns" aren't doing so well, either—CBS's *Gunsmoke*, NBC's *Frontier* and ABC's *Wyatt Earp* all taking trimming from same-time competition on other networks . . . Consistent No. 1 ratings for CBS's \$64,000 *Question* didn't rub off on NBC's new \$100,000 giveaway *Big Surprise*, whose premiere got a weak 11.5 vs. 20.4 for CBS's *Beat the Clock* in same time segment . . . Some of last season's favorites are lower on list this season, too—particularly *I Love Lucy* (CBS), *Dragnet* (NBC) & Jackie Gleason's *Honeymooners* (CBS), which declined due to strong competitive showings of *Medie* (NBC), *Climax-Shower of Stars* (CBS) & new *Perry Como Show* (NBC), respectively . . . Repeats of *Disneyland* drew larger audiences than originals, according to Nielsen survey of 42 of the first 46 shows in ABC-TV series; originals drew an average 57.3% share of audience, first repeats 62.9%, second repeats 59.4% . . . More movie talent to TV: Carey Wilson, veteran film writer-producer, comes out of retirement to join CBS-TV in seeking material for 90-min. dramatic

series . . . More TV talent to movies: Talent Associates Ltd., packager of live TV shows (*Philco-Goodyear Playhouse*, *Armstrong Circle Theatre*, *Justice*, et al.) goes into movie production through newly formed Jonathan Productions, whose films will be financed and distributed by MGM. Headed by David Susskind, Jonathan's first movie will be "A Man Is 10 Feet Tall," adaptation of Robert Alan Aurthur's TV play. Another TV drama purchase by MGM is "Return of Johnny Burro," originally performed on *Robert Montgomery Presents* . . . TV's competition for story material (Vol. 11:40) was viewed with alarm by MGM production chief Dore Schary in address at Hollywood convention of Theatre Owners of America. Noting that TV networks are now backing Broadway plays in order to get first call on material, he said: "This is a serious threat. We may have to go into the theatre and gamble earlier" . . . Co-star of TV's first spectaculars—Imogene Coca, who with Sid Caesar set mark for elaborate TV productions in Max Liebman's *Your Show of Shows* (NBC-TV)—at own request was released by NBC from \$1,000,000 contract which had 9 years and \$900,000 to run; she said she wanted more time for night club appearances, etc. . . . Second run for General Teleradio's *Million-Dollar Movie* begins in N. Y., with WABC-TV buying the package for daytime use, despite fact each film has been played for 16 shows a week over WOR-TV . . . Flourishing business by telefilm's "majors" exemplified by Ziv report that sales for Aug.-Sept. 1955 equal total for entire first half of 1954 . . . Henry Salomon Jr., NBC-TV documentary chief, now in Vienna to shoot Nov. 5 re-opening of bombed-out State Opera.

Profitable good-will promotion: When Calif. State Grocers' Assn. held convention at nearby Coronado, San Diego's KFMB-TV recorded highlights of meeting on film, showing portions nightly on local TV newsreel and presenting full 40-min. movie version to the grocers before convention adjourned. Film will be re-shown at meetings of local and regional grocers groups.

Electronic TV audience "detective" which polls viewers on programs without their knowledge with "90% accuracy" has been developed by Calbest Engineering & Electronics Co., Hollywood manufacturer of TV-radio chassis; it's due on market early next year. "Poll-O-Meter" is highly sensitive receiver which uses "gun" type directional antenna to pick up individual TV set radiation, automatically registers channel in use, is powered by 6-volt storage battery, can be carried in car or truck. Company says large areas may be surveyed quickly through use of several "Poll-O-Meters," claims much greater accuracy than possible with phone calls or questionnaires.

Frank statement from TPA pres. Milton Gordon and exec. v.p. Michael Sillerman to staff this week on rumors of merger with Screen Gems admits negotiations have been "on and off for about 6 weeks," says there is still no agreement, states if there is agreement it could not be consummated before end of year "because of certain contingent problems," presumably tax. Statement repeats what Gordon has previously said—that "we do not know whether there is going to be a deal or not." It adds: "The TPA organization is a plum . . . Any deal would mean that all of us would play an important part in the largest, most important company in the industry."

Latest community-antenna microwave application is that filed by Alan J. Gardiner & Eugene C. Phillippi, 14 E. Fine Ave., Flagstaff, Ariz., to serve Winslow system with Phoenix signals. They propose transmitter on Mt. Elden, using Philco TLR-3 equipment costing \$12,095, plan to charge \$450 per month per microwave channel. They state they may acquire interest in Winslow system.

Closed-circuit TV for college football seems to have struck pay dirt in Notre Dame-Sheraton Hotels network arrangement introduced Oct. 7 at Irish-Miami U game in Miami which was telecast locally and in South Bend and also piped on closed circuit. It was standing-room-only at \$4 per person at 11 hotels in N.Y., Chicago, Detroit, Philadelphia, Cincinnati, Baltimore, St. Louis, Washington, Cleveland, Boston, Indianapolis. Notre Dame handled production and telecasting and received all "gate" receipts to defray cost of Sheraton TV Corp.'s closed-circuit lines while hotels relied on sale of drinks and food. Total gross admission receipts were estimated at \$33,000-\$50,000; hotels' take unreported. Next game to be handled same way will be Notre Dame-Navy Oct. 29.

Up-&-coming ABC-TV, profiting by success of tieups with Disney and other movie programmers and by demise of DuMont Network, plans to put on spectaculars, too, according to pres. Robert F. Kintner. In interview with *Billboard* (Oct. 8), Kintner also included in ABC-TV's blueprint for future: (1) Construction of own Hollywood TV film studios. (2) Expansion of daytime programming. (3) Addition of more top feature film shows in prime time. (4) Purchase of 2 uhf stations.

New York U, pioneering closed-circuit educational TV, is now transmitting 2 English courses to 6 classrooms thrice weekly, operating under \$52,000 grant from Fund for the Advancement of Education; cameras are set up in one classroom and there's also a campus studio headed by Robert E. Miller, ex-CBS. Penn State College, of which Milton Eisenhower is pres., and Stephens College, Columbia, Mo., are other pioneers in this technique.

CLUET TO UHF aspirations of Herbert Mayer in Philadelphia and Boston is deintermixture. Holding CPs for WPHD, Philadelphia (Ch. 23) and WHMB, Boston (Ch. 38)—latter granted this week—he filed petition Oct. 14 asking that Philadelphia be made all uhf, and it's assumed he'll ask similar action for Boston.

Whether Philadelphia is deintermixed or not, petition states, Mayer will build station, adding: "Everything possible will be done to make the station a success. Should the difficulties, however, prove too overwhelming to surmount, some undesirable results would follow. Apart from petitioner's financial loss will be the loss to the public in wasted set conversions, running perhaps to \$10-\$15,000,000. Even more serious would be the loss of faith that the public must inevitably feel in the existing allocation plan. Such a desultory result would be completely avoided by deintermixture, and your petitioner, to be sure, would build his station with a much lighter heart."

Mayer's petition asks that Philadelphia be assigned 7 uhf channels—3 for the existing 3 vhf stations, one for educational use, 3 for new stations. He suggests that the vhf's start broadcasting on both uhf and vhf 8 months after deintermixture is ordered, then discontinue vhf some 8 months later.

Ex-lawyer Mayer is the "wonder man" of TV, who filed for several stations in 1947 when channels were going begging, built Cleveland's WXEL (Ch. 8) and Portland's KPTV (Ch. 27), first of the uhf outlets and perhaps the most successful—then sold both along with his Empire Coil Co. last year to Storer for \$10,000,000 (Vol. 10:2). He thereupon took year's trip around the world with his wife and 5 children, returned about 2 weeks ago, is operating his Ajax Enterprises (including an art importing project) from his home in Greenwich, Conn.

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RCA shipped 25-kw transmitter Oct. 11 to WREC-TV, Memphis (Ch. 3), due on air in Dec.; 50-kw transmitter Oct. 12 to WFAA-TV, Dallas (Ch. 8), planning boost to 316-kw ERP; 2-kw visual, also Oct. 12, to KENI-TV, Anchorage, Alaska (Ch. 2). GE reports order for 35-kw amplifier from KREM-TV, Spokane (Ch. 2), and Sept. 30 shipment of 12-bay antenna to WSIX-TV, Nashville (Ch. 8).

Note: Return to air of KTVU, Stockton, Cal. (Ch. 36) as satellite of Sacramento's KCCC-TV (Ch. 40), as recently reported (Vol. 11:35), has not materialized. Our information was incorrect. KCCC-TV is reported still seeking ABC permission to rebroadcast network shows on KTVU. With no new starters this week, on-air total now is 454—107 uhf.

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In our continuing survey of upcoming stations, these are latest reports from principals:

KRBB, El Dorado, Ark. (Ch. 10) has changed test pattern target to Nov. 10, plans Nov. 28 start with NBC, writes 1/3 owner-gen. mgr. Wm. M. Bigley. It will use 5-kw RCA transmitter acquired from Terre Haute's WTHI-TV (Ch. 10), already has 6-bay RCA antenna in place on 600-ft. Skyline tower. Near state's southern border, ownership interlocks with radio KVMA, Magnolia, Ark. Western sales mgr. will be W. Dudley Waller, from KVMA; eastern sales, W. C. Womack. Vernon Williamson, ex-KFDX-TV, Wichita Falls, is production-studio mgr. Base hour will be \$200. Rep will be Pearson.

WOBS-TV, Jacksonville (Ch. 30), which earlier asked for deintermixture by shifting vhf channels away from city (Vol. 11:31, 36), now hasn't target, reports 80% owner Jim Macri, who acquired control of radio WOBS and its CP from Georgia's ex-Gov. E. D. Rivers Sr. (Vol. 11:27, 31). It planned to use GPL transmitter, RCA antenna.

FARM TV COUNTS for Florida and Arizona are latest in series of county-by-county tabulations compiled by U.S. Census Bureau in its 1954 Census of Agriculture, based on 20% sample in Oct.-Nov. 1954. Arizona is shown to have TV sets on 3809 of its 9321 farms, or 40.9%; Florida, 13,477 of 57,543 farms, or 23.4%. County-by-county figures:

ARIZONA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Apache	233	5	Navajo	456	—
Cochise	904	87	Pima	641	379
Coconino	216	5	Pinal	1,047	445
Gila	251	20	Santa Cruz	173	29
Graham	417	31	Yavapai	609	48
Greenlee	158	1	Yuma	569	284
Maricopa	3,502	2,475			
Mojave	145	—			
			State Total	9,321	3,809

FLORIDA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Alachua	1,610	411	Lee	458	144
Baker	390	180	Leon	910	92
Bay	264	92	Levy	498	78
Bradford	617	205	Liberty	285	6
Brevard	1,017	256	Madison	1,104	102
Broward	408	197	Manatee	804	258
Calhoun	523	52	Marion	1,853	357
Charlotte	148	29	Martin	186	56
Citrus	278	14	Monroe	11	—
Clay	188	94	Nassau	205	88
Collier	116	21	Okaloosa	863	81
Columbia	987	269	Okeechobee	242	52
Dade	1,527	900	Orange	2,726	991
De Soto	505	63	Osceola	527	195
Dixie	214	23	Palm Beach	874	309
Duval	475	326	Pasco	1,036	317
Escambia	1,334	413	Pinellas	758	315
Flagler	100	73	Polk	4,020	828
Franklin	36	2	Putnam	622	252
Gadsden	1,024	70	St. Johns	350	197
Gilchrist	369	62	St. Lucie	735	168
Glades	103	22	Santa Rosa	1,202	212
Gulf	98	15	Sarasota	349	68
Hamilton	747	140	Seminole	789	324
Hardee	1,114	99	Sumter	761	117
Hendry	188	28	Suwannee	1,705	299
Hernando	387	42	Taylor	323	38
Highlands	583	163	Union	385	77
Hillsborough	4,492	1,458	Volusia	1,173	283
Holmes	1,481	79	Wakulla	242	2
Indian River	683	98	Walton	1,214	108
Jackson	2,997	149	Washington	1,003	57
Jefferson	924	68			
Lafayette	483	73			
Lake	2,920	820	State Total	57,543	13,477

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37); N. J., Tenn. (Vol. 11:39); Ark., Conn., Mass., R. I., Texas, Wash. (Vol. 11:40); Me., N. M., Ore. (Vol. 11:41).

DuMont has franchised 5 independent companies to sell its broadcast equipment, including transmitters, camera chains, multi-scanners and live color Vitascan apparatus: James B. Tharpe & Herbert Bloomberg, 500 Fifth Ave., N. Y. (Vol. 11:41); Klindworth-Midwest Co., 6117 St. Johns Ave., Minneapolis (B. J. Klindworth); Western Transmitter Equipment Co., 7940 Fareholm Dr., Los Angeles (Robert J. Myers) and 901 S.W. King Ave., Portland, Ore. (Lyle O. Keys); Electronic Applications, 254 E. Paces Ferry Rd. NE, Atlanta (Lewis C. Radford Jr.) and 5 Ocean Ave., Rockport, Mass. (Frank A. O'Connell); Southern Video Bestg. Co., 3628 Marquette Ave., Dallas (Geo. R. Winston) and 5226 Homer St., Dallas (Harry Del Muro).

FCC's first mobile TV monitoring unit is now in field, studying individual station signals for compliance with engineering regulations and collecting data on general TV broadcast problems. Unit was developed and built by Field Engineering & Monitoring Bureau with Lab. Div. of Office of Chief Engineer playing big part in design. First monitor will remain in East; second, now under construction, will handle Western area.

Annual Marconi Award of the Sons of Italy was presented to RCA's Brig. Gen. Sarnoff at jubilee convention in Philadelphia Columbus Day, Oct. 12.

Grey Adv. Agency's Robert Bennett, art director, has devised game based on CBS-TV show *What's My Line?*

BUY-UP MARKET BOOSTS AVERAGE TV TO \$215: The average retail price of a TV receiver is currently estimated at about \$215, an increase of about \$20 since start of year. Even allowing for recent price increases on selected models, the upward movement reflects consumer preference for higher priced sets -- and only the enormous success of GE's 14-in. portable (at \$99.95 & \$119.95) has kept average from going higher.

"Loss leader" low-end models are becoming harder to find on dealer floors, as all levels of trade continue to play up to consumers' desire for better-quality sets. You can look for continuation of this trend in merchandising and promotions for upcoming Xmas selling season. Even now, the ads of notorious price-cutters in big metropolitan markets make scant mention of leader models.

Discount houses are said to be having rougher weather amid trend to middle and higher end of lines. Depending for their livelihood on appeals for "low, low" prices, they're reportedly leaving the field in larger numbers, or else organizing their sales techniques to go along with consumer preferences.

"There's a bit of a paradox to be found in today's price situation," remarked one manufacturer. "A year ago there was a sharp downward trend in monochrome prices which was due in large part, I believe, to fears about the imminence of color. A lot of consumers were buying the least expensive models possible in the belief that color was just around the corner. Well, color today is a lot closer to the consumer market, which might make people even more desirous of buying cheaper sets -- but instead we have this very decided trend to higher-priced receivers."

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On the color tube front, as well as in set production and promotion, RCA continues to be the most active. While other tube makers are still frankly waiting to see whether RCA's efforts spark demand, its spokesmen insist color is beginning to move. In fact, RCA electronic products exec. v.p. W.W. Watts even went so far as to say this week: "Color tubes are going to be scarce in a few months."

Others still regard color tubes gingerly -- but hopefully. Sylvania reports it's in "limited production" of 21-in. metal-coned tube, similar to RCA's, will step it up as demand grows. It's making no color sets yet, but plans to start early next year. Meanwhile, it has bought several hundred from RCA "to round out current line."

CBS-Hytron pres. Charles Stromeyer says it's been sampling 22-in. all-glass rectangular units since Jan., has been working on cost-reduction techniques since, is standing by for demand before going into production. "There's a sincere interest in the rectangular tube," he said. He estimates the industry could fill demand for 250,000 color sets in 1956 but couldn't make as many as 1,000,000. "However," he adds, "there's no chance that demand will be as high as 1,000,000 next year. A lot of people forget that black-&-white sales didn't grow that fast."

Tung-Sol is another tubemaker which is preparing for day when set makers need its output. Said sales v.p. R.E. Carlson: "We're in what might be called pilot production, developing know-how on the RCA-type tube. We're going ahead on a conservative basis, as we believe a smaller company should. After the first of the year, we should know how to expand. I believe color is just about getting off the ground, and I notice much more enthusiasm about it lately."

Note: For industry comments on projected new GE color tube, see p. 13.)

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No figures on color set sales are yet forthcoming, but enthusiasm among RCA distributors and dealers is unabated -- as evidenced by the comment this week from big Krich-New Jersey sales v.p. Fred Comins: "Color TV is a booming industry and may be growing even faster than the best oracles in the business predicted." He said his firm's inventory was depleted after World Series. "We were forced to write our

dealers telling them that one model must be back-ordered and another was in extremely short supply. Now we're completely out of stock and the shipments we expect will go as fast as we can get them, simply to fill our back orders."

RCA distributors see bars and other public places, as in TV's early days, as the best market now for the introductory phase of color. "These installations serve to expose color TV to a constantly increasing consumer market," said Comins. "From what we have been able to learn, the consumer seeing the high-quality color TV picture in a public place begins to think seriously of a color set for his own use. This is where the boom starts, and it's already in full swing in New Jersey."

Brief highlights of other major trade developments this week:

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Chamber Muses: U.S. Chamber of Commerce, in report titled "Can We Depression-Proof Our Economy?", said serious depressions can be avoided "if we have the courage to avoid excessive booms and the wit to use what we know." Based on report by its Committee on Economic Policy (Harry A. Bullis, General Mills, chairman), the Chamber warned that economic stability cannot be taken for granted but said big depressions can be avoided because of: (1) accelerating rate of business research; (2) progress toward overcoming seasonable instability through changes in marketing and new sales policies; (3) skill of Federal Reserve Board in maintaining "stable monetary and credit policies"; (4) recognition by Govt. that tax cuts can stimulate consumption and investment; (5) such "built-in stabilizers" as unemployment compensation & self-amortizing nature of pension programs. Burgeoning economy was also topic of Gov. Harriman's address to National Radio Advertising Clinic in N.Y., in which he urged advertisers to be "over-optimistic" on future economic growth. With proper management, he said, gross national product could rise 50% in next decade.

Fair Trade: Another nail in fair trade coffin was hammered by GE's abandonment of fair trade pricing in Indiana pending ruling by State Supreme Court on its validity. Last of appliance manufacturers to practice fair trading, GE promised it would resume fair trade program "aggressively" if court rules in its favor. A lower court judge ruled recently, in case of Bissell Carpet Sweeper Co., that state's fair trade laws were unconstitutional. That decision is now on appeal to State Supreme Court, with GE in role of "friend of the court." GE fair trade mgr. R. C. Walton wrote Indiana appliance dealers that fair trade contract provisions are being waived temporarily "so you will not be placed in an uncompetitive position."

Retail Sales: RETMA reports 8-month TV retail sales of 4,171,139, or 14% over the 3,658,927 sold in first 8 months of 1954. Aug. sales were 568,577, compared to 381,567 in July and 484,533 in Aug. 1954. Eight-month retail sales of radios, not including auto sets, totalled 3,189,608, compared to 3,269,115 in first 8 months of 1954. However, auto radio production (usually equivalent to retail sales) totalled 4,469,179 in first 8 months this year, compared to only 2,547,413 in same period of 1954. Aug. radio sales, excluding auto, totalled 456,625, compared to 303,965 in July and 447,025 in Aug. 1954.

Production: TV output totalled 185,435 week ended Oct. 7, compared to 186,467 preceding week and 189,899 week ended Sept. 23. It was year's 40th week and brought production for year to date to about 5,785,000 vs. 5,200,000 in same period of 1954. Radio production soared to 334,816 (125,780 auto) week ended Oct. 7, highest for any week in more than 4 years, compared to 284,949 (103,932 auto) in preceding week and 267,994 (109,420 auto) week before. For 40 weeks, radio output totalled 10,200,000, compared to approximately 8,100,000 in corresponding period of 1954.

Admiral's 5,000,000th TV receiver will have been produced by end of Oct., impelling its astute public relations director Martin Sheridan to come up with these statistics: Combined viewing area of all their screens would equal a 228-acre screen—or 39 times as large as the front of the Merchandise Mart. Placed side by side, the sets would cover 1500 mi., or from Chicago to Las Vegas. Some 10,000,000 miles of wire, more than 100,000,000 picture & receiving tubes were used.

Trend to full TV-radio-appliance lines by manufacturers may lead to elimination of many dealers in near future, according to NARDA chairman Mort Farr. Addressing Sales Managers Assn. of Philadelphia Oct. 10, Farr said full-line producers eventually will take on exclusive dealers in markets, like automobile franchises, not permitting them to sell competing lines. He predicted "shakeout" among dealers will start in smaller areas within 2 years.

REACTIONS TO GE'S projected new color tube, called "post acceleration" type and using so-called "electron optical masking" as against RCA's shadow-mask, and demonstrated to press and to company's tube customers recently (Vol. 11:40), have come from several set makers. Consensus is that tube, which GE has stated won't be ready before 1957, is too far from production to be evaluated in terms of receiver output and marketability. Some of the comments:

Dorman D. Israel, Emerson exec. v.p.: "I feel that when a company like GE makes a statement that preliminary engineering laboratory samples of a color kinescope for their customers will not be delivered for 10-12 months, any guess or prediction as to the future of that kinescope is a wild speculation."

Leslie J. Woods, Philco v.p. & director of research: "The GE 22-in. rectangular color TV picture tube is particularly interesting because of its superiority in brightness over currently available tubes. As the engineers working on the project agree, there are several problems which must be solved before this tube can be manufactured in volume. However, we believe it represents an important step forward in the color TV art. None of the color tubes so far demonstrated is the ultimate answer to a satisfactory picture tube which can be mass-produced at a reasonable cost, and much work remains to be done in the laboratories."

Robert S. Bell, Packard-Bell exec. v.p.: "At the present time we do not know enough about the GE tube . . . Naturally, we hope for a better and simpler tube than the current shadow-mask job. I have a deep and abiding faith in the genius of American engineering and produc-

tion which I believe will solve the problem one of these days."

Robert W. Galvin, Motorola exec. v.p.: "The GE tube can be appraised only in the light of it being an engineering progress report, as they stated. Even in its present form it will provide stimulation for the cause of the rectangular tube, the all-glass tube, and an eventual brighter picture. Our preliminary analysis indicates that this tube should be reproducible eventually. But until we can examine it in our own laboratories it must still be considered a bird in the bush."

Clifford J. Hunt, Stromberg-Carlson TV-radio div. v.p.: "We feel that the GE color tube has a brighter picture than the RCA, but the resolution is not as good. Apparently it can be used in a somewhat less complicated set than the RCA but we can see very little price advantage in it."

Two respondents preferred not to be identified. One stated: "In its present stage, the GE tube represents a definite contribution to this science; I agree with the GE engineers that the phosphor must be placed on the face plate to overcome certain defects inherent in the current design. It is this prospective stage that seems doubtful to me. Past experience with this problem in connection with the Lawrence tube would not cause one to underrate this problem. Until this step has been successfully accomplished, I do not believe the GE tube can be evaluated in relation to an aperture-mask type."

Another spokesman is very dubious about the whole thing. Though not from RCA, he regards GE action in this light: "It seems to me that GE is merely making this move to answer its own management's and its dealers' questions as to why GE is dragging its feet and letting RCA run away with the color field."

Trade Personals: Charles M. Odorizzi, RCA corporate exec. v.p., leaves Oct. 17 by plane to inspect company's South American operations, stopping first in Caracas and Rio de Janeiro; he returns Nov. 23. Robert A. Seidel, consumer products exec. v.p., returns Oct. 17 from European trip . . . George Fearnought, RCA Victor TV sales mgr. for N. Y. district, promoted to field sales mgr. of TV div., succeeding Joseph P. Bannon, now gen. sales mgr. . . . P. J. Casella named v.p. of consumer products, RCA Victor Co. Ltd., Montreal, succeeding B. M. Barrett, now mgr. of appliance marketing dept., RCA International, N. Y.; Casella is succeeded by R. M. Macrae as distribution v.p. of Canadian operation . . . Joseph Solari appointed gen. sales mgr. of Federal Radio, components div. . . . Richard J. Bambery, Admiral regional sales mgr. in Memphis, appointed sales mgr. of freezer-air conditioner div., replacing Wm. B. Doyle, resigned . . . Herbert F. Berg promoted to production control mgr., DuMont technical products div., succeeding Morris Harris, now DuMont resident counsel . . . Allen J. Dusault, ex-CBS-Hytron, appointed gen. sales mgr. of Transistor Products Inc., unit of Clevite Corp., succeeding E. F. Giguere, now sales v.p.; Sam Rubinovitz promoted to govt. sales mgr. . . . Ken Curtiss, ex-Spartan, named Capehart-Farnsworth district mgr., San Francisco . . . Martin L. Burke appointed Spartan mid-Atlantic district merchandiser, Washington . . . Wm. J. Helt, onetime Raytheon TV-radio sales mgr., elected sales v.p. of Magnecord Inc. and Magne Music Inc., its background music subsidiary . . . Robert L. S. Leedy, ex-DuMont, named Hammarlund adv. & promotion mgr. . . . Vernon W. Moritz, on special assignments for GE TV-radio dept., appointed district sales mgr., Dallas, succeeding Philip H. Weil, now N. Y. district sales mgr. . . . Sam Schlusel promoted to sales mgr., antennas & accessories, Channel Master Corp.

Strike at 28 Westinghouse plants, including TV-radio factory at Metuchen, N. J., seemed certain to start at midnight Oct. 16, with almost no hope of settlement in sight as we went to press. Federal Mediator J. A. Moran Oct. 14 reported "complete deadlock" in negotiations between company and IUE, representing 44,000 workers who now earn average of \$2.10 per hour. Union has rejected offer of 23½¢ hourly wage increase, spread over 5 years. Meanwhile, production resumed Oct. 10 at Bendix Radio plant in Towson, Md., following settlement of 39-day strike, with 2-year contract providing 6¢ hourly average wage increase and fringe benefits.

GE will spend \$40,000,000 in next 3 years to expand major appliance productive capacity at Louisville's Appliance Park, said v.p. Charles K. Rieger. Predicting GE's major appliance sales will double in next 10 years, he told newsmen firm intends to concentrate major appliance production, not merely assembly, at Appliance Park, with addition of new automatic machinery.

R. S. Yeandle, GE, named chairman of RETMA school equipment committee, succeeding Fred D. Wilson, DuKane Corp.; Frank W. Mansfield, Sylvania, named chairman of new RETMA statistical policy committee.

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DISTRIBUTOR NOTES: DuMont appoints Cherry-Tollerson Inc., 1508 McGavock St., Nashville (John R. Cherry, pres.), replacing Hermitage Electrical Supply Co. . . . Capehart-Farnsworth appoints Gregnall Co., Western Merchandise Mart, San Francisco . . . Emerson Radio of Texas, Dallas, opens branch at 605 S. Flores St., San Antonio . . . Olympic Radio establishes factory branch at 715 Bryant St., San Francisco . . . Straus-Frank Co., Houston (Sylvania) promotes Herbert P. Haschke to v.p. . . . G. W. Onthank Co., Des Moines (Admiral) appoints Frank A. Hutton sales promotion mgr.

Topics & Trends of TV Trade: RETMA hit back with bristling reply this week to suggestion by Treasury spokesman that excise tax exemptions on uhf and color sets would constitute a "concealed subsidy" (Vol. 11:41). Sigurd Trammel, Stromberg-Carlson tax mgr. and member of RETMA tax committee, told House Ways & Means subcommittee Oct. 12 that excise taxes "discourage buyers needed to establish important new markets and sources of revenue and employment." He added:

"To say that the omission from taxation constitutes a subsidy is to say that all items not selected for tax are subsidized. This ignores established canons of selective excise taxation. With few exceptions, of which uhf and color TV are the most notable, Congress has deliberately selected only those articles with such well-established markets that they could carry the special burden of the selective tax and yet yield substantial revenues with relatively slight administrative cost."

He said further that present excise tax laws create administrative headaches in TV-radio industry. "It is not at all unheard of for 2 manufacturers of the same article to have received conflicting rulings from the Internal Revenue Service," he said. "One ruling may hold the article to be tax-exempt while the other ruling may determine that the article is taxable. Since neither ruling is published, the article may be taxed to one seller and not to another. An example of this was the treatment of high-fidelity amplifiers. No ruling has yet been published, although the Internal Revenue Service has apparently resolved the conflict in its private rulings . . ."

"Manufacturers of our industry were also greatly interested in finding out whether subminiature tubes were subject to the excise tax. The Service issued a private ruling to one manufacturer, but it was not until 13 months later that this ruling was published for the information of all."

Note: RETMA officials privately hold little hope for uhf and color exemptions, are much more optimistic about chances of reducing excise tax from 10% to 5% on all TV-radio receivers, in line with treatment accorded household appliances last year.

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TV set sales by Canadian factories in first 8 months totaled 344,620, production 429,671, reports RETMA of Canada. This compares with 262,903 & 261,519 in first 8 months of 1954. Projected production estimate for Sept.-Nov. period is for 339,841 more sets. Aug. sales totaled 71,108 at average price of \$303, production 66,819. Inventory at end of Aug. was 132,935 vs. 67,449 at end of Aug. 1954. For sales from Jan. 1, 1949, thru Aug. 1955, Montreal led with 390,367; Toronto, 333,331; Hamilton-Niagara, 144,126; British Columbia, 118,756; Windsor, 99,064; Ottawa & eastern Ontario, 95,071; Manitoba, 57,866; London, 55,191; Quebec City, 52,503; Alberta, 48,307; other Ontario, 46,930; Nova Scotia, 34,723; New Brunswick & Prince Edward Island, 26,541; Saskatchewan, 22,103; Sudbury, 14,725; other Quebec, 5570; Lakehead, 4762; Newfoundland, 4323.

Picture tube sales in first 8 months totaled 6,478,351, valued at \$124,204,295, compared to 5,326,775 worth \$111,029,918 in corresponding period of 1954, reports RETMA. Aug. sales were 1,048,534—record for that month—valued at \$19,812,567, compared to 515,793 at \$9,498,169 in July and 855,191 at \$17,941,034 in Aug. 1954. Receiving tube sales in first 8 months totaled 300,080,000 valued at \$228,948,000, vs. 225,085,000 at \$162,807,000 in first 8 months of 1954. Aug. sales of 45,238,000—valued at \$33,099,000—set all-time monthly record, compared to 28,340,000 at \$21,167,000 in July, 35,229,772 at \$24,135,914 in Aug. 1954.

Among officers' & directors' stock transactions reported to SEC during Aug.-Sept.: Edward Lamb sold 572 shares Air-Way Industries, holds 2600 directly, 14,716 indirectly and acquired 1160 Air-Way 5% cumulative convertible preferred in exchange for shares of Lamb Industries Inc., holds 1160; Frank C. Oswald acquired 2000 Air-Way pfd. in exchange for 10,000 Lamb Industries; Walter A. Rudolphsen bought 298 Belden Mfg., holds 1462; Arthur L. Wanner bought 120 Belden, holds 3000; Hugo H. Werminne bought 298 Belden, holds 1776; Irving G. Rosenberg bought 200 DuMont Class A common, holds 400; Dr. W. R. G. Baker bought 2136 GE, holds 6972; John Holmes bought 400 GE, holds 1000; Ross I. Parker bought 1218 GE, holds 4400; Joseph A. Zock bought 1200 General Precision Equipment, holds 13,301; John M. Zimmermann bought 500 International Resistance, sold 100, holds 500; Richard A. O'Connor sold 300 Magnavox capital, holds 55,293; Gordon Dean sold 1000 Norden-Ketay, holds 1000; Frank J. Manheim sold 329 Norden-Ketay, holds 5571; Albert Parker sold 200 Norden-Ketay, holds 1667; Jack Stadler sold 1500 Norden-Ketay, holds 15,600; Larry F. Hardy sold 200 Philco, holds 6954; Robert L. Werner bought 100 RCA, holds 445; Charles F. Adams Jr. bought 1798 Raytheon, holds 12,798 and sold 600 \$2.40 cum. pfd., holds none; David R. Hull bought 1000 Raytheon, holds 1000; Harold C. Mattes sold 1100 Raytheon, holds 7959; Bernard O. Reuther bought 120 Sperry Rand, holds 10,734.

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Pushing second sets, New Orleans TV-Radio Appliance Assn. published brochure recently titled *Here's Why a 2-TV Family Is a Happy Family*. Second set, it says, promotes "household harmony" and "modern living" because: "Pop can have his baseball game, but Mom won't miss the cooking show. No more conflicts between Junior and Sis. Sis can watch the drama on one set while Junior enjoys his 'shoot 'em up western' in the privacy of his own room."

Emerson Radio will produce tape recorders shortly, retailing for \$192, as latest move in consumer products diversification begun 2 years ago with air conditioners. Pres. Benjamin Abrams also disclosed that Vigorelli sewing machine line is now merchandised through Emerson distributors and dealers, though company has no financial interest in its production.

NARDA convention Jan. 15-17 at Chicago's Conrad Hilton Hotel will include exhibits by 16 accessory manufacturers—first time displays have been permitted. Managing director A. W. Bernsohn declined to comment on reports NARDA allowed displays as "experiment" to determine whether to set up its own annual trade show.

Capehart-Farnsworth has licensed Canadian Westinghouse Co. as manufacturer and distributor of its TV-radio-phono line in Canada, starting in Nov. Canadian Westinghouse will set up a separate organization within company to market Capehart line, with production concentrated at main plant in Brantford, Ont.

More TV price hikes: CBS-Columbia has increased four 21-in. consoles and one 24-in. console by \$10-\$20. Hoffman Electronics has raised six 17, 21 & 24-in. models by \$10-\$20. Hoffman also added a 21-in. table to line, retailing at \$230 in walnut, \$240 in mahogany & blonde.

Color Converter Inc., Columbia City, Ind. maker of whirling disc converter (Vol. 11:22), reports negotiations with unidentified set maker who plans to use device. Disc has been on market at \$149.95. New sales mgr. is Gus Weik, ex-Crosley.

The Representatives of Electronic Products Manufacturers Inc. has scheduled another symposium on color TV to be held in Nielsen's Restaurant, Elmwood Park, Ill., Nov. 15.

Electronics Reports: Industrial electronics — called a “coming giant,” running at current rate of about \$600,-000,000 a year and promising to become a \$1 billion business by 1960—is appraised in 8-p. report on the electronics industry issued this week by E. F. Hutton & Co. “Since this phase of electronics is still in its initial stage,” report states, “the substantial total of sales already achieved suggests an enormous potential.

“Already the list of products for electronic devices is becoming encyclopedic. Some of the more familiar applications would include the control of motors and machines, automatic elevator controls, electronic cooking, testing, sorting, closed-circuit TV, etc. Also significant here (although much broader in application) is the development of the transistor. This device will make it possible to decrease the size of products while increasing reliability, and will also permit the performance of tasks not possible with the use of tubes. In fact, the successful development of transistors will further enrich the scope of electronics.”

[See also “Industrial TV—Is the Giant Awakening?” *Television Digest*, Vol. 11:37.]

Hutton report appraises TV and military electronics with much same conclusions as recent Carl M. Loeb, Rhoades & Co. and Paine, Webber, Jackson & Curtis reports (Vol. 11:35, 38, 41)—but doesn’t emphasize RCA, as they did. It does, however, offer decidedly bullish estimates of Admiral, ABC-Paramount, Beckman Instruments, RCA, Sylvania. Its forecasts for broadcasting-telecasting run to \$3.5-\$4.5 billion in billings within 10 years, as against 1954’s \$809,100,000 [and 1955’s probable \$1 billion-plus; Vol. 11:39].

This table of “selected financial statistics” is carried in the report:

Company	Ap. Price	Earnings Per Share 1955E	1954	Div.	Ind. 1955	Yield	P/E Ratio 1955E	1954-55 Price Range
Admiral	21	\$ 2.75	\$ 2.78	\$ 3.48	\$1.00	4.8%	7.7	30-18
ABC-Para.	29	2.00	1.06	2.13	1.00	3.4	14.5	33-15
Beckman†	24	1.06	0.85	0.70	N11	—	22.6	27-14
CBS*	23	1.80	1.56	1.24	0.80	3.3	13.5	33-14
Consol. Eng.	21	0.90	0.95	0.57	0.40	1.9	23.3	31-14
Hoffman	22	2.00	2.08	2.07	1.00	4.5	11.0	31-14
Motorola	46	4.00	3.91	3.66	1.50	3.2	11.5	60-30
Philco	32	2.25	1.70	4.86	1.60	4.8	14.2	43-28
RCA	45	2.90	2.66	2.27	1.35	3.0	15.5	55-22
Sylvania	44	4.00	2.93	3.10	2.00	4.4	11.0	50-32
Tung-Sol	28	3.75	3.16	3.03	1.25	4.4	7.5	33-16
Zenith	120	14.50	10.98	12.61	4.00	3.3	8.2	134-63

E—Estimated. †Year ended June 30. *On Class A & B shares.

Solar battery orders are “pouring in” from here and abroad and potential uses are unlimited, reports Fred Pollack, sales mgr. of Hoffman Electronics subsidiary National Fabricated Products which manufactures Bell Labs-designed unit (Vol. 11:41) under Western Electric license. Among future uses of cells, Pollack told *N.Y. Herald Tribune* Oct. 9, are operation of completely unmanned weather stations and soon-to-be-launched space satellites. Large-scale use of battery is unlikely, he said, until costs come down; unit of 400 cells now has \$8500 price tag.

Closed-circuit TV will be used experimentally to give airport control tower better view of newly extended runways at Alameda Naval Air Station, Cal. Three cameras will be located along runway, relaying view of aircraft to tower half mile away. Installation will cost \$50,000, about 10% of cost of moving tower or increasing its height to give operators better view of runway.

Vactron Corp., Fort Worth, manufacturer & rebuilder of TV picture tubes, headed by Don Houghton, has temporarily been denied SEC exemption from registering public offering of 300,000 shares of common stock at \$1 par value (filed May 13, 1955). SEC believes offering would exceed \$300,000 exemption limit, provides opportunity for hearing.

TV industry played major role in Senate hearing on patent laws this week when Dr. Allen B. DuMont and Donn Bennett, producer of *The Big Idea* (WCAU-TV), called for changes to stimulate invention. Dr. DuMont said that of thousands of radio patents only one or two have been judged valid by Supreme Court, saw “something wrong with system” and called for redefinition of patents. Bennett showed TV film of new inventions and explained part his show plays in presenting them to manufacturers. He also cited problems of private inventors under existing laws.

Southwestern Industrial Electronics Co., Houston manufacturer of electronic equipment for petroleum industry, plans merger with Dresser Industries Inc., Dallas manufacturer of gas, oil and chemical equipment, whose subsidiary Dresser-Ideco Co., Columbus, O., makes TV-radio antenna towers.

Recommended technical reading in Oct. *Electronics Magazine*: “Beyond-Horizon Signals Extend Communications” by v.p. James R. Day, Radio Engineering Labs; “Multiplexing FM Broadcast Transmitters” by John H. Bose, onetime asst. to Maj. Armstrong, now with Columbia U electronics research lab.

Sperti Products has acquired J. Leukart Machine Co., Columbus, O., thru exchange of stock in diversification move to expand nuclear and electronics production. Details were not announced but transfer in ownership does not affect executive, engineering or production personnel.

Maj. Gen. Jerry V. Matejka will become asst. to the director for telecommunications, Office of Defense Mobilization, on Nov. 1 following his retirement from Army Oct. 31, ODM director Arthur S. Flemming announced formally. Gen. Matejka is now serving with ODM on “temporary assignment” (Vol. 11:39).

Dr. James R. Whitehead, ex-McGill U associate professor of physics and radar veteran, named head of new RCA Victor Co. Ltd. Research Labs, Montreal, due to open before year’s end; associated with him in undisclosed capacity is Dr. Sydney Wagner, also from McGill.

Dr. Mervin J. Kelly, pres. of Bell Labs and Sir Gordon Radley, British Post Office director general, jointly received first Christopher Columbus International Communication prize at Genoa, Italy Oct. 12 for planning of 36-telephone circuit cable between Canada & Scotland.

Cleo F. Craig, pres. of AT&T, on Nov. 14 will receive 1955 gold medal of merit award of U of Pennsylvania’s Wharton School Alumni Assn. for “outstanding business leadership.”

Dr. Wm. O. Baker, Bell Labs physical sciences research director, elected v.p. in charge of research; Dr. Henrik W. Bode, mathematical research director, succeeds him.

Guy Entekin promoted to mgr. of Burlington, Ia. plant of International Resistance Co.; Roger Lowery promoted to senior mechanical engineer at Burlington.

John H. Beedle promoted to mgr. of Raytheon’s new commercial equipment div.; Gordon S. Humphrey elevated to mgr. of govt. equipment div.

William J. Barkley, ex-Collins Radio exec. v.p. & gen. sales mgr., named v.p. of Rust Industrial Co., Manchester, N.H., maker of remote control equipment.

George D. Butler, ex-sales v.p. of Warren Electronics Inc., Irvington, N.J., appointed sales director of Norden-Ketay Corp.

Matthew A. McLaughlin named Avco v.p. & gen. counsel, Henry J. Oechler appointed secy.

Charles P. Myers promoted to Westinghouse gen. counsel, Leonard E. Kust to gen. tax counsel.

Financial & Trade Notes: DuMont stockholders, at special meeting Oct. 10, approved in toto the plan to spin off broadcasting from manufacturing activities (Vol. 11:33-34, 39)—and board of directors of new DuMont Broadcasting Corp. proceeded forthwith to elect Bernard L. Goodwin, secy. of Allen B. DuMont Laboratories Inc. and v.p.-gen. mgr. of all music publishing subsidiaries of Paramount Pictures Inc., as pres. of the new company. Ted Cott was chosen v.p., and both went on the board.

An executive committee of 5 directors was set up, comprising Paramount v.p. Paul Raibourn as chairman, Dr. DuMont, Armand Erpf (partner of Carl M. Loeb, Rhoades & Co.) and Messrs. Goodwin and Cott. Raibourn was elected treas.; Richard L. Geismer & Irving Singer, asst. treas.; Paul O'Friel, asst. to secy. Other members of board are Barney Balaban, Dr. T. T. Goldsmith Jr., Stanley F. Patten, Percy M. Stewart, Edwin Weisl.

DuMont Broadcasting Co., it was announced, will seek to acquire more TV stations and some radio stations in addition to WABD, N. Y. and WTTG, Washington, which it takes over from parent company along with the DuMont Telecentre in N. Y. As soon as FCC approves transfers of stations, DBC will issue one share of stock for each 2½ now held. It will have 2,500,000 of \$1 par common outstanding (944,422 at start as result of 1-for-2½ distribution) and will seek additional working capital of at least \$1,500,000 through the sale of shares, to be offered first to present stockholders on pro rata basis.

DuMont Laboratories, which should shortly announce selection of a new pres., will increase its authorized shares from 2,500,000 to 5,000,000, will no longer have A & B classes. Presently 1,801,054 A shares are outstanding, 560,000 B, all latter owned by Paramount Pictures which also owns 68,500 A and which will thus continue to hold about 26% interest in the company. Stock option plan provides that 90,000 shares will be reserved for purchase by key executives, including the new pres., in addition to an option on 35,000 given Dr. DuMont.

Dr. DuMont becomes chairman of board, devoting full time to executive duties until 1966 at \$50,000 a year; thereafter, for 10 years, he will be paid \$20,000 a year as consultant. He no longer gets former incentive compensation of 2½% of companies' earnings in excess of \$1,000,000 before Federal taxes. New pres. will go on board, along with one other executive; other board members are same as DBC board except for Goodwin and Cott.

Note: Possibility that first new acquisition of DBC may be KTLA, Los Angeles (Klaus Landsburg, mgr.), owned by Paramount and operated as an independent, is seen in fact that Goodwin is v.p. of the KTLA operating company and Raibourn has been in charge of it virtually from its inception in 1947 as one of the pioneer TV stations of the country. However, it's undoubtedly valued at far more than the \$1,500,000 which it's proposed to raise for DBC initially. If KTLA is later merged into DBC on a stock basis, Paramount Pictures might conceivably acquire control of DBC. Paramount's interest is not only station operation but subscription TV, of which Paramount pres. Barney Balaban is one of the most ardent proponents.

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Electrical industry, including TV, radio & electronics, gained only .1% on rate of return on investment from 1940 to 1953, but in 1950 rose to 6.9% over 1940 figure, Federal Trade Commission reveals. In list of 25 selected industries, GE, Westinghouse, RCA, Sylvania were chosen as Big 4 of 68 firms in electrical category. GE showed return of 17.1% in 1940, 26.6% in 1950, 18.5% in 1953; Westinghouse return was 9.7%, 15.5% & 10.7% in those periods; RCA, 12.8%, 29% & 16.8%; Sylvania, 21.3%, 18.1% & 9.9%.

"Special earnings dynamics" in American Broadcasting-Paramount Theatres Inc. are seen in decidedly bullish report by S. B. Lurie, of Josephthal & Co., 120 Broadway, N. Y. in which he contrasts 1955 good profits prospects with losses of preceding 2 years and concludes "the 1956 potential could be explosive" and broadcast earnings "may exceed the respectable profits of the theatre division." Presently, his analysis states, the network has an indicated \$74,000,000 of billings on its books for the 1955-56 season, whereas this year's TV gross will be \$50-\$54,000,000 as compared with \$34,000,000 in 1954. He points out that NBC & CBS ("managed by advertising men rather than showmen") are practically "out" of saleable time; that ABC is gathering TV affiliates; that whereas Paramount division's profits were off 30% in first half of 1954, year ended with 11% gain; that current \$1 dividend rate may be raised; that AB-PT's working capital of nearly \$31,000,000 gives it strong position; that heavy depreciation charges permit rapid amortization of some \$40,000,000 of long-term debt. He concludes: "But it is the earnings potential inherent in a TV operation which has taken on a forward look that provides the immediate speculative 'plus.'"

Official Films Inc. (Harold L. Hackett, pres.-chairman; Herbert Jaffe, exec. v.p.) is asking its stockholders, in notice for Oct. 31 annual meeting, to approve increase in capital stock from present 2,000,000 shares to 3,000,000—stating it's to take advantage of profitable opportunities in near future. Acquisition of quality TV properties is goal. Present list includes *My Little Margie*, *Foreign Intrigue*, *Willy*, *Trouble with Father*, *Adventures of Robin Hood*.

Television Shares Management Corp., selling agent for Television-Electronics Fund, first open-end investment trust in the field, estimates factory value of electronic equipment and components, including TV-radio apparatus of all kinds, will run about \$8 billion this year, according to exec. v.p. Paul A. Just, speaking before Boston Investment Club. This compares, he said, with only \$213,000,000 in 1939.

General Instrument Corp., for 6 months ended Aug. 31, showed net loss of \$10,796 after carry-back tax credits on sales of \$13,350,127 vs. net loss of \$249,946 on sales of \$9,671,200 in 1954 period. The 1955 figures include sales and earnings since March 1 of Automatic Mfg. Corp., recently acquired subsidiary.

LaPointe Electronics reports loss of \$174,743 on sales of \$529,497 for 8 months ended June 30. No comparison available.

Teleprompter Corp. chairman Irving B. Kahn, announcing expansion program that includes absorption of franchiser Teleprompter National Sales Co., has named Herbert W. Hobler, formerly sales mgr. of the franchise company, as sales v.p., and has set up the following new divisions: stations div., headed by Warren Abrams, ex-CBS; public speaking & staging div., Wm. Marsh, director, handling govt. & export business and acting as liaison with Underwood Corp. in connection with production and sales of new "Telexecutive" portable cueing device (Vol. 11:41); sales service div., James Blair, director, and Ray Hagen, field sales rep.; network & film services div., Don Redell, director, in association with Bart Swift; field offices div., supervised by Hobler. Named director of operations is Nat Myers, with Phil Elbert as comptroller. The 3 organizers of the corporation—Kahn, Hubert J. Schlafly, Fred Barton—continue in their present positions, v.p. Schlafly directing engineering & development and v.p. Barton supervising western div. in Los Angeles. Firm now employs 200.

Color Trends & Briefs: Total of 16 stations, including network keys, are equipped with live color cameras as of today, RCA reports—with WFBM-TV, Indianapolis, the latest, installing chain this week and planning inauguration of colorcasts shortly. WOAI-TV, San Antonio, began live colorcasts Oct. 15 with 8 hours of color opening day and a schedule calling for average of 60 hours a month. RCA also reports that it has equipped 45 stations for color film & slides.

These are the stations with live color camera chains: WBAL-TV, Baltimore; WBEN-TV, Buffalo; WBAP-TV, Ft. Worth; WFBM-TV, Indianapolis; KNXT, KRCA & KTLA, Los Angeles; WTMJ-TV, Milwaukee; WCCO-TV, Minneapolis; WDSU-TV, New Orleans; WCBS-TV & WRCA-TV, New York; WKY-TV, Oklahoma City; KMTV, Omaha; WOAI-TV, San Antonio; KRON-TV, San Francisco.

RCA lists following with film & slide equipment: WSB-TV, Atlanta; WBAL-TV & WMAR-TV, Baltimore; WBZ-TV, Boston; WBEN-TV, Buffalo; WCHS-TV, Charleston, W. Va.; WBT, Charlotte; WNBQ, Chicago; WNBK, Cleveland; WWJ-TV, Detroit; WHO-TV, Des Moines; WBAP-TV, Ft. Worth; KMJ-TV, Fresno; KPRC-TV, Houston; WSAZ-TV, Huntington; WJAC-TV, Johnstown; WDAF-TV, Kansas City; WGAL-TV, Lancaster; KRCA & KTTV, Los Angeles; WTMJ-TV, Milwaukee; KSTP-TV, Minneapolis-St. Paul; WSM-TV, Nashville; WNHC-TV, New Haven; WRCA-TV, New York; WKY-TV, Oklahoma City; KMTV, Omaha; WXEX-TV, Petersburg-Richmond; WCAU-TV & WFIL-TV, Philadelphia; KTVK, Phoenix; KPTV, Portland, Ore.; WTVR, Richmond; WSLS-TV, Roanoke; KCRA-TV, Sacramento; WOAI-TV, San Antonio; KRON-TV, San Francisco; KOMO-TV, Seattle; KSD-TV, St. Louis; KHQ-TV, Spokane; WSyr-TV, Syracuse; WFLA-TV & WTVT, Tampa; WTOP-TV, Washington; WPFH, Wilmington, Del. In addition, CBS has purchased RCA film cameras for network use.

Summarizing color-equipment of NBC-TV affiliates this week, NBC exec. v.p. Robert Sarnoff noted that affiliates have fed several color shows to network and stated: "We hope to do more and more color originations on the local level. We believe color must spring up from all parts of America if it is to reach maturity as a national service." He said that 31 NBC-TV affiliates can now produce local color; that 102 affiliates can handle network color, putting NBC's color shows within reach of 90% of nation's TV homes. NBC's output of some 40 hours of color monthly represents 10% of its entire schedule, he said.

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Closed-circuit preview in color of "Alice in Wonderland," to be presented by Maurice Evans on NBC-TV *Hallmark of Fame* Oct. 23, 4-5:30 p.m., was shown to about 1000 Hallmark salesmen assembled at 100 NBC affiliates Oct. 13. Also shown were scenes from other plays in series: Nov. 20 "The Devil's Disciple," Dec. 11 "The Corn is Green," Feb. 5 "The Good Fairy." On Oct. 14 closed-circuit briefing on upcoming daily 3-4 p.m. color dramatic series, *NBC Matinee Theatre* which starts Oct. 31, was fed to 112 affiliates, where sponsors and ad agency representatives gathered. Show included dress rehearsal from Burbank, Cal. color studios, switched to WKY-TV, Oklahoma City, where mgr. Proctor A. (Bud) Sugg described station's role in series, then to Lansing, Mich. for interview with Michigan State U drama Prof. Wilson Paul, winding up in New York with presentation by NBC executives.

Motorola exec. v.p. Robert W. Galvin's color predictions: Retail sales of 50,000 this year, 300,000 next year, 1,000,000 in 1957. And prices in 1957 should be \$500-\$600, he said.

Network color schedules for next 2 weeks: NBC-TV—Oct. 17-21 & 24-28, *Howdy Doody*, 5:30-6 p.m.; Oct. 17, *Producers' Showcase*, "Cyrano de Bergerac," starring Jose Ferrer, Claire Bloom, 8-9:30 p.m.; Oct. 18, *Milton Berle Show*, featuring Ann Sothern, 8-9 p.m.; Oct. 20, *Home* segment, 11:45 a.m.-noon; Oct. 23, *Maurice Evans Presents*, "Alice in Wonderland," starring Gillian Barber, Eva LeGallienne, Bobby Clark, Martyn Green, Burr Tillstrom, 4-5:30 p.m.; Oct. 25, *Today* segments, 7-10 a.m., *Home* segments, 11:45-noon; Oct. 28, *Today & Home* segments (usual times); Oct. 29, NCAA football game, Iowa vs. Michigan, 2:15-5 p.m. CBS-TV—Oct. 18, *Red Skelton Show*, 9:30-10:00 p.m.; Oct. 20, *Climax*, "House of Shadows," starring Diana Lynn, James Daly, James Gleason, Jane Darwell, 8:30-9:30 p.m.; Oct. 22 & 29, *Gene Autry Show*, 7-7:30 p.m.; Oct. 22, *Ford Star Jubilee*, "Together With Music," starring Mary Martin, Noel Coward, 9:30-11 p.m. Other shows: NBC-TV—Nov. 5, *Max Liebman Presents*, "The Great Waltz," 9-10:30 p.m.; Nov. 6, *Color Spread*, "Constant Husband" (film), 7:30-9 p.m.; Nov. 14, *Producers' Showcase*, "Wonderful Town," 8-9:30 p.m.; Nov. 20, *Maurice Evans Presents*, "The Devil's Disciple," 4-5:30 p.m.; Nov. 26, NCAA football game, Army vs. Navy, 1:15-4 p.m.; Nov. 26, *Max Liebman Presents*, "Dearest Enemy," 9-10:30 p.m.; Nov. 30, *Kraft Television Theatre*, 9-10 p.m. CBS-TV—Nov. 5, 12, 19 & 26, *Gene Autry Show*, 7-7:30 p.m.

"Whale of a success" with its World Series color promotion is reported by Lawrence H. Rogers II, v.p.-gen. mgr. of WSAZ-TV, Huntington, W. Va. Besides 21-in. sets which he states packed them into Huntington & Charleston studios all 7 days, station had three 46-passenger buses, each with color set installed and with own special aerials, stationed at heaviest traffic locations in downtown Huntington—and they played to full (and rotating) houses at all times. For Sun. game, one of buses was detailed to International Nickel Co. picnic attended by 2000. Games in color also displaced programs of both Rotary & Kiwanis, some 550 attending, including Gov. of W. Va. and staff.

Excellent idea: *You and Color TV* on KOA-TV, Denver Oct. 18, 5-5:15 p.m., is designed to show viewers how to tune color sets. Operations supervisor Jim Butts will conduct program, cutting into colorcast *Milton Berle Show* to give viewers color picture to work with. Berle show is normally shown in Denver at 8 p.m. in black-&white via quick kine. Sponsors of unique program are local Pioneer TV Service and Daniels & Fisher.

NBC-TV "Colorcade," featuring 13 colorcasts of American scene inserted on *Today, Home & Howdy Doody*, started Oct. 14 with football game preview at Mich. State. Pickups are to be made by NBC color mobile unit (which televised World Series) at East Lansing, Mich., Oct. 20; Greenfield Village, Dearborn, Mich., Oct. 25; Ann Arbor, Mich., Oct. 28; Detroit, Nov. 3; Dayton, Nov. 9; Philadelphia, Nov. 23.

Foto-Video Labs (Albert J. Baracket, pres.), recently moved to larger quarters at 25 Amity St., Little Falls, N. J., reports shipment of color and black-&white video equipment to WRCA-TV, New York; KSL-TV, Salt Lake City; WCCO-TV, Minneapolis.

Prize of 21-in. RCA color set is being offered by George Storer's WGBS-TV, Miami (Ch. 23) to contestant submitting best name for new 937-ft. tower. Contest is aimed to promote both station and NBC color shows it carries.

San Francisco Chronicle's KRON-TV, one of most ardent boosters of color TV, had exhibit devoted to it that was one of highlights of Oct. 1-9 Exposition of Modern Living in Oakland.

THE RASH OF SALES of TV & radio stations appears to have subsided somewhat—and there are some that simply “can’t be had.” Nevertheless, the prudent owner ought to know the true worth of facilities he controls and new and improved methods of appraisal are available, according to Ray V. Hamilton, partner of Blackburn-Hamilton, station brokers, speaking Oct. 7 before Ohio Assn. of Radio & TV Bestrs. in Columbus.

Market values have risen appreciably in last few years, said Hamilton, with AM values rising “gradually” and TV soaring “phenomenally.” For example, Blackburn-Hamilton over the last 12 months negotiated sales of three 1-kw daytime radio stations in good but not top markets for prices ranging from \$450,000 to \$500,000 each; sold a TV station in the Northwest for \$375,000 in 1949 that’s valued in excess of \$4,000,000 now; might have had another TV in California in 1950 for \$500,000 that’s currently valued at some \$7,000,000. (Good guess is he was referring to KPIX, San Francisco, now owned by Westinghouse, with whose radio counterpart KSFO he was once connected himself.)

Standard considerations in setting going price of a TV and/or radio station, he said, are power & frequency; network affiliation; competitive factors in market; size, character & growth potential of market; fixed assets, “net quick” position, equipment inventory & condition, replacement needs; length of time station has operated; history of gross income and net earnings. Other criteria, which he said might be termed “psychological,” include an estimate of the reputation of the station in its own community, i.e., an evaluation of its goodwill.

He urged stations to secure “through scientific means, an appraisal of their properties—not as a onetime service but as a continuing service over the years.” Owners should know values not necessarily for sales purposes but also in order that to determine on what basis they want to retain and operate their properties.

NARTB fund to retain experts for fight against possible AT&T line charge increase will be solicited by TV v.p. Thad Brown in letters to all members next week. Action came after WTAR-TV’s Campbell Arnoux, in panel discussion at 3-day regional meeting in Roanoke Oct. 12-14, voiced fear that expiration of line contracts Oct. 31 would bring “terrific boost” in cost of programming. Lawrence H. (Bud) Rogers II, WSAZ-TV, Huntington, complained of music licensing fees in TV, said his radio operations spent \$4800 annually for licenses, TV costs were \$60,000. G. Richard Shafto, WIS-TV, Columbia, S. C., chairman of Code Review Board, said board had almost no complaints on films produced exclusively for TV.

Buying & selling seminar of Radio & TV Executives Society starts Oct. 18, meetings set at 12:15 p.m. at Old Brew House, 205 E. 54th St., N. Y. Curriculum arranged by co-chairmen H-R Representatives’ Frank Pellegrin and WNEW’S Mary McKenna includes Hugh Beville, NBC director of research; Hal Miller, Benton & Bowles; Beth Black, Harry B. Cohen Adv.; Anne Wright, J. Walter Thompson.

Pioneer FM broadcaster Capt. W. G. H. Finch has come the full circle by applying for an FM station to be operated from his home in Newtown, Conn. He established WGHF in New York in 1940, operated it until selling out to Muzak last June. In meantime, he returned to active naval duty during Korean war, rising to asst. chief of Office of Naval Research before retiring Aug. 1.

Power increases: WTVD, Durham, N.C. (Ch. 11) Oct. 5 to 316-kw ERP; KCRA-TV, Sacramento (Ch. 3) Sept. 23 to 100-kw; WCOV-TV, Montgomery, Ala. (Ch. 20) Sept. 30 resumed operation at 200-kw ERP, following temporary low-power operation due to fire (Vol. 11:35).

Some \$7,000,000 may be spent on TV political campaigning next year at both national and state-local levels, party spokesmen estimated this week. GOP chairman Leonard Hall told N. Y. Republican Club that national TV budget had been set at \$1,500,000-\$2,000,000, and national committee officials estimated that state-local spending would equal or exceed that amount. Democrats were vague on TV plans but admitted they wouldn’t let GOP get too far ahead. In 1952, Republicans spent \$1,643,909 on TV nationally, Democrats \$1,303,916 (Vol. 9:1). If GOP plans materialize—and if Democrats maintain 1952 ratio—total outlay at all levels will reach or exceed \$7,000,000. Chairman Hall said “a great deal” of Republican outlay would be spent in South because of high TV expansion there. Both parties are eyeing spot time at end of national campaign programs as ideal for state-local plugs. For Democrats, it will be “year of decision” on TV, party spokesman said, with chance to evaluate fully the effect of telecasts on campaigning. GOP time-buying will be handled by Carroll Newton, BBD&O, with Harry Beaudouin, ex-NBC press dept., in charge of promotion. Democrats haven’t named agency, but Jack Christie is director of TV-radio activity. There were 112 stations and approximately 20,000,000 sets-in-use at time of 1952 elections; by 1956 elections, there will be some 500 stations and at least 40,000,000 sets.

Dispute over private vs. AT&T microwave has resulted in litigation between North Dakota Bestg. Co. (KCJB-TV, Minot; KXJB-TV, Valley City; KBMB-TV, Bismarck) and AT&T in Federal Court at Fargo. AT&T first filed suit seeking \$9000 from the broadcaster for alleged failure to pay expediting charges for construction of microwave relay system from Minneapolis to Fargo. North Dakota Bestg. pres. John W. Boler then filed counterclaim and cross-complaint seeking \$20,180, including \$18,180 for costs incurred in preparations for building own microwave at a time it says AT&T would not agree to build the relay system connecting Minneapolis to Fargo. Boler also asked reimbursement of \$2000 in charges by AT&T which he called “excessive and unlawful.”

New speed records claimed: (1) RCA and KARD-TV, Wichita (Ch. 3) installed station from cameras to antenna tip, constructed transmitter building and went on air Sept. 1 with full power exactly 30 days after equipment arrived. (2) WHTN-TV, Huntington, W. Va. (Ch. 13) began operating Oct. 2 with temporary antenna just 24 days after start of construction, including 3000-seat studio. Among previous record claimants, KPTV, Portland, Ore. (Ch. 27) in 1952 went on air 60 hours after transmitter and tower had completed trip across continent (Vol. 8:38).

Sidelight on deintermixture squabble: WTIC, Hartford, applicant for Ch. 3, this week complained to FCC that uhf WWLP, Springfield, Mass., was “using its TV facilities in an attempt improperly to obtain public support for its position before the Commission to delete Ch. 3 from Hartford.” WTIC said WWLP gen. mgr. Wm. L. Putnam appeared on station Oct. 11 requesting viewers to write FCC urging deintermixture in Connecticut Valley. WTIC protested such use of WWLP’s facilities, urged full inquiry by Commission.

Long-distance uhf transmission using “scatter” principles (Vol. 11:32) is subject of RCA experiments with new antenna atop northern tip of Adirondack Mountains at Covey Hill, Que., 2 mi. north of U.S. border. Signals are beamed directly to receiver in Riverhead, L.I., 288 mi. away.

New “captive TV” closed circuit system—using Vidicon camera, self-contained receiver-control board combination & microphone-intercom unit—is being marketed by Siegler Corp.’s Hallamore Electronics Co., Long Beach, Cal. (sales headquarters at 221 N. LaSalle St., Chicago).

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SUMMARY - INDEX OF THE WEEK'S NEWS — October 22, 1955

PAT WEAVER'S LONDON speech called "great" by leading British journal, is fine documentary on commercial telecasting (p. 1 and Supplement).

"STRAW VOTE" AT FCC generally opposes deintermixture, but decisions are still tentative; final word not expected for 2 weeks (p. 1).

2-MEGAWATT EQUIPMENT ordered by Scranton uhf outlet, along with gear for 2 new semi-satellites at Williamsport and Sunbury, Pa. (p. 2).

THEATRES OPPOSE THEATRE-TV for World Series, as Theatre Owners of America refuses to have any part in plan which would do "disservice to millions" (p. 3).

ILLEGAL BOOSTERS perform useful service, hurt no one, FCC examiner states, but attorneys agree FCC will reverse decision, silence boosters (p. 4).

ONE CRITIC BERATES us for inferring any foreigners can do better; more comments by technical experts on "whys" of the British TV image (p. 7).

MERCHANDISING GIMMICKS give big lift to record TV sales pace. GE's Dr. Baker sharply critical of current color marketing techniques (p. 10).

WAR ON TUBE "COUNTERFEITERS" intensified by Sylvania, which lists 5 ways for service dealer to determine whether tube is used or new (p. 13).

AUTOMATION MUST EXPAND, electronics spokesmen agree, though Sprague warns against plunging in without careful cost studies (p. 13).

GOLDMAN, SACHS & CO. report on electronics sees TV-radio-appliance business at \$3.8 billion this year, or 2.4% of nation's retail sales (p. 14).

TV-RADIO CENSUS, county-by-county, to be made this year by Nielsen, released in mid-1956. Farm TV figures compiled for Del., Ill., Ind., N. C. (p. 9).

"CYRANO" COLORCAST superb, but outdoor sports still disappointing; NBC & CBS update list of affiliates capable of rebroadcasting color (p. 15).

'SYLVESTER WEAVER'S GREAT SPEECH': That's how World's Press News and Advertisers' Review headlined p. 1 box calling attention to its 4-p. loose-leaf supplement carrying transcript of the NBC president's notable speech in London before the Institute of Practitioners of Advertising, which is a sort of counterpart of our AAAA. Though we recently published excerpts of that address (Vol. 11:41), which the trade press here apparently overlooked and full text of which NBC could not at first supply, we are also reproducing the WPN supplement this week and distributing it to you here-with through the cabled permission of that eminent mouthpiece of Fleet Street.

We regard it as one of the most lucid discussions and powerful defenses (if indeed defense is needed) of the American system of telecasting, which Britain has at least partially adopted. It's so cogently expressed, such a fine commentary on the business of telecasting, that it can be used as copybook material for American students of the industry. Interestingly, the British publication, which calls itself "The National Weekly for Press and Advertising," stands out in striking contrast to its U.S. counterpart for the generous treatment it accords the news of TV -- and, we might add, the substantial lineage it gets from the TV as well as printed media.

FCC GROPING FOR NEW ALLOCATIONS POLICY: This was another crucial week on deintermixture and allocations, and though FCC made some very tentative and unannounced decisions -- which tend somewhat to indicate that wind blows against deintermixture -- no really clearcut policy is expected to emerge for 2 weeks. Specifically, FCC on Oct. 17 instructed staff to draft series of decisions. But vote on each case was so close or so many commissioners abstained from voting, or votes had so many strings attached -- that it's foolhardy to predict ultimate final vote.

Here's how the "straw votes" ran: Evansville, Madison and Peoria -- 3-1 vote to turn down deintermixture; Hartford -- 3-2 vote for deintermixture; Albany -- 4-2 vote to drop Ch. 10 into nearby Vail Mills.

On top of these, there were instructions to begin general allocations rule-making to evaluate all plans submitted to date. Great uncertainty about final vote

stems from fact that as many as 3 commissioners abstained from tentative vote and that there's much concern in FCC that actions may not be consistent.

It's presumed Commission would begin issuing final decisions on vhf channels in areas affected if deintermixture decisions are finalized. But biggest question is whether new CP-holders would be permitted to build pending overall allocations study. Commission hasn't yet made up its mind on this.

There was speculation several commissioners might continue to abstain, declining to vote not only on final deintermixture go-around but on final vhf decisions which might be brought up for action thereafter.

No final action of any kind is expected next week. No meetings are scheduled, for members will be attending meeting of National Assn. of Railroad and Utilities Commissioners in Asheville, N.C. "Der Tag" may possibly be Nov. 2.

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Manufacturing industry went on record with FCC, meanwhile, when RETMA's new Frequency Allocation Study Committee sent letter urging that TV needs both vhf & uhf; that FCC's allocation plan (and therefore uhf) is not "fundamentally defective or inadequate" despite "statements of a pessimistic nature that have been made recently to the Commission and in the press"; that RETMA stands ready to make definitive technical studies of uhf to aid Commission in re-evaluating allocations.

RETMA group is headed by Dr. W.R.G. Baker, v.p. of GE, which has heavy commitments in uhf through manufacture of uhf equipment and its contributions to NATS station-aid plan. Other members: H. Leslie Hoffman, RETMA pres.; Max F. Balcom, Sylvania; Paul V. Galvin, Motorola; E.C. Anderson, RCA; H.C. Bonfig, CBS-Columbia; Leonard C. Truesdell, Zenith; James D. McLean, Philco.

Educators also urged that uhf be saved. Joint Committee on Educational TV noted that 172 of the 258 educational assignments are uhf; that only 3 educational uhf stations are on the air, whereas 12 vhf's are operating. "It is therefore clear," JCET wrote FCC, "that the future development of educational TV on a nationwide basis is closely tied in with the development and success of uhf TV."

Uhf operators raced against time, meanwhile, filing numerous petitions asking Commission not to turn down deintermixture and not "aggravate" situation with new vhf grants until it has studied whole allocations picture.

Sharp attack on CBS's allocations proposals (Vol. 11:41) was launched by a group of New England uhfs. Hartford's WGTH-TV, New Britain's WKNB-TV, Springfield-Holyoke's WWLP & WHYN-TV filed petition stating, among other things: "The CBS allocation plan is exclusively a plan for the distribution of national TV network programs, utilizing the fewest possible number of stations. The concepts on which it is based are in conflict with the basic policies embodied in the Communications Act."

Vhf applicants who have won initial decisions were also jittery, and several told FCC that requests for delay should be turned down and CPs finally issued. Commission did turn down one petition for delay, denying request of Storer's uhf WGBS-TV & Ft. Lauderdale's WITV (Mortimer Loewi) that final decisions be delayed in Miami Ch. 7 & Ch. 10 cases. Commission said that petitioners had no standing to request such action; that they were "strangers" to the cases and had no right to ask FCC to tie its hands. Comr. Hyde dissented, said that because WGBS-TV & WITV have Miami deintermixture petition pending they're entitled to full Commission consideration.

FCC held up for another month, until Dec. 1, its change in rules to permit vhf stations in Zone I to go to 1250 ft. with full power.

BOLD NEW UHF SCHEME IN SCRANTON: If uhf is dying, they haven't heard about it in Wilkes-Barre & Scranton. That area already has nation's first two 1,000,000-watt TV stations -- and soon is scheduled to get first one that can deliver 2,000,000 watts, with its own 2 new uhf semi-satellite "associate stations" in nearby cities.

Scranton CBS affiliate WGBI-TV (Ch. 22) has signed contract with GE for more than \$500,000 worth of equipment -- "by far the largest single order for uhf TV broadcasting equipment ever signed" -- not only for its own unique power-boost "laboratory" but also to put on air 2 long-inactive grantees in Williamsport & Sunbury.

WGBI-TV isn't sure whether it will go permanently to 2,000,000 watts or not, but it has ordered equipment to make it possible -- GE 45-kw transmitter & 50-gain helical antenna. It also has bought special switching equipment for changing the antenna-transmitter groupings to test various power-&gain combinations for coverage and economic feasibility. It applied to FCC this week for authority to experiment with powers up to 2 megawatts. At same time it asked Commission to postpone any action to permit uhf powers up to 5 megawatts until WGBI-TV completes propagation tests at various powers, as nation's first high-power uhf laboratory.

Promising to make all data available to the industry, WGBI-TV proposes to increase height by 240-ft., install special 2-section antenna which can provide gain of 25 or 50, transmitter which can deliver 12, 23 or 45 kw. It will set up special field strength measuring stations at various distances from transmitter. It will operate both above and below 1-megawatt level to determine exactly how much difference high power really makes.

It is especially interested in solving a long-time TV controversy: antenna gain vs. transmitter power. So it will make exhaustive tests with 1-megawatt ERP achieved in 2 different ways: 45-kw transmitter power with 25-gain antenna, and 23-kw power with 50-gain antenna. A WGBI-TV official estimated that latter method would cost about \$5000 a month less than former, due to savings in electricity.

* * * *

Scranton station is expected to purchase controlling interest in CP-holder WRAK-TV, Williamsport (Ch. 36) through WGBI-TV attorney Vance L. Eckersley, who has option to buy Williamsport station. It's also probable that WGBI-TV will buy interest in its second "associate" station, Sunbury's WKOK-TV (Ch. 38).

Williamsport station will pick up WGBI-TV programs via one-hop microwave and rebroadcast them with 25-kw ERP. Sunbury outlet will use direct pickup and 250-kw power plant. Both stations will have local staffs and originate up to 3 hours of local programming daily. Williamsport construction will begin as soon as transfer application is approved by FCC, and is slated to be on air 90 days thereafter. The Sunbury construction will take longer, since site surveys, etc. must be made.

All equipment for the 3 stations is due for late fall delivery, but WGBI-TV spokesman says 2-megawatt gear probably won't be operative until early spring.

Other stations in area are Wilkes-Barre's WBRE-TV & WILK-TV, both now operating at 1-megawatt (Vol. 11:3) and Scranton's WARM-TV & WTVU (latter off air pending channel change) -- all uhf and all those on air reportedly doing very well.

THEATRES NIX 'POPCORN WORLD SERIES': Theatre-TV entrepreneurs who plan to negotiate for exclusive rights to the World Series had the rug pulled out from under them this week by their own best friends, the theatre owners.

Noting the already rising resentment of ball fans over reports that Theatre Network TV wants to tie up rights to 1957 Series (Vol. 11:41), big Theatre Owners of America decided to nip the whole business in the bud before it gets out of hand. The exhibitors' group put out strong statement pledging undying fealty to principle of free TV and invoking a pox on anyone who aids or abets any admission-fee TV scheme.

TOA had a threefold purpose in issuing its timely statement: (1) Theatres would reap an unprecedented harvest of public ill-will if Series were suddenly taken from free home screens and put on theatre screens at a price. (2) As active opponent of subscription TV through exhibitors' Committee Against Pay TV, TOA realizes the hypocrisy of opposing fee TV for the home while profiting from fee TV in the theatre. (3) TNT's chances of grabbing off World Series were so extremely remote that the theatres had nothing to lose and everything to gain by taking their stand.

Though it did not mention theatre TV, TOA's statement voiced "serious concern" over reports that negotiations may be conducted to make "the public pay an admission charge or a fee for the privilege of seeing each televised [World Series] game." TOA said it felt "that the mere announcement of such a completed plan will arouse a wave of indignation on the part of the public..."

"The tradition of watching the World Series on free TV is firmly entrenched

in American life. If the public should be deprived of this privilege, it is our opinion that not only organized baseball but also any organizations connected with such a plan would be doing a serious disservice to millions of Americans."

Note: American Federation of TV & Radio Artists this week announced that it opposes fee TV because "it will reduce the employment opportunities of our members, will adversely affect the entertainment industry and is not in the public interest."

NO HARM IN ILLEGAL BOOSTERS, SAYS EXAMINER: In one of the most startling examiners' decisions in many a moon, FCC examiner J.D. Bond held this week (FCC 55D-65, 66, 67) that there's nothing wrong with illegal boosters -- and recommended the Commission not take them off air. In ruling on cease-&-desist proceedings against operators of such boosters in Bridgeport, Nespalem & Quincy, all in the State of Washington, Bond flabbergasted the industry -- particularly the operators of community antenna systems -- when he wrote in his conclusions:

"The TV booster station does not cause objectionable or harmful interference to any existing or authorized radio broadcast or communications transmission or reception. This new use of radio, in practice, affords a larger and more effective use of TV broadcast channels so that many families in the area are provided with a better, dependable, and more economical TV program service...The utilization of radio channels and the Commission's essential controls thereof are not impaired or threatened by [unlicensed boosters]." Earlier in decision, Bond stated:

"In both highway and electronic airway traffic the cognizant authorities have rules for licensing and controlling the high-powered vehicles employed, but it does not follow in either situation that an unlicensed baby buggy or a low-powered booster station must be denied a little room to perform its useful chore."

Both FCC and industry attorneys told us unanimously that Commission is bound to reverse the decision -- with a vengeance. To do otherwise, they say, would be to abdicate FCC's basic control over transmissions. Said one: "He's simply repealing the Communications Act."

National Community TV Assn. counsel E. Stratford Smith alternated between hilarity and incredulity. Taking the "baby buggy" statement, he said:

"In this incredibly inept and short-sighted analogy, the Examiner reveals his complete lack of comprehension of the problem confronting him. He failed to perceive that hundreds, or perhaps thousands, of unlicensed 'baby buggies' on the same highways with high-powered vehicles must inevitably result in the mass destruction of the babies." Attacking Bond's opinion that boosters are doing no harm, Smith said: "This is like saying that if a victim can afford to be robbed and the loot will be put to good use, then larceny is of no consequence, or that the police need not concern themselves over a hit-&-run driver if the victim is not seriously injured and the driver had an excuse for being in a hurry."

With estimated 50-185 illegal boosters operating, with Washington Senators Magnuson & Jackson backing them, now with Bond's decision -- it's expected that the boosters will sprout like mushrooms until FCC finally acts.

Signs of the TV times: NBC-owned TV-AM stations in Sept. increased local sales nearly 38% over Sept. 1954, all stations sharing in rise, reports v.p. Charles R. Denny; Local TV was up 36%, local radio up 44%; national spot in both media is also running well ahead. KRCA, Los Angeles, increased local TV sales 64%; WRC-TV, Washington, 63%. In radio, WMAQ, Chicago, was up 121%; KNBC, San Francisco, up 57% . . . KNXT-CBS, Los Angeles key, enjoyed all-time record summer quarter (July-Aug.-Sept.), according to sales mgr. Robert D. Wood; it was 62% ahead of same 1954 quarter, with local up 80% and spot up 45% . . . WOR-TV, General Tele-radio-owned, oft pointed out as one of the "unprofitable" N. Y. stations (which it has denied during last year), reports billings up 82% for first 9 months of year, increases rates 25-110%, first hike since Nov. 1952.

The two biggest concert artist bureaus and their subsidiaries, representing some 80% of nation's bookings, were fined total of \$16,000 in Federal court in N. Y. this week after pleading nolo contendere to Dept. of Justice civil & criminal anti-trust complaints charging conspiracy to restrain interstate trade, monopoly in management & booking of concert artists, illegal operation of audience associations, conspiracy to refrain from competing with one another. Columbia Artists Management Inc. was fined \$2000, its subsidiary Community Concerts Inc. \$10,000; National Concert & Artists Corp. and its subsidiary Civic Concert Service Inc. were fined \$2000 each. They said govt. charges related to activities discontinued 7 years ago. Note: Networks were once in artist bureau field, from which they had to withdraw, and they are connected with these companies now only as occasional clients.

Personal Notes: Harold E. Fellows, NARTB pres., due to be released from Boston hospital this week end, will convalesce from siege of pneumonia at home in Swampscott, Mass. during next 2 weeks . . . Sylvester L. (Pat) Weaver, NBC pres., returns to N. Y. Nov. 1 after trip around world; this week he was in Singapore, Manila, Hong Kong, then he proceeds to Tokyo & Honolulu . . . Earl M. Johnson, Mutual v.p. in charge of station relations & engineering, program v.p. Roy Danish, network programming v.p. Bert Hauser, among more than 30 dropped in staff reduction ordered this week . . . George Pamental, ex-NBC & Fletcher D. Richards Inc., joins expanded WOR-TV sales dept., along with Warren M. Morton, ex-ABC-TV & Crosley Bestg. Co., and Robert Bastian, latter assigned to Chicago office . . . Wm. C. Gillogly promoted to ABC-TV eastern sales mgr., reporting to national sales mgr. Charles R. Abry . . . Robert Curran promoted to mgr. of ABC co-op sales for TV, Wm. Aronson for radio, in separation of co-op depts. . . . Robert L. Coe promoted to midwest regional mgr., ABC-TV station relations dept. . . . Fred Ahern resigns as operations director, CBS-TV Hollywood . . . Joseph O. Meyers promoted to mgr. of NBC News, reporting to news director Wm. R. McAndrew . . . L. A. (Duke) Larson now is asst. gen. mgr. as well as sales mgr. of WISN-TV, Milwaukee, reporting to v.p. I. E. Showerman . . . Miss Fran Riley resigns as asst. director of NARTB publicity & informational services to join Ted Bates publicity dept., N. Y. . . . Warren Woods leaves Washington law firm of Roberts & McInnis Nov. 1, starting own practice at 1701 K St. NW (phone National 8-2520) . . . V. Byron (By) Williams promoted to program director of WTRF-TV, Wheeling, W. Va., succeeding Louis Meyer, with Garry Vorhees succeeding Williams as asst. program director . . . Mary Smith promoted to Trendex v.p., John P. List to comptroller . . . Stuart Nathanson, ex-asst. production mgr. of KIMA-TV, Yakima, Wash., becomes production chief of satellite KEPR-TV, Pasco, Wash., when on Nov. 1 it begins "live studio" programming; Robert Parnell, ex-KIMA, named chief studio engineer . . . O. W. Myers named gen. mgr. of WNEM-TV, Bay City, Mich., succeeding Harry E. Travis, with D. Scott Hager as asst. gen. mgr. . . . M. D. Hunnicutt, ex-WLOS-TV, Asheville, N. C., named operating supervisor of educational WTTW, Chicago . . . Joseph Bonansinga, v.p.-gen. mgr. of WGEM-TV, Quincy, Ill., elected pres. of Illinois Broadcasters Assn. . . . William L. Kost, ex-sales mgr., WRDW-TV, Augusta, Ga., ex-Headley-Reed, 1930 West Point graduate, joins WABC-TV sales, N. Y. . . . Paul Blair, ex-Ziv, appointed to head Chicago office of UM&M TV office of United Film Service, headquartering at 333 No. Michigan Ave. . . . Manny Reiner, ex-Guild Films sales v.p., succeeds Bernard Jacon as gen. sales mgr. of I.F.E. Releasing Corp. . . . Mrs. Shirley Hewitt promoted to exec. asst., Blair-TV, N. Y. . . . Bernard Musnik, ex-Crosley Bestg. Co. eastern sales v.p., joins Ziv in business development of new products . . . Joseph McDonald, NBC, named chairman of NARTB copyright committee, succeeding Joseph Baudino, Westinghouse.

Competent outside staff for FCC network study is proving extremely difficult to recruit. Meanwhile, 2 from Commission staff have been detailed to the investigation—chief economist H. H. Goldin and attorney Ashbrook Bryant. Other Commission people have been given assignments, but they're on part-time basis, paid from FCC funds—not from the \$80,000 appropriated by Congress for study. Those who may be called upon for specific tasks include economists James Sheridan & Irwin Fine, attorneys Max Paglin, Sol Schildhouse & Thomas Fitzpatrick, engineer Louis Rein, accountant Robert Leahy.

AGENCIES: Charles W. Tennant Jr., creative director of Geoffrey Wade Adv., Chicago, named director of adv., Miles Laboratories, as Wade named Booth Luck chief of TV spot & film section, Jack Farnell director of network TV programs, Peter Lind radio director . . . Robert R. Newell, Cunningham & Walsh v.p. in charge of creative production & chairman of its operations committee, appointed exec. v.p. . . . John W. Forney, senior v.p., Campbell-Mithun Co., Minneapolis, has resigned to open own agency, John W. Forney Inc., Roanoke Bldg.; Kenneth D. Ruble promoted to v.p. . . . Robert P. Kleimann, ex-Strauchem & McKim Adv., Cincinnati, named TV-radio production supervisor, Foote, Cone & Belding, L. A. . . . William W. Suitt, ex-Maxon, Detroit, now v.p. & partner in new Wright, Campbell & Suitt Inc., Chicago . . . Robert Lee named Canadian TV-radio supervisor, Young & Rubicam, Montreal . . . Jeff Wilson transferred by Al Paul Lefton Co. to v.p.-gen. mgr. of Chicago office.

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Spot reps are "short-sighted" in their opposition to *Monitor* and its extension to a daily service, NBC exec. v.p. Robert W. Sarnoff told AAAA conference in N.Y. Oct. 19, declaring "everybody in the radio business ought to be concentrating on getting more total nourishment for the medium, instead of fighting over diminished scraps." He said network radio is far from dead, appealed to advertisers for support of its new forms of "block programming" (Vol. 11:41) to start new upward spiral. Sharing same platform, CBS Radio v.p. Howard G. Barnes defended CBS policy of big-name entertainment on regular schedules, said: "We are serving a mandate of the public based on 30 years of entrenched listening habits that cannot be tossed aside casually." Hope for "bedeviled TV viewer" in form of less offensive commercials that are more effective in promoting sales was held out by Horace Schwerin, pres. of Schwerin Research Corp. He warned against using size of audience as sole yardstick for effectiveness of commercials, said messages for Toni home permanents and General Mills' Sugar Jet cereals were examples of "mood" approach, which were both highly effective in sales and well received by audience.

Alexander Film Co., Colorado Springs, nation's largest producer of theatrical film commercials and also active in TV commercials, has been sold for more than \$2,500,000 to Harold Kaye and Monte E. Livingston, who are expected to step up firm's TV activities. New majority owner Kaye formerly headed Harold Kaye ad agency in N. Y., currently is part owner of AM stations WMFJ, Daytona Beach; WLOW, Portsmouth, Va.; WORC, Worcester, Mass.; WINN, Louisville; and WALT, Tampa—latter 2 stations having been recently purchased. Livingston, minority purchaser, is Hollywood attorney and exec. v.p. of Lone Ranger Inc. Sale was negotiated by Allen Kander and Edwin Tornberg.

New FCC examiner appointed this week: Jay A. Kyle, 49, now gen. counsel of Kansas Corp. Commission, state's utilities regulation body, and a former asst. attorney general of Kansas.

George C. Dibert, J. Walter Thompson Co. v.p., who owns a retail store in Conn. dealing exclusively in RCA receivers, elected chairman of Audit Bureau of Circulation, succeeding John H. Platt, Chicago.

Mrs. Frank U. Fletcher, 42, wife of partner of Spearman & Roberson law firm and daughter of the late Col. A. V. Dalrymple, onetime Radio Commission official, died in Washington Oct. 17. Besides her husband, she is survived by 3 children—Frank Jr. 18, Dalrymple 13, Anne 3.

Network Accounts: Electric Companies of America, assn. of utilities, will sponsor NBC-TV's "Project 20" series of 9 "telementaries," replacing Pontiac, which cancelled this week. Series will start early next year, leading off with *Nightmare in Red*, depicting rise of Communism in Russia. Pontiac also dropped 2 programs of Ed Murrow's *See It Now* series on CBS-TV; first show, Wed. Oct. 26, 9-10 p.m., will be profile of Vice President's role. It gave no reason for its sudden action, which took trade by surprise . . . Revlon and P. Lorillard Co. to share sponsorship of *\$64,000 Panel*, an outgrowth of Revlon's top-rated *\$64,000 Question*, on CBS-TV starting in late Nov., Sun. 10-10:30 p.m.; Revlon has also appointed Emil Mogul Co. to replace BBDO for its "Silknet" hair spray, "Aquamarine" shampoo and another unidentified product . . . Curtiss Candy to be alt. sponsor (with General Mills) of Screen Gems' *Tales of the Texas Rangers* on CBS-TV starting Oct. 29, Sat. 11:30-noon, thru C. L. Miller Adv., Chicago . . . Monsanto Chemical Co. (plastics div.) to sponsor 4 *Winky Dink and You* shows before Xmas on CBS-TV, Sat. 10:30-11 a.m. & Sun. noon-12:30 p.m., thru Needham, Louis & Brorby . . . Minute Maid (orange juice) buys alt. Wed. 12:15-12:30 p.m. segment of *Tennessee Ernie Show* on NBC-TV starting Nov. 2, Mon.-thru-Fri. 12-12:30, thru Ted Bates . . . General Foods to sponsor one-shot Ringling Brothers circus performance from Sarasota, Fla. on CBS-TV Dec. 16, Fri. 8-9 p.m., thru Benton & Bowles . . . NBC-TV to originate partic.-sponsored *World of Mr. Sweeney* from west coast starting Nov. 7, Mon.-thru-Fri. 4:30-4:45 p.m. . . Oldsmobile to use one-shot *Patti Page Premiere Party Show* on NBC-TV Nov. 2, Wed. 10:30-11 p.m., for introduction of its 1956 line . . . New name of *You'll Never Get Rich* on CBS-TV will be *Phil Silvers Show*, effective Oct. 25, Tue. 8-8:30 p.m.

Rate increases: WFIL-TV, Philadelphia, raises base hour from \$2400 to \$2875, min. \$450 to \$575; KTLA, Los Angeles, hour from \$1250 to \$1500, min. \$250 to \$300; WBAL-TV, Baltimore, from \$1100 to \$1250 & \$200 to \$275; KPRC-TV, Houston, from \$900 to \$1000 & \$180 to \$220; KERO-TV, Bakersfield, Cal., from \$400 to \$500 & \$80 to \$100; WVEC-TV, Hampton-Norfolk, from \$300 to \$350 & \$60 to \$70; WKBT, LaCrosse, Wis. adds Class AA hour (7:30-10 p.m. daily) at \$300, min. at \$60, Class A hour remaining \$250; KWFT-TV, Wichita Falls, raises hour from \$250 to \$300, min. \$50 to \$60; KVOA-TV, Tucson, from \$225 to \$250 & \$45 to \$50; KKTU, Colorado Springs, from \$150 to \$200 & \$40 to \$50; CKX-TV, Brandon, Man. from \$150 to \$170 & \$33 to \$37. Spot rate increases: WWJ-TV, Detroit, raises base min. from \$400 to \$500; WOAI-TV, San Antonio, min. from \$140 to \$160.

Among advertisers currently reported using or preparing to use TV station time: Norfolk Paint Co., Quincy, Mass. (paints), thru Hoag & Provandie, Boston; Smith Bros., Poughkeepsie, N. Y. (cough drops), thru Sullivan, Stauffer, Colwell & Bayles, N. Y.; C. F. Mueller Co., Jersey City (macaroni & spaghetti), thru Scheideler, Beck & Werner, N. Y.; SeaPak Corp., St. Simons Island, Ga. (frozen seafood), thru N. W. Ayer, N. Y.; Clayton Labs, subsidiary of Grove Laboratories, St. Louis (Citroid cold remedy), thru Dowd, Redfield & Johnstone, N. Y.; Tenilhist Co., Dallas (Tenilhist cough syrup), thru Pams Adv., Dallas; Pepperidge Farms, Norwalk, Conn. (bakery products), thru Kenyon & Eckhardt, N. Y.; Desert Inn, Palm Springs, Cal., thru Goodman-Anderson Adv., L.A.

Printers' Ink Advertisers' Guide to Marketing for 1956, released Oct. 21, lists top 100 advertisers and all those who spent more than \$1,000,000 in advertising in 1951, 1952, 1953 & 1954, giving combined totals for the 7 major media; also, for same years, are tabulations of 100 leading TV network and 100 top radio network advertisers.

Telecasting Notes: Masterpiece of understatement from Oct. 19 *Variety*, a publication not generally noted for understatement: "New season has further alerted the networks to one other major factor: In view of what's been happening on the Warner Bros. Presents, MGM Parade and Screen Directors Playhouse fronts, many feel the time has come for a re-evaluation of the picture in terms of what contribution, if any, the film industry can make to big-league TV" . . . "The Comics Are Still the Giants of TV," headlines same *Variety* article, pointing out that new season is now old enough to show that "drama, audience participation, quizzers, even a \$64,000 *Question* can come and go, but the comic who's worth his salt remains the A-1 basic ingredient who can pull 'em in and give a network a something extra when the Niensens and Trendexes are tabulated" . . . Movie producers reported agreeing to put up \$150,000 to sponsor telecast of Council of Motion Picture Organizations' Audience Awards (Vol. 11:42); in past, same companies have refused to sponsor Academy Award Oscar presentations . . . Motion Picture Academy's board has rejected number of offers for TV film series capitalizing on Oscar winners; Academy feels it "couldn't control the quality" of such a show . . . Bellyfull of Hollywood? Ziv announces "new film talent policy" of tapping east coast pool of actors and writers for its film series. "Hollywood is using up its TV talent at a rapid rate, and some acting faces and writing styles are in danger of becoming all-too-familiar," said pres. John L. Sinn . . . Speculation continues in trade press on General Teleradio's plans for TV release of RKO feature backlogs. Latest rumor is that company plans to release 60-75 a year beginning by next Jan. 1 . . . Kraft TV Theatre, which this week marked 503rd performance, offers \$50,000 award to writer of best TV play it uses from Nov. 2, 1955 to Oct. 31, 1956. Judges in unusual promotion-&-talent search will be N. Y. *Herald Tribune* drama critic Walter Kerr, actress Helen Hayes, playwright Maxwell Anderson . . . That off-again-on-again Bing Crosby musical version of *High Tor*, to be filmed as a CBS-TV spectacular, now reported preparing for first rehearsals Oct. 31 in N. Y. for filming by Desilu . . . CBS reopens negotiations for a TV natural—2-hour performance of *Porgy & Bess*, featuring current touring Robert Breen-Blevins Davis company . . . Weekly 90-min. drama series, possibly in color, live from its Hollywood Television City, reportedly is new secret CBS-TV project . . . MCA-TV to syndicate second run of *Kit Carson* series, just concluded for Coca-Cola in 130 markets . . . TPA and Jack Chertok in deal to produce *Tugboat Annie* series at General Service Studio . . . Fund for the Republic has dropped plan for TV series featuring *Washington Post* cartoonist Herbert L. Block (Herblock).

Latest list of 4649 theatrical films available for TV—*TV Film Program Directory—Feature Film*—was released Oct. 19 by Broadcast Information Bureau, 535 Fifth Ave., N. Y. (Judy Dupuy, editor). One section lists film available in color. In foreword, Miss Dupuy points out that use of whole list would enable a TV station to carry features & westerns 12 hours a day without repeats for about 13 months; she also points out that neither the recent Federal consent decree (Vol. 11:38) nor purchase of RKO by General Teleradio will produce current new film for TV until both the musicians and Screen Actors Guild come to working arrangements with studios and producers.

Miss Universe of 1955 (Miriam Stevenson, of Winnsboro, S. C.) has decided on a TV rather than movie career and has taken job as hostess of weekly night variety show and daily housewives show on WIS-TV, Columbia, S. C.

New portable theatre-TV projector is being manufactured by Trad Electronics Corp., Asbury Park, N. J., and marketed by Motigraph Inc., Chicago.

HOW DARE WE even imply that any foreign TV service has aspects superior to ours! Why, it's disloyal—it's un-American! The systems are different, so there's no basis for comparison. Do you want to substitute their system of non-commercial TV for ours?

That's one reaction we've had to the series of comments we've been publishing on our observation that the images we've seen in England are superior to those generally seen in the American home (Vol. 10:45 & 11:36, 40-42). The sole protagonist, representing an equipment manufacturer, won't contribute to our symposium, nor does he want his identity revealed.

But he's plenty hot under the collar that we even undertook this discussion, regarding it as an indirect aspersion on American equipment and technicians.

Nothing could be further from our minds—and the frank remarks of the top-hole industry people who have thus far contributed to our symposium speak for themselves. Most agree with the basic thesis; some disagree—but none violently. And we've encountered nobody else who doesn't think the airing of this subject isn't all to the good. Our idea is that it may lead to more self-searching at the highest administrative and engineering levels, and perhaps the adaptation of superior foreign techniques and know-how to make our own system work better.

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Even FCC Chairman McConaughy, just returned from a trip abroad, including England and Scotland, remarked in a recent talk (before the NARTB district meeting at Roanoke) that he was "greatly impressed by the quality and clarity of the British TV picture and by the similarity of their new commercial broadcasting system to our own." We've heard, too, that the French 819-line image and the West German 625-line are extraordinarily good—some say better than ours.

This week's contributors, all in the spirit of honest probing, offer some interesting new viewpoints and explanations, ranging from the psychological to the technical. One thinks our mental or psychological approach is different; several emphasize the British penchant for "meticulous care" in equipment maintenance; others mention fact that Britain has fewer transmitters, fewer receivers, single-channel receivers, different (and better) horizontal resolution."

* * * *

Dr. Frank G. Kear, the Washington consulting engineer, finds "seeds of truth but not the whole answer" in the recent observation that the British use more engineers. "I believe," he writes, "that one of the basic reasons is the American temperament, or we might say American impatience with today. Once we have attained a goal or acquired an object, our inclinations are to go to a new goal or a new object, whereas the British, having a more limited economy and a different mental approach, are more inclined to wring the last element of use or purpose out of each goal or object as they acquire it.

"The British, having decided upon a TV system which included a limitation of 405 lines, proceeded to direct their efforts toward extracting the last fine details of excellence possible from the TV system thus adopted. This they continue to do. If a change of one resistor in one camera would change the circuit one-half of 1%, the change is made and the picture is improved. If it is found that the lenses of a camera should be cleaned twice daily instead of once weekly, they are thereafter cleaned twice daily. Attention to detail and a serious interest and appreciation of this attention is the answer . . .

"It is true that in Britain they have fewer receivers, fewer transmitters, so that it is easier to keep both at the peak of operating condition. However, the point is that it is not a matter of its being easy, but rather that they do keep both receiving and transmitting equipment in proper operating condition.

"In this country we had scarcely achieved commercial TV when we sought nation-wide network operation. The existing cables were poor, the picture transmitted thereon was degraded—but we had networks. Before these network lines were improved to provide a really good picture, we dove into the problem of color. This absorbed an untold number of engineers who could and should have been busy improving maintenance of black-&-white transmissions.

"Before we had used our 12 vhf channels, we not only foresaw the demand for many more channels but insisted that they be allocated. Now we have many engineers trying to make uhf equipment work. There is no one left to run the station . . ."

* * * *

"The receiver is the key," in the opinion of Joseph B. Epperson, chief engineer of Scripps-Howard Radio. "A single channel receiver can be designed for optimum performance from the antenna all the way through the RF stages. They do not have the problem of making one antenna give satisfactory bandwidth through upper and lower vhf channels as in this country, not to mention the uhf problems. They have no problems of bandswitching and matching through a multiplicity of channels in an effort to provide maximum performance on all channels. Their antennas are cut and tuned for maximum performance at this one channel, thus minimizing the possibility of ghosts and insuring adequate bandwidth. With no tuners on their receivers, they have no tracking problems in the tuners and no problems of possible oscillator drifts on one channel as compared to another.

"Based on my own observations, I would say that more than 50% of picture deterioration with age in a TV receiver is caused by tuner difficulties in one form or another. Thus British receivers should maintain better pictures with less maintenance than those in this country. Installation difficulties are minimized with the single-channel receiver. Add these facts to the good craftsmanship of the British receivers and I believe we are getting close to the answer. I believe these facts will be generally true for the 2-channel receivers now coming into use, too."

* * * *

Leslie J. Woods, Philco v.p.-director for research engineering, himself British-trained, agrees that the technical quality of British transmissions are "definitely better than the average U. S. broadcast"—but he doesn't think they're superior to the best programs from some of our network originating stations, nor does he think foreign sets are better. He says:

"A first-class broadcast requires the exercise of considerable technical skill in lighting, camera manipulation and studio and transmitter equipment adjustment. Many programs originating at U. S. network headquarters command top technical personnel in their respective fields and the resultant broadcasts are hardly excelled anywhere. On occasion, however, lighting techniques which are extremely important for high quality transmission are sloppy and picture contrast suffers in video reproduction. Film transmissions from poor 16mm film are often atrocious, but I have seen excellent broadcasts from good film in conjunction with U. S.-made continuous film scanners."

In the matter of TV receivers, Woods contends that "U. S. techniques in design and factory adjustment of quality are unequalled anywhere." Foreign TV receivers

measured in the Philco labs, he says, do not indicate any superiority over our domestic product.

It must be recognized, he points out, that until now [with the ITA commercial system just starting] the British have had no interference problems and have been able to use full bandwidth without the handicap of trap circuits which can introduce phase problems. The British outdoor pickups, he thinks, are superior to ours and he ventures that "the image orthicon used by the British [may be] superior."

Generally, though, he agrees "it must be admitted that the quality of the picture in the home on a British TV receiver is usually superior to what we are accustomed to in this country and I believe that the superiority is definitely traceable to the care with which the British generate and transmit their TV signal."

* * * *

Motorola's George W. Fyler thinks the technical explanations offered by Hazeltine's Arthur V. Loughren (Vol. 11:41) are somewhat misleading. "I feel," he writes, "that the answer lies in the horizontal resolving powers of the 2 systems.

"Because of a higher intermediate frequency, U. S. TV receivers can only realize a receiver bandwidth of about 3.5 mc, as compared with about 3 mc for the British receivers. But with fewer lines per frame and fewer frames per second, the British line rate is only 10,125 per second as compared with our 15,750. Thus their cycles per line is 296 compared with 222 for our receivers.

"This means that they have 33% more horizontal detail in each line, although they do have fewer lines per picture. Nevertheless, their system is probably better balanced for vertical and horizontal resolution. Seldom if ever does the horizontal of U. S. pictures approach the vertical resolution . . ."

Also commenting on the Loughren thesis, Tore Lundahl, exec. v.p., Technical Appliance Corp. (Taco antennas) observes: "The only thing I can think of adding is the fact that in the U. S. system the time for one horizontal line to cross a tube is 63 microseconds, whereas in the British system it is approximately 89 microseconds,

EQUIPMENT SHIPMENTS reported this week: By GE—5-kw transmitter to upcoming KHOK-TV, Hayes Center, Neb. (Ch. 6), due to start in late Nov. as satellite of KHOL-TV, Kearney, Neb. By RCA—50-kw transmitter Oct. 18 to WGN-TV, Chicago. By Gates Radio—500-watt transmitter to WORA-TV, Mayaguez, Puerto Rico (Ch. 5), which began operating Oct. 1. By Truscon—840-ft. guyed tower for early Nov. shipment to WIIC, Pittsburgh (Ch. 11), due for Nov. start.

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In our continuing survey of upcoming stations, these are latest reports from principals:

KDWI-TV, Tucson, Ariz. (Ch. 9) has completed construction plans, now that FCC has approved new transmitter site on Bigelow Mt., plans to be on air next May, reports owner D. W. Ingram. It has GE transmitter with color gear ordered for delivery next March, will use 200-ft. Ideco tower 8737 ft. above sea level. It will be 3rd outlet in city (1950 pop. 45,454). Base hour will be \$350. Rep not chosen.

WNBE-TV, New Bern, N.C. (Ch. 13) has given firm order for GE equipment, grantee Nathan Frank told FCC as he filed opposition to request of WLOW, Portsmouth, Va. that his CP be cancelled so that Ch. 12 can be assigned to Norfolk area (Vol. 11:41). Frank said he'd been held up by hurricanes and zoning difficulties.

CKNX-TV, Wingham, Ont. (Ch. 8) has rescheduled targets to early Nov. for test patterns, late that month for

giving them an opportunity to have more definition shown in their picture . . . better definition on the horizontal plane than we would have in the American system."

* * * *

"I think your question is one of personal opinion rather than of substantial fact," writes Jack Poppele, onetime WOR-TV engineering v.p., now asst. director for TV-radio of U. S. Information Agency, handling Voice of America, who returned recently from an overseas inspection tour that gave him an opportunity to look at British TV. He goes on:

"My conclusions would be that since British TV had adopted a standard of 405 lines, the engineering of their receiving sets more nearly matches the transmission standards which obviously produces a good picture. In America, for 525-line standards, the majority of TV receivers produce 350 to 375 lines . . . I believe there is a more universal degree of relationship between transmitter manufacturers and receiver manufacturers in England, where the entire system is built to the common standard.

"Picture monitors which I have observed in the control rooms of American TV broadcasters have infinitely the same or better quality than similar monitor observations that I have seen with the 405 lines in England." Poppele points out that a \$200 set here costs less to a man getting an average of \$80-\$100 a week than a \$200 set in England costs the man averaging \$50 a week, and he opines that "the person in America obviously gets more for his money but perhaps not the same quality."

* * * *

George W. Bailey, exec. secy. of the IRE, also believes "the British TV image is better than ours because it is inherent in the British to use meticulous care in the construction and operation of all scientific apparatus, including radio and TV gear." Over here, he says, our emphasis is on huge and expensive shows, over there on technique. "I have been assured by several of our well-known engineers who have visited the U. K.," he states, "that the TV budget there allows for many more engineers per station—some say 4 to 1—than in the U.S.A."

commercial operation, writes asst. gen. mgr. G. W. Cruickshank. Wingham is about 65 mi. north of CFPL-TV, London, and about 20 mi. east of Lake Huron. Transmitter house is ready for 2-kw RCA unit, and 12-slot wavestack antenna was scheduled for installation on 600-ft. Stainless tower week of Oct. 10. Base hour will be \$200. Reps will be Adam Young and All-Canada.

CKRS-TV, Jonquiere, Que. (Ch. 12) now plans start in Nov., reports mgr. Tom Burham. RCA 250-ft. wavestack antenna, with Oct. 20 delivery date, is scheduled to be ready Nov. 5. RCA 2-kw transmitter was delivered early in Oct. It will be part of CBC's French-language net, will cover headwaters of Saguenay River area. Base hour will be \$160. Reps will be Adam Young and Joseph A. Hardy & Co. Ltd.

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An FCC hearing manual, favorite project of Chairman McConnaughey, moved another step toward finalization when Commission issued notice of proposed rule-making, asking comments by Nov. 21. Manual is designed "to promote uniformity in matters concerning the introduction and use of evidence in comparative broadcast proceedings." Proposal is Notice 55-1051, Doc. 11522, available from FCC or from us.

New 750-ft. guyed tower, being shipped by Stainless next week, will be erected on Lookout Mt. by KOA-TV, Denver. Setup is unusual because towers that height are seldom placed on such mountains. Height will be 8147-ft. above sea level, 1480-ft. above average terrain.

FARM TV PENETRATION exceeds 50% in Illinois, Indiana & Delaware, according to Oct.-Nov. 1954 figures compiled this week on basis of just-released Census Bureau data gathered for 1954 Census of Agriculture. In North Carolina, though there were twice as many farms with TV as with telephones, penetration was just 26%, or 70,560 farms with TV out of total 267,906 farms. In Delaware, 3785 or 6297 farms had TV, or 60%; Illinois, 91,538 of 175,543, or 52%; Indiana, 91,282 of 153,593, or 59%. Farm TV count for all counties in the 4 states:

DELAWARE					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Kent	1,938	1,145	Sussex	3,229	1,734
New Castle	1,130	906			
		State Total		6,297	3,785

NORTH CAROLINA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Alamance	2,749	1,211	Jones	1,515	415
Alexander	1,504	521	Lee	1,500	504
Alleghany	1,447	281	Lenoir	3,529	1,250
Anson	2,238	502	Lincoln	2,333	1,296
Ashe	3,754	792	McDowell	1,323	445
Avery	1,509	392	Macon	1,896	160
Beaufort	3,194	1,246	Madison	3,482	437
Bertie	3,165	832	Martin	2,888	1,170
Bladen	3,633	349	Mecklenburg	2,787	1,398
Brunswick	1,976	250	Mitchell	1,763	431
Buncombe	4,303	1,082	Montgomery	995	374
Burke	1,922	738	Moore	2,328	508
Cabarrus	1,882	907	Nash	5,461	960
Caldwell	2,165	972	New Hanover	376	103
Camden	434	233	Northampton	2,879	614
Carteret	640	112	Onslow	2,064	335
Caswell	2,899	718	Orange	1,939	636
Catawba	2,718	1,283	Pamlico	738	194
Chatham	2,844	890	Pasquotank	791	442
Cherokee	1,638	186	Pender	2,266	334
Chowan	895	241	Perquimans	888	288
Clay	864	70	Person	3,591	695
Cleveland	4,672	1,662	Pitt	5,583	2,191
Columbus	6,051	671	Polk	597	339
Craven	2,358	913	Randolph	3,578	1,214
Cumberland	3,002	198	Richmond	1,572	436
Currituck	544	315	Robeson	8,037	583
Dare	39	5	Rockingham	4,188	1,643
Davidson	3,561	1,547	Rowan	2,911	1,388
Davie	1,527	386	Rutherford	3,021	1,117
Duplin	5,650	1,080	Sampson	6,822	894
Durham	1,622	514	Scotland	1,241	83
Edgecombe	3,725	825	Stanly	2,244	1,144
Forsyth	2,927	1,292	Stokes	3,809	1,137
Franklin	4,050	418	Surry	4,297	873
Gaston	1,762	964	Swain	758	35
Gates	1,166	432	Tennessee	968	162
Graham	757	55	Tyrrell	499	156
Granville	3,578	625	Union	4,415	1,919
Greene	2,945	1,016	Vance	2,106	302
Guilford	4,518	2,120	Wake	5,770	1,323
Halifax	4,244	468	Warren	2,866	193
Harnett	4,684	922	Washington	773	204
Haywood	2,818	555	Watauga	2,427	478
Henderson	1,998	653	Wayne	4,588	1,182
Hertford	1,761	647	Wilkes	4,088	1,275
Hoke	1,560	121	Wilson	3,919	1,357
Hyde	570	62	Yadkin	3,148	818
Iredell	3,699	1,358	Yancey	2,153	237
Jackson	1,813	211			
Johnston	7,822	1,045			
		State Total		267,906	70,560

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37); N. J., Tenn. (Vol. 11:39); Ark., Conn., Mass., R. I., Texas, Wash. (Vol. 11:40); Me., N. M., Ore. (Vol. 11:41); Ariz., Fla. (Vol. 11:42).

New county-by-county TV-radio census will be undertaken later this year by A. C. Nielsen, with release of vitally-important data due in mid-1956. Nielsen will finance own study, requested by networks and leading ad agencies. It's intended as interim census, pending start of NARTB's long-delayed census, now scheduled for mid-1957 (Vol. 11:42). Meanwhile, Edward Petry & Co. has disclosed plans to release Nov. 1 a booklet, *TV Set Count and Market Data—County by County*, incorporating *Television Magazine's* latest sets-in-use estimates for each of the country's 3071 counties, paralleled by figures on population, families & retail sales from *Sales Management's* "1955 Survey of Buying Power."

ILLINOIS					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	2,733	1,556	Livingston	3,098	1,528
Alexander	594	130	Logan	1,765	843
Bond	1,364	761	McDonough	1,907	940
Boone	1,048	672	McHenry	2,059	1,626
Brown	840	312	McLean	3,505	1,954
Bureau	2,735	1,807	Macon	1,911	1,313
Calhoun	823	452	Macoupin	2,865	1,848
Carroll	1,508	1,096	Madison	2,695	1,618
Cass	955	425	Marion	2,181	845
Champaign	2,847	1,948	Marshall	1,111	480
Christian	2,111	1,189	Mason	1,133	535
Clark	1,791	754	Massac	873	146
Clay	1,652	366	Menard	820	283
Clinton	1,572	881	Mercer	1,784	1,424
Coles	1,665	750	Monroe	1,312	728
Cook	2,272	1,803	Montgomery	2,365	1,295
Crawford	1,515	622	Morgan	1,560	812
Cumberland	1,455	471	Moultrie	1,149	552
DeKalb	2,010	1,446	Ogle	2,430	1,251
De Witt	1,160	721	Peoria	1,981	1,081
Douglas	1,304	670	Perry	1,301	422
Du Page	1,039	829	Piatt	1,140	812
Edgar	1,787	979	Pike	2,214	1,150
Edwards	918	171	Pope	757	52
Effingham	1,819	380	Pulaski	794	145
Fayette	2,443	869	Putnam	437	165
Ford	1,323	861	Randolph	1,743	873
Franklin	1,627	567	Richland	1,346	210
Fulton	2,528	1,196	Rock Island	1,607	1,301
Gallatin	673	183	St. Clair	2,288	1,394
Greene	1,390	895	Saine	1,563	581
Grundy	1,104	856	Sangamon	2,503	1,285
Hamilton	1,481	246	Schuyler	1,212	551
Hancock	2,583	1,315	Scott	677	325
Hardin	527	41	Shelby	2,743	912
Henderson	909	671	Stark	874	590
Henry	2,844	2,456	Stephenson	2,387	1,145
Iroquois	3,094	1,729	Tazewell	1,882	944
Jackson	1,726	649	Union	1,245	245
Jasper	1,879	351	Vermillion	2,577	1,633
Jefferson	2,507	786	Wabash	721	207
Jersey	1,102	773	Warren	1,620	1,130
Jo Daviess	1,853	826	Washington	1,786	654
Johnson	1,086	106	Wayne	2,545	273
Kane	1,879	1,706	White	1,446	283
Kankakee	2,108	1,529	Whiteside	2,430	1,802
Kendall	1,029	756	Will	2,607	2,067
Knox	2,334	1,653	Williamson	1,319	412
Lake	1,293	1,044	Winnebago	1,876	1,199
LaSalle	3,487	1,917	Woodford	1,734	757
Lawrence	1,092	398			
Lee	2,247	1,347			
		State Total		175,543	91,538

INDIANA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	1,928	675	Madison	2,297	1,912
Allen	3,195	1,810	Marion	1,786	1,448
Bartholomew	1,565	1,021	Marshall	2,357	1,342
Benton	1,094	722	Martin	764	316
Blackford	858	450	Miami	1,589	897
Boone	2,182	1,741	Monroe	1,558	1,114
Brown	612	365	Montgomery	2,031	1,596
Carroll	1,645	876	Morgan	1,509	1,145
Cass	1,974	842	Newton	907	639
Clark	1,751	1,300	Noble	1,989	980
Clay	1,738	1,075	Ohio	416	285
Clinton	1,891	1,441	Orange	1,558	735
Crawford	1,177	466	Owen	1,380	811
Daviess	2,003	888	Parke	1,469	864
Dearborn	1,616	1,095	Perry	1,074	341
Decatur	1,609	1,076	Pike	1,056	365
DeKalb	1,829	1,175	Porter	1,597	1,336
Delaware	1,946	1,456	Posey	1,383	521
Dubois	1,706	396	Pulaski	1,493	902
Elkhart	2,853	1,001	Putnam	1,962	1,305
Fayette	798	601	Randolph	2,271	1,240
Floyd	1,016	721	Ripley	2,278	1,205
Fountain	1,316	784	Rush	1,582	1,265
Franklin	1,732	960	St. Joseph	1,938	1,402
Fulton	1,788	892	Scott	926	512
Gibson	1,916	588	Shelby	1,874	1,587
Grant	1,998	1,320	Spencer	1,615	478
Greene	2,099	1,175	Starke	1,275	850
Hamilton	2,001	1,639	Steuben	1,316	760
Hancock	1,510	1,095	Sullivan	1,963	1,199
Harrison	2,392	1,386	Switzerland	1,234	655
Hendricks	2,142	1,691	Tiptecanoe	1,829	1,062
Henry	2,203	1,656	Tipton	1,284	923
Howard	1,676	1,235	Union	634	501
Huntington	1,990	995	Vanderburgh	1,193	451
Jackson	1,966	945	Vermillion	808	491
Jasper	1,617	1,129	Vigo	1,911	1,175
Jay	2,022	900	Wabash	1,881	1,050
Jefferson	1,813	1,086	Warren	987	488
Jennings	1,554	748	Warrick	1,312	322
Johnson	1,373	1,111	Washington	2,156	1,250
Knox	1,888	1,149	Wayne	1,783	1,206
Kosciusko	2,598	1,187	Wells	2,134	1,020
Lagrange	1,710	581	White	1,615	756
Lake	1,706	1,433	Whitley	1,716	995
La Porte	2,166	1,673			
Lawrence	1,741	1,034			
		State Total		153,593	91,282

GIMMICKS AS FACTOR IN HIGH TV SALES: Good times and plenty of consumer buying power are probably the keys to today's flourishing TV trade -- but merchandising gimmicks, the Something New that the TV manufacturers have added to their lines, are certainly contributing their share to the record rate of sales.

How much? It depends on who you're talking to -- but consensus of set makers is that they've helped plenty. Some qualify their answers by saying it's sometimes difficult to measure what proportion of total sales can be directly attributed to a particular gimmick, or that experience with the gimmick is still too limited.

Probably most-talked-about new item this year, GE's 14-in. portable (listing at \$99.95 & \$129.95) has been smash hit, drawing grudging praise even from competitors. It's even used by TV stations as monitors -- perhaps finest testimonial of all. GE has been especially delighted because it's provided outlet for its 14-in. tubes, which had been considered "passe". Yet, despite its enormous success, GE reportedly is preparing to cut back production on the set, reasoning that demand won't be as great as colder weather sets in.

Emerson apparently doesn't share this view -- for this week it introduced a 14-in. AC/DC portable at \$98, billed it as "the world's lowest-priced TV receiver." Set is primarily intended for big Xmas promotion, sales v.p. Michael Kory saying he's not sure whether it will be retained in line thereafter. He added, however, that "the production run on this set will be as extensive as we can make it."

Though it doesn't have a portable -- yet -- Westinghouse sees big future for it, says gen. sales mgr. Dan D. Halpin. He regards it as counterpart of table radio and says "there's a great need for sets which can be moved in and out of the house, and I confidently predict the trend will grow next year, when 17-in. portable sets will be shown." Westinghouse is well pleased by success of its own Tip Top Front Tuning and multi-colored cabinets, just as Emerson is enthused about its pastels.

Zenith's heavily-promoted "Flash-Matic" gizmo, a flashlight gun with which its ads suggest viewer may turn set (and commercials) on and off, has hit production snag because of a shortage of photo-electric cells. Only a comparative trickle of sets has come off line so far, but a recent agreement with GE for cells is expected to stimulate production shortly, according to one of Zenith's leading distributors.

RCA is coming out shortly with own remote control unit, described as "New RCA Magic Brain Remote TV Control." E.C. Cahill, pres. of RCA Service Co., said wired unit (retailing for \$60) can turn set on and off from 30 feet, change stations, adjust volume, picture & fine tuning. RCA regards unit as ideal for bars and other public places, where there's need for remote operation of monochrome & color sets.

Philco, whose forte is merchandising, is enthused about success of its "Top Touch Tuning," in which controls are built into top of set (Vol. 11:27). The only major manufacturer with a blonde set to match every mahogany model, Philco also says blonde receivers have proved very popular. As to its remote control unit (at \$10), a spokesman said company is just getting started on its production.

Emerson, GE, Magnavox and Bendix hiked TV prices this week, leaving Westinghouse and Zenith as only trade leaders which haven't raised them yet. Emerson upped all consoles by \$10; it was second hike within 3 months by Emerson, which raised all sets \$10 in Aug. GE's boost was \$10 on 3 basic models in middle of line. Bendix, which resumed TV production last week after strike, went up \$5-\$15 on top 10 models. Magnavox increased 8 basic models by \$10-\$21.

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How's Color Doing? No specific figures yet from RCA, but its distributors continue reporting they're awaiting added shipments, highly enthusiastic about color. Sharp criticism of color merchandising, however, came this week from one who helped

pioneer its development as chairman of NTSC -- GE's Dr. W.R.G. Baker. There was no mistaking his target when he told Boston Conference on Distribution:

"The lesson we have been taught by color TV is that no industry should become so inflated by past success that it allows itself to drift along complacently with the idea that the public is willing to buy any product you want to produce when you produce it...It should have been recognized at the beginning that the marketing fundamentals for color TV were altogether different from those for monochrome TV or even radio. Both monochrome TV and radio offered a new service -- a new type of entertainment. Color adds only a new dimension to an established service and, as a result, the consumer places a definite restriction upon the premium he's willing to pay." GE is making no color sets, plans none until its own new tube is ready (in 1957) unless RCA campaign clicks (Vol. 11:40).

Color got accolade, however, from Motorola v.p. Edward R. Taylor, who told San Francisco newsmen this week: "It is much more interesting to watch than black-&-white. It adds plus to viewing and to merchandising. The networks are doing a terrific job in color TV." Taylor predicted 60% of all sets sold in 1960 will be color but he declined to make any price predictions. Westinghouse's Dan Halpin, planning color receivers sometime next year, predicted 350,000 sets will be sold in 1956.

Consumer Credit: You still can get any shade of opinion on whether it's too high or too low. Most of those who spoke out this week contended there's no danger in present level of installment debt. Examples: (1) Vice President Nixon, in talk to Investment Bankers Assn., declared: "Credit terms which for a time were out of line now seem to be under control." His speech heartened many businessmen, who have feared Govt. plans to ask for tighter credit controls. (2) James K. Vardaman, member of Federal Reserve Board, told Ga. Bankers Assn. that "consumer installment and housing credit are the most popular goats of those who want something to kick around or who are interested in distracting attention from abuses in other credit fields." (3) Arno H. Johnson, v.p. & research director of J. Walter Thompson Co., told Boston Conference on Distribution that consumer debt was too low and could safely expand by 60% next year. (4) American Retail Federation, following Washington conference of 38 state merchants' assns., said consumer debt "is within very safe limits," added that 57% of nation's families have no installment debt.

Economic Boom-Boom: President's Council of Economic Advisers issued report detailing extent of national economic gains in the quarter ended Sept. 30. The gross national product rose to record annual rate of \$392 billion in 3-month period, up \$7.2 billion from second quarter. The top-level group reported consumer spending in that period reached record annual rate of \$256.5 billion, up \$6 billion from the second quarter. Other highlights: (1) Boom in home construction leveled off, as many in Govt. had hoped it would, expenditures totaling \$16.2 billion, down slightly from second quarter. (2) Business spending on new plant and equipment rose sharply to annual rate of \$25.4 billion. (3) Business inventories rose to annual rate of \$3 billion. (4) State and local govt. spending increased to rate of \$30.1 billion. In another economic report released this week, Census Bureau revealed that average income of each person last year was \$2300, about same as in 1953. Average income of 50,000,000 men was \$3200; for 28,000,000 women, it was \$1200.

Fair Trade: Investigation of fair trade enforcement by Justice Dept., Federal Trade Commission and manufacturers themselves will be launched soon by subcommittee headed by Sen. Humphrey (D-Minn.). Addressing annual convention of National Assn. of Retail Druggists in Atlantic City, Humphrey said his committee has prepared new questionnaire to be sent to 2500 manufacturers of fair-traded items to determine, among other things, cost of enforcing fair trade. Same convention heard caustic criticism of Attorney General's National Committee to Study the Anti-Trust Laws, which recently urged repeal of fair trade laws (Vol. 11:14). Rep. Patman (D-Tex.), co-author of Robinson-Patman Act on price discrimination and monopolies, charged that 61-man committee of lawyers and educators was part of "the most adroit and the most deceptive lobby in my experience." He said committee "was made up for the most part of anti-trust lawyers who specialize in defending big business clients."

Production: TV output totaled 198,831 week ended Oct. 14, compared to 185,435 preceding week and 186,467 week ended Sept. 30. It was year's 41st week and brought production for year to date to about 5,985,000 vs. 5,400,000 in same period of 1954. Radio production spiraled to 350,351 (149,163 auto) week ended Oct. 14, highest for any week in more than 4 years, compared to 334,816 (125,780 auto) preceding week and 284,949 (103,932 auto) week before. For 41 weeks, radio output totaled 10,550,000, compared to approximately 8,375,000 in corresponding period of 1954.

Trade Personals: William P. Maginnis, v.p.-works mgr. of Federal Telephone & Radio components div. (IT&T) & onetime chief engineer of RCA's Bloomington, Ind. plant, elected pres. of IT&T's Kuthe Labs, Newark (vacuum tubes), succeeding pres.-founder Dr. Herman Kuthe, now chairman . . . Paul E. Bryant, gen. mgr. of Hoffman Electronics' wholly-owned distributing operations, promoted to gen. sales mgr. for TV-radio, replacing Walter L. Stickel, resigned . . . Richard H. Schneberger, Crosley-Bendix national service mgr., named special asst. to Chester G. Gifford, pres. of Crosley-Bendix . . . W. W. Boyne, onetime v.p.-gen. mgr. of Zenith's N. Y. factory branch, joins Norge div. of Borg-Warner Corp. . . . Dr. Allen B. DuMont, whose 54-ft. cruiser *Hurricane III* recently won national high-point championship for second straight year, re-elected commodore of Eastern Cruiser Assn. . . . Herbert W. Cole promoted to industrial & military tube specialist, GE tube dept., Clifton, N. J. . . . J. E. Van Wagenen, sales mgr. of semi-conductor products, Federal Telephone & Radio, named selenium product line mgr. . . . Robert B. Sampson, administrator of distributor finances, RCA corporate staff, appointed market research mgr. of tube div., Harrison, N. J. . . . Earl Vaught appointed Emerson mid-west district mgr., headquartering in Kirkwood, Mo. (St. Louis) . . . Wm. Bullock, mgr. of commercial sales & merchandise dept., RCA Victor record div., promoted to gen. mgr. of new single record dept., in charge of all Label "X" records; George Marek, mgr. of artists & repertoire, promoted to mgr. of record album dept.; Joseph Carlton continues as mgr. of popular artists & repertoire . . . Lester R. Schmidt, ex-Crosley, named Raytheon TV-radio regional mgr. in N. Y.-Phila.-Harrisburg area, replacing James Schneer, resigned . . . Roger L. LaRue promoted to commercial sales administrator, National Co. . . . Wm. Vogel promoted to district commercial engineer, GE tube dept., Chicago . . . Bodie L. Stahlschmidt, ex-Emerson, named Admiral mid-South regional mgr., Memphis, succeeding Richard J. Bambery, now sales mgr. of freezer-air conditioner div.

National Electronic Distributors Assn. (NEDA) elects 1955-56 officers: pres., Joseph A. DeMambro, DeMambro Radio Supply Co., Boston; exec. v.p., L. B. Calamaras (re-elected); 1st v.p., Leo I. Meyerson, World Radio Labs Inc., Council Bluffs, Ia.; 2nd v.p., Byron C. Deadman, Northern Radio & TV Co., Green Bay, Wis.; secy., Meyer J. Spiro, Meyers Electronics Inc., Bluefield, W. Va.; treas., Victor N. Zachariah, Zack Radio Supply Co., San Francisco. Re-elected chairman: Aaron Lippman, Aaron Lippman & Co., Newark.

RETMA-IRE fall meeting committee plaque was awarded this week to Lewis M. Clement, Crosley technical adviser and chairman of RETMA engineering dept. executive committee, for "important activities in the field of reliability of electronic equipment and long-time contributions to the work of the RETMA engineering dept."

Henry G. Baker, retiring as v.p. in charge of RCA Victor TV div., honored at testimonial dinner attended by 150 Oct. 20 at Cherry Hill Inn, Camden; he'll live in Pompano, Fla., continue as RCA consultant.

DISTRIBUTOR NOTES: Eddy & Co. Inc., Providence (RCA) takes over Whirlpool line, replacing Capitol Distributing Co. . . . CBS-Columbia appoints Luethi & Welch Inc., 73 E. Naghten St., Columbus, O. (C. H. Luethi, pres.) . . . Kolhoff Inc. is new exclusive Muntz distributorship formed by ex-Muntz v.p. George Kolhoff in Philadelphia (Broad & Spring Garden Sts.) and Detroit; Lane Stoudt is gen. mgr. of Philadelphia operation . . . Eastern Co., Boston-Cambridge (RCA) appoints Charles Collins mgr. of new market development dept.; Joseph Cunningham named sales mgr. of radio-phonos; David Rockman credit mgr.; Thomas Reilly adv. & sales promotion mgr. . . . Gough Industries, L. A. (Sylvania) promotes v.p. S. T. Bell to exec. v.p.; v.p. James Hrabetin adds duties of gen. sales mgr. of supply div. . . . Ray Distributing Co., Savannah (DuMont) opens branch at 1341 Vega St., Jacksonville . . . Philco Distributors Inc., Newark, appoints John Mazey, ex-Zenith N. Y., as adv. & sales promotion mgr., replacing Gerald Gast . . . Horn & Cox, L. A. (Raytheon) appoints Henry N. Trott adv. & sales promotion mgr. . . . Majestic International Corp., effective Jan. 1, will sell German-made Grundig-Majestic radios through independent distributors, except in N. Y. & Chicago, where factory branches are maintained . . . Gerald O. Kaye & Assoc., N. Y. (Crosley-Bendix) moves to 50-35 50th Rd., Maspeth, L. I. . . . Midland Specialty Co., Phoenix (RCA) moves in mid-Jan. to 1930 N. 22nd Ave.

Reshuffling of Philco executives, designed to place even greater emphasis on merchandising, brought these changes this week: James M. Skinner, a v.p. of TV div., named v.p.-gen. mgr. in charge of that div., succeeding Frederick D. Ogilby, who moves up to new position of corporate marketing v.p. Gibson B. Kennedy, northeastern sales mgr., Boston, named to new post of merchandising mgr. of TV div.; Wm. H. Chaffee, v.p.-gen. mgr. of radio div., heads new automotive radio div., with Henry E. Bowes, ex-adv. & sales promotion mgr. of TV div., heading home radio div. and J. S. Frietsch succeeding Bowes in TV div. while retaining post of sales promotion mgr. of home radios. Robert P. Kelly, gen. sales mgr. of Philco Distributors Inc., N. Y., promoted to mgr. of refrigerator sales, succeeding John L. Goldschmeding, now mgr. of electric range sales.

Strike at 29 Westinghouse plants, including TV-radio factory at Metuchen, N. J., moves into second week with no settlement in sight. At week's end, company sought court injunction to halt mass picketing, outlawed by Taft-Hartley Act, and IUE assessed all members a day's pay or \$15 a month, whichever is larger, to support strike.

Jerome J. Kahn, founder and ex-pres. of Standard Transformer Corp., serving recently as management consultant, resigns as technical consultant to trustees reorganizing Muntz TV under Chapter X of Bankruptcy Act, following acceptance of reorganization plan by required number of shareholders and general creditors.

New RETMA Trade Directory, 1955-56 (146-p.), listing all members and their executives, organizational departments, products, trade names, etc., out this week—edited by office mgr. Anna Chase.

Topics & Trends of TV Trade: Sylvania means business in its crackdown on "tube counterfeiter," the handful of unscrupulous individuals who rebrand and resell used tubes as new—a racket which Philco estimates is costing TV-radio users \$100,000,000 a year and which several companies are combating (Vol. 11:33-34). Following up its offer of \$1000 reward for information leading to arrest and conviction of a "tube counterfeiter" (Vol. 11:38), Sylvania has notified service dealers of 5 ways to determine whether a tube is new:

(1) Turn on tube tester and immediately depress "merit" button to get picture of emission, as it builds up. If tube is not new, swing of needle will be erratic.

(2) Look for presence of particles in glass envelope. If counterfeiter "reprocesses" parts of tube, elements are often flaked off.

(3) Look for a burned mica spacer. "This quite commonly results from the heating of the glass envelope to remove the 'burn' marks of an old tube," said Sylvania. "To recognize burned mica, check the appearance of new, undamaged mica in a brand-new tube."

(4) Discolored pins indicate tube is not new. "There is no reason for pins of a brand-new tube to show signs of wear."

(5) If tube brand is barely visible, be on guard. Only reason for faded brands is constant use. Sylvania adds:

"The tube counterfeiter usually is a pretty slick operator. He tells a good story. The pitch might be that he bought unused quality tubes at auction, or when a service shop went out of business, and is passing on the saving to you. He might claim that an equipment manufacturer discontinued certain tube types in his equipment and sold these unused quality tubes at a loss. In rare cases, even a distributor might be taken in by a tube counterfeiter and, unknowingly, sell counterfeit tubes to you."

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First RCA-Whirlpool product to be marketed will be line of home freezer units, due to reach consumers in Jan., according to John W. Craig, ex-RCA, now Whirlpool-Seeger v.p.-director of merchandise development. He explained that recent purchase of International Harvester's Evansville, Ind. plant (Vol. 11:40) enabled Whirlpool to introduce home freezers nearly year earlier than anticipated. RCA-Whirlpool home refrigerators will be introduced in fall of 1956, said Craig. Note: GE Supply Co., out to gain bigger share of increasingly competitive white goods market, launches series of intensive one-week sales training programs for its personnel in 25 districts shortly after first of year, directed by M. Ewing Brown, mgr. of major appliances marketing, Louisville.

More diversification by Admiral may be in the wind, according to "profile" article on pres. Ross Siragusa in Oct. 15 *Forbes Magazine*. Story quotes him as considering entering building supply manufacture as hedge against fluctuations in consumer product lines. New division eventually might make heating and air conditioning systems. "This division is definitely in the offing," Siragusa is quoted. "We're toying with building a master sink, complete with all appliances." While admitting it's still only a "dream," he speculates that such a division might increase Admiral's sales \$75-\$150,000,000 in next 5-10 years.

Stromberg-Carlson will move TV-radio production facilities to another plant in Rochester shortly after first of year, said company spokesman in scotching rumors it plans to leave TV-radio field in favor of industrial electronics. He said company intentionally scheduled heavy TV-radio production run for first 9 months this year, in expectation that output would taper off in last 3 months as equipment is dismantled and moved.

Electronics Reports: Make haste slowly in going into automation—that was essence of advice by Sprague Electric chairman Robert C. Sprague, ex-RETMA chairman & pres., in Oct. 18 address to IRE-RETMA fall meeting in Syracuse. Electronics industry's growth in next 30 years, he predicted, will probably be unparalleled by any other major industry with the possible exception of atomic energy. Quoting Stanford Research Institute's 1953 projection of 82% increase in electronics output in 10 years, he commented that labor force is due to expand only 8-10%.

"Even if we consider these production estimates to be optimistic," he said, "we can see that the achievement of this projected growth and the serving of vast new markets for our products will require a much greater effectiveness in our use of labor. I wish I could say that automation will be the answer to this problem during the next decade. Actually, it is my opinion that we must attack the problem on 3 fronts:

"(1) Expand our efforts to further develop and standardize on advanced components and subassemblies. (2) Continue the mechanization program which is now in full sway. (3) Make use of automation as it is developed along various lines."

Meanwhile, Sylvania revealed it's developing equipment for automatic manufacture of color TV tubes in testimony by chairman-pres. Don G. Mitchell before Congressional Joint Economic Committee. Pointing to current status of color TV as striking example of automation's importance to industry, he said cost of color sets can't be reduced until tubes can be manufactured by the automatic machines now being designed. Broader use of automation, he stated, "will stimulate such a period of growth that the electronics industry's present volume of \$9.5 billion annually [will] be increased to \$20 billion a year by 1964-65."

Also testifying at Congressional automation hearings was Stromberg-Carlson pres. Robert C. Tait, who cited predictions of shrinking labor force while the population increases and said shortage of engineers already was industry's chief problem. He called automation "only answer to meet tomorrow's demand for goods with tomorrow's labor force." Next week, committee will hear Ralph J. Cordiner, GE pres., and Cleo Brunetti, director of General Mills engineering research & development.

* * * *

Use of transistors for TV sets is still highly debatable, as indicated by formal papers and corridor discussions during RETMA-IRE fall meeting in Syracuse this week. Engineers there seemed generally agreed that use of transistors at TV frequencies is still some time away, but Motorola announced this week that pilot production has been started on new transistor that works in vhf & uhf range, and pres. Paul V. Galvin predicted there would be widespread use of them in TV, radios and military equipment. He said they can be mass-produced, expects volume production to start at Phoenix plant in 1-2 years. Motorola v.p. Daniel E. Noble stated that cost may be reduced by 1958-1959 so that transistors will compete with tubes in consumer products.

New approach to modular concept of components assembly—called "Pin Assembly Circuit" or PAC System—was introduced by Erie Resistor Corp. at IRE-RETMA fall meeting this week in Syracuse. Using "building blocks" of 1/8 x 5/8-in. resistors and silvered ceramic capacitors, machine automatically assembles sub-circuits on phenolic base strip with all leads for resistor-condenser combinations protruding from one side, solders all connections and molds unit into plastic block for further assembly on automation lines. Unlike Tinkertoy (Vol. 11:12), PAC modules do not comprise complete circuit stages with tube sockets, transformers, etc.

Financial & Trade Notes: Still another big N. Y. financial house—Goldman, Sachs & Co.—is out with a report on the electronics industry, and it forecasts electronics as a whole continuing to outpace the rise in industrial production and in gross national product. However, there will be wide divergence in rate of growth as between major divisions of the industry—Goldman, Sachs forecasting that industrial electronics and electronic office equipment will probably have most dynamic growth of all.

TV has had the fastest growth so far, though gov't. purchases of electronic equipment for defense have gone up from around \$500,000,000 in 1950 to an estimated \$2.5 billion this year and are expected to achieve another record year in 1956, says report. Household appliance and radio store sales, it's pointed out, totaled \$590,000,000 in 1937 or only 1.4% of nation's retail sales of \$42.15 billion and .8% of disposable income of \$71.06 billion. By 1954, sales of TV-radio-appliance stores amounted to \$3.81 billion, or 2.2% of total retail sales of \$171.67 billion and 1.5% of total disposable income of \$253.6 billion.

This year, it's estimated, the TV-radio-appliance dealers will do \$3.85 billion of the nation's total retail sales of \$180.25 billion (or 2.4%), representing 1.7% of the nation's disposable income of \$263.8 billion. Further growth is anticipated because of such economic factors as more equitable distribution of income, higher proportion of discretionary spending by family units, more households, less household help. By 1960, it's reckoned retail sales of appliances should go up some 45%.

* * * *

GE's earnings of \$141,359,000 (\$1.63 a share) in first 9 months set new record for the period, up 4% from previous peak of \$136,191,000 (\$1.57) in corresponding period of 1954. Sales of \$2.245 billion were also 4% above the \$2.167 billion in first 9 months year ago but were second to 1953's peak of \$2.431 billion. Taxes were \$147,500,000 vs. \$157,500,000 year ago. There was no breakdown by products, but pres. Ralph J. Cordiner reported that overall commercial products sales in first 9 months set a record, offsetting loss of defense billings. For quarter ended Sept. 30, profit was \$39,467,000 (45¢) on sales of \$722,007,000 vs. \$42,335,000 (49¢) on \$719,800,000 in 3rd quarter 1954.

RCA's first \$1 billion year seemed assured with report this week that 9-mo. sales reached new record of \$740,662,000, up \$80,277,000 or 12% from previous record in 1954. Net profit was \$30,995,000, up \$3,438,000 or 12% from same 1954 period. Per-share net earnings were \$2.04 vs. \$1.80. Records were also achieved in third quarter when sales totaled \$252,112,000, increase of \$36,136,000 or 17% from the \$215,976,000 of same 1954 quarter; net profit for quarter was \$8,934,000 (58¢) vs. \$8,289,000 (54¢).

Packard-Bell Co. ended fiscal year Sept. 30 with sales exceeding \$21,000,000 and profit after taxes of about \$585,000 as against \$17,774,136 & \$164,245 preceding year, exec. v.p. Robert S. Bell reported at annual meeting this week. Per-share earnings (688,000 shares) were 85¢ vs. 24¢, and year was third largest in firm's history, he said. TV sales for first 8 months of this year are 78.8% ahead of last year, comparing with industry average of 27.4%.

Collins Radio Co. reports net income of \$3,475,000 (\$2.32 per share) on sales of \$108,164,000 in fiscal year ended July 31 vs. \$2,650,000 (\$1.77) on sales of \$90,300,000 for preceding year.

* * * *

Dividends: Jerrold Electronics Corp., 10¢ payable Nov. 1 to stockholders of record Oct. 24 (first div. on common issued July 7, 1955); Aircraft Radio 20¢ regular and 10¢ extra Nov. 16 to holders Nov. 2; Television-Electronics Fund, quarterly 10¢ plus estimated 50¢ per share net capital gain, to be distributed Nov. 30 to holders Nov. 1.

"Even a giant can get trampled in a bull market rush," says Oct. 22 *Business Week*, which goes on to tell why "Westinghouse Gets a Cuffing" in the stock market, in sales, in earnings—assessing reasons and concluding that "in the longer and broader view, Westinghouse has been embarrassed and hurt, but not crippled"; that its capital structure is intact, assets having grown faster than most, affairs liquid, cash & marketable securities covering all current debt 1½ times; that it hasn't lost any non-military market position; that there has been "no panic in Pittsburgh"; that indeed Westinghouse has made bold investments in new projects since earnings hit the skids.

Hoffman Electronics Corp. third quarter sales rose to \$11,866,375 to bring 9-mo. total to \$29,220,714, reports pres. H. Leslie Hoffman. Profits were \$515,113, bringing 9-mo. total to \$934,292, or \$1.29 per share on the 722,094 common shares outstanding. Third quarter sales were 43% ahead of same 1954 period, but 9-mo. sales total in 1954 was \$32,750,904, profit \$1,139,421 (\$1.57.) Rate of delivery against gov't. contracts, said Hoffman, increased substantially during third quarter; shipments of TACAN in quantity began in Aug.; TV unit sales are ahead of last year; and "immediate future should see a continuation of the improved conditions experienced in third quarter."

American Broadcasting-Paramount Theatres Inc. reports estimated net profit after taxes for first 9 months was \$5,254,000, or \$1.20 a share on 4,137,933 shares outstanding, up 68% from \$3,127,000 (68¢ on 3,967,493 shares) in same 1954 period. Third quarter profit was estimated at \$1,899,000 (43¢) vs. \$1,373,000 (31¢). ABC div., pres. Leonard Goldenson reported, went into profit column as against sizeable loss in 1954 third quarter. Theatre earnings were slightly ahead for first 9 months, but disappointing Sept. brought fall quarter below last year's best third quarter since 1950.

Magnavox stockholders to vote Oct. 26 on proposal to double number of authorized shares from 1,000,000 to 2,000,000 in preparation for possible expansion.



Film industry launched its defense this week against charges of conspiracy to keep movies off TV in Gov't's 3-year-old "16mm suit" (Vol. 8:30 & 11:38-39, 41) with statistical survey designed to show how TV had hurt theatre boxoffice. Evidence was presented after Los Angeles Federal Judge Yankwitch refused to dismiss charges as requested by 5 major film companies remaining in litigation. Armed with voluminous records and survey samples, Stanford research economist Kennett Beggs testified that theatre attendance had declined steadily with advent of TV, but admitted that precise figures were not always available and that some conclusions in survey represented deductions only. Between 1942 & 1954, he said, estimated gross earnings of features on TV had increased 659%, with \$2000-\$7500 price range of top features in 1948 jumping to \$25,000-\$50,000 in 1954. Earlier, as Gov't. concluded its case, subscription TV issue was injected into trial through mention of Phonevision. Judge Yankwitch then speculated whether in future, if toll TV is approved by FCC, Gov't. might not move to have it declared monopoly on grounds it would be keeping films from some people.

AT&T-Air Force \$2.4 billion SAGE defense communications project (Vol. 11:39-40), target in political battle over allocation of funds, received green light from Comptroller General this week provided AF seeks specific Congressional authority for spending next year. Earlier, portions of project were approved by FCC, permitting expansion of existing AT&T facilities in 7 eastern states, but without blanket approval for entire plan. Comptroller General and FCC both acted after personal intervention by Defense Secy. Wilson.

TV offers a New Renaissance

by SYLVESTER WEAVER

This speech was delivered by the President of the National Broadcasting Company at a luncheon given by the Institute of Practitioners in Advertising at Grosvenor House, on September 27th, 1955. Lt.-Col. A. M. Wilkinson was in the chair

THANK YOU, COLONEL, MR. CHAIRMAN, honoured guests, ladies and gentlemen. First of all, I want to congratulate the people responsible for getting commercial television started, for the ingenuity and resourcefulness and determination to be ready and start on the September date. The ITA, the programme contractors, the advertising groups, the set manufacturers and service organisations—all concerned deserve great credit.

I think that you in advertising deserve particular credit because you have been willing to look ahead and buy what your judgement and intelligence told you would be great advertising values later.

Because of the misinformation about television in the United States that has been printed here, let me assure you of one certainty. In the States, television advertising has been overpoweringly, overwhelmingly, fantastically successful, particularly for the advertisers. The *Daily Express* said in an editorial last Thursday, and I quote,—“In America business men are giving up this method of advertising,” that is, television. This is true in precisely the same way that it is true to say that in America the people are giving up breathing. Some pass away every day.

Let me assure you that we in America have already proved the power of television, over all forms of advertising, and it has become the basic buy of those companies who must advertise to live, food, drug, tobacco, soap and consumer goods generally. I will return to this.

I WOULD ALSO LIKE to pay tribute today to the BBC, with whom we at NBC have been associated for so long, and we hope that the new competition will only increase and strengthen the ability and nobility of the BBC's undertakings.

I believe that our television services in America must have access to a great deal of programme material from Britain, because our heritage is here in so large a part, and our programming must always reflect this. Therefore, I believe we will find television, through ITA or BBC or independent groups, providing 10 or 15 million dollars a year worth of programmes to the US. And this does not include movies for television use, nor shows built for continental or world locales, but produced by British interests. The effect of a stronger television industry, will be a whole new source of revenue to the British producers from America. With the purchase of American programmes here, we

are beginning an exchange that should be helpful to both of us, in money as well as understanding.

Now as a subscriber to the *Listener*, *Punch*, the *Manchester Guardian* and other British papers I know what a lot of people over here think of us in American commercial television. In part I am delighted by this knowledge as when *Punch* comes out with jokes about the Home County's Crematoria, “terms include ‘free scattering of ashes’.”

The comments of the *Manchester Guardian* recall criticism that has also come from American intellectual forces. On balance I would say that the *Manchester Guardian* was better written. But both groups get the same marks for accuracy in my opinion, and very low marks they are.

ONE POINT MADE generally was that, and I quote Lady Violet Bonham Carter, “The advertiser is not concerned with the influence of broadcasting on the mind and spirit of the nation.” And while the advertiser may not be, the broadcaster is. The real question is whether or not a broadcaster who is operating a commercial enterprise and is supported by advertising revenue, is less able to do a good job than the broadcaster who is supported out of the public purse.

I cannot analyse this problem except as an American and within an American frame of reference. Since our societies differ extremely, my lugubrious conclusion is that I will succeed only in being able to offend every group before I have finished. Nonetheless, onward!

As I say, I read the *Listener*; I enjoy the BBC service; I think the idea of free programmes is excellent, but I have always, as an American and a firm believer in our incentive system, which is not exactly the same as the free enterprise system, as I will come to—but as a believer in the incentive system, I have always thought that taking pride in having a broadcasting instrument that did not carry advertising was like taking pride in a railway system that did not carry freight.

There is no question but that broadcasting has a wide usefulness to people, but there is also no question that an equal usefulness is through broadcasting's integration into a modern economic society through advertising. Broadcasting can upgrade the economy, while upgrading, when properly run, popular taste.

This audience includes the press and the BBC as well as the ITA and representatives from various parts

of the British society. It should be interesting for you to hear what we believe television is doing in the United States, and within our own frame of reference, how it is serving a revolution of incalculable scope.

It has been said that a society follows its communications, not only in its physical form, but in its cultural patterns. I believe this, and believe that the revolution that is going on because of broadcasting is accelerating certain trends in our society, and that the evidence on balance is overwhelmingly for good.

Before I go into the subject, let me talk for a few minutes about television itself and programming and advertising, and then come to our concept in the States of the television medium.

First of all let me make my plea here that I have fought for so long in the States against the great critical opinion which almost unanimously in the States as well as here defined television as a “Small screen reaching people in small groups and an intimate instrument that should remain true to those limitations.” This is absolute nonsense.

TELEVISION IS A communications invention. It is a machine. It is anybody, anywhere in that wherever one person can go or attend or be present at anything, every man can be substituted for that person by the camera. It is this limitless definition of television as a machine that we have tried so hard to implement in the States. And this can be done in selling as well as in programming. Today in the United States it is said that people sit at home for several hours watching stultifying entertainment bringing them lower and lower into some video idiot mental level with an unending succession of trivia and escape.

Actually the people are really going places via television—attending with other people an event in some meeting place for people. They may be at a concert; at a radio show; at a rodeo or an aquacade or a Broadway theatre or a motion picture house. They may be seeing a personal appearance or a lecture platform. The point is that television, in its limitless capaciousness, covers all the forms that human beings have developed in their entire history, and with the cameras, allows people to be present wherever anything, entertaining or instructive, is going on. What the people choose to see and how well the presentations are made, technically by us, are different questions that I will come

to. But we look upon the television screen not as a small screen that demands intimacy, but as a miraculous port through which every man can look out upon a fascinating wide, wide world. Eyes that a generation ago would have rarely strayed above the ground because of status or class or other misfortune now see anything that the richest, the most privileged, the most cultured man in any state of society could ever see for himself.

THOSE WHO WOULD limit television's greatness to the new art form of the small screen, the small listening group and the tight unities of television itself, completely misunderstand the limitless ability that television gives us to go places, to see things, to understand, to experience and, finally, to participate.

We will go into outer space from Mount Palomar; we will follow the electron microscope into the brain; we will attend history wherever it is being made; our people will meet the great personalities of their time face to face, not in a formal presentation but in informal conversations where you really get a feeling of the innate personality. All these and many more aspects of television are building a new race.

I recognise that the BBC has done most of what we are talking about, but the BBC by its very nature will not do what commercial television must do. Commercial television, to be successful, must attract the big audience—everyone. If television does not attract and influence the big audience, elevating its tastes, increasing its knowledge, maturing its judgement, clarifying its understanding and all the other points on which better information and exposure to culture can continue the movement upward of people, then British commercial television will fail. It will fail in its mission, for its mission is to do something that the BBC really cannot do. Its mission is to reach the big audiences and improve them. The BBC gives the people what they want, group by group. British commercial television, like American television, must give the people what they will look at, but they should always, as we do, realise that all programmes can serve a purpose beyond diversion, can carry a higher information content. It is easy to programme with what people already want to see. This is excellent but limited. It is difficult to programme so that people watch what they want to see in a form that includes things they don't want to see. This is the system that we use with tremendous

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*"a programme content that not only amuses but
and enlarges the viewer, and prepares him*

success at NBC. We call it "enlightenment through exposure." Originally we called it "Operation Frontal Lobes" and you can imagine what a grand time the critics had with that. I used that name really for fun, because I once heard a very distinguished Canadian make a speech on how we have come down out of the trees entirely because of our frontal lobes. Anything advancing the common man to the uncommon man has, to me, a frontal lobian quality.

IT SEEMS TO ME that commercial television, because of the need to attract a total audience, will have more influence in elevating British tastes than the BBC, which is filling and responsive to needs that already exist and that, thanks to commercial television, will be ever enlarged. British commercial television thus can follow what we at NBC consider the grand design of television, the creation of an all-people elite. We believe that we are shaping a society which acknowledges that no true prosperity, no enduring culture can stand on a bedrock of human misery or of race or class or group subjection. We believe that it is impossible for a society to consider itself mature and intelligent and humane so long as any normal person in it has been denied exposure to the great ideas, the great achievements, the great history of man. This is the opportunity and the destiny of commercial television. It is the one communications medium that can offer the heritage of man to everyone in a living, vibrant and interesting form. To do this, we must first engage the attention of the total audience. We must expose all of our people to the thrilling rewards that come from an understanding of fine music, ballet, the classics, science, the arts, everything. In our minds to programme for the intellectual alone is easy and duplicates other media. To make us all into intellectuals—there is the challenge for commercial television.

It is easy to push a button when you are in the mood to see television and not like that is offered. It is also easy to pick up a telephone and tell somebody at a magazine stand to send you two magazines. If you do not further describe what you want and if you take no trouble to find out what is available, it is quite possible that you can generalise in a most high-handed manner about the product of the press, or of the air, but the fact is that you will be wrong.

So far as television is concerned, while a great deal of our material is escape or built for special services, the fact also is that tremendously exhilarating projects are on every week that are attracting tremendous audiences and informing and instructing and enlightening and enriching their lives. This should be

done here and it will be done by commercial television as well as by the BBC. The very fact that tremendous revenues will be added to the broadcasting industry should mean that the programming should be much better.

I DO NOT WANT to give the impression that we are satisfied with our programme schedule. We are not. We have good things and we have bad things. We have problems that are serious and problems that are insoluble. At NBC we do five hours of service programming in the morning, information of interest to women and to the family, and special programmes for children. In the afternoon we programme entertainment, with a full-hour play of night-time quality, done in colour, every afternoon at 3 o'clock. Our night-time schedule includes six fine hour-dramas a week, together with great extravanganzas and reviews starring all of the people who play the Palladium, together with many who don't. In our weekly spectacles and telementaries, however, we have that special added inducement to viewing that we hope will keep the light or occasional viewers watching their sets, and we hope will attract as many of the regular viewers as possible. This is like the two-hour colour spectacular, "The Skin of Our Teeth" two Sundays ago, or the Sadler's Wells Ballet which is coming up, or Frank Sinatra in Thornton Wilder's "Our Town" in the 90-minute musical version which was played a few days ago, to an audience of probably 40 million people. Your own Jeannie Carson comes out in the new musical comedy of "Heidi" Saturday, and Maurice Evans is presenting "Alice in Wonderland." We have bought "The Constant Husband," starring Rex Harrison, an English movie to be shown to our television audience before its release to the theatres. We have also done the same thing with "Richard the Third" for a three hour, all night, presentation sometime next year. Many other attractions of this unusual importance are scheduled. Then in our information programmes, we have great stories of the Twentieth Century, in prime night-time periods—programmes like "Nightmare In Red," the study of Russia to the death of Stalin, and others, like "Three, Two, One, Zero", on the Hydrogen Bomb—which played here on the BBC. In addition, other telementaries like one on young India and one on "Tomorrow—Our Life in 1976," are scheduled in the next few weeks. The range and scope and quality of the attractions that are presented to the American viewing public are certainly comparable to anything offered in any of the other media or arts. Our operas in English, our regular shows with what we call a

high information content, our public service features, all add up to a powerful programme schedule that should appeal to every segment of our population.

And so we have our great audiences, actually the total population on a cumulative basis and we give them a programme content that not only amuses but informs; that not only entertains, but inspires; that enriches and enlarges the viewer, and prepares him for the life of a man—not a vegetable. In the design of our schedule to reach the entire public we believe that if we do not reach the total audience we fail, and that if our influence and impact on the total audience is not positively and affirmatively for good, we also fail. This is the policy of the National Broadcasting Company. I think it shows that in intention, at least, those who decry the American system and commercial television are wrong. If they say that we have failed, they have not sufficiently studied the records. We have not yet succeeded, it is true, but we have not failed.

NOW LET ME TURN to the subject of advertising. Here, again, I have read a great deal of information, and misinformation, published in this country. In television, as we have developed it at NBC, the advertising agency has lost a large measure of the control he had over radio. We do not generally have television sponsorship in the old sense that we had it in radio. Therefore, the setup as the ITA has developed it is much

there is nothing you can think of that will help sell your product or service that cannot be produced. If there is to be a failure, let's get it straight now, the failure will be yours, the man's: it will not be the machine's. Furthermore, then and now it is my honest conviction that television advertising is being blocked from a far higher degree of interest, and of selling power by the condensation with which much of it is prepared. Again, I do not know anything about the English market, so I'm not competent to discuss whether your commercials will be effective to your market. In our own market, there is so much power in the medium that even bad commercials are selling goods. Some day this will stop being true and our advertising will improve. The major weakness, it seems to me, is that the writers of advertising are not taking advantage of the tremendous scope and excitement and exhilaration that we have in this medium and the tremendous amount of information that we can transmit quickly to people.

I have seen a great deal written about cost per thousand and measurement of impact. It is true as agency men that you must get into these matters, but let me assure you that you will save an awful lot of time if you don't concentrate on them. Television will outsell anything. It has incredible power. If you do not sell with your television, it has to be the advertising that is wrong. It is impossible for me to

*"In the States TV advertising
overwhelmingly, fantastically*

more like our setup than like the old American radio formula of sponsorship—which is the dead horse so many are beating so hard.

This has raised the question of whether straight advertising would sell goods on television, particularly at the prices asked.

Despite all of the usefulness that we offer advertisers that will not be available on the ITA plan, you are still offered the really big important thing. The real value was never sponsorship, never the gratitude factor, never integrated commercials, never personal selling. The real value always was huge circulation and the opportunity to present a message that was actually selling the person. This was even true in radio. In television it is quadruply true, for you have sight and sound and motion and will eventually have colour. As I used to tell our men at Young and Rubicam, when I ran the radio and television department which included our copy department,

believe that the British people can be that different. If they object to advertising that is cheap and condescending, that is what I mean when I say the advertising is wrong, but I cannot believe that genuine descriptions of products with information as to why they are serviceable and good, and what features they have that are appealing would offend anybody, if they were done well.

I BELIEVE, therefore, that commercial television will be a great asset to Great Britain, with its advertising revenues it can offer an exciting programme schedule and one which will have to be directed to a job that has the social significance of improving the total audience by the nature of its obligations. It is true that these obligations do not have to be met. I know that I have been fighting a long, hard battle in the United States, because in many cases the immediate interests of those concerned would not support

informs; that not only entertains but inspires; that enriches for the life of a man—not a vegetable”

the kind of ideals that I have been discussing here. At the same time, I am now in my seventh year of command of the NBC Television Network, which is really since before it started, and we can take great pride in how far we have come in building an instrument of great service to the public and of great usefulness to our advertisers.

I ALSO BELIEVE that advertising on television will become the most important aspect of your advertising budget, once the stations are built, and the conversions are made and the actual audience is available to you. The important thing for advertisers to do is to learn how to use the medium, how to prepare advertising that intelligently makes sense. You know, we ran a number of your commercials on our programme "Monitor," a forty-hour weekend radio show that we have on NBC. But I am afraid that I must admit that we did it because we thought they were funny. I presume that you don't think they are funny, or that they are funny and they sell goods. But as I said, I am not competent in this field. If you asked me to write advertising to sell the English I would be extremely concerned because so much of the advertising that I have seen in print is foreign to the kind of basic advertising principles upon which I have been brought up. Nonetheless, in advertising, British commercial television should play an important role in continuing to cut distribution costs and to increase the

has been overpoweringly successful for the advertiser”

domestic economy.

And this brings me to the point that I know is very worrisome to the British and may be one of the reasons why commercial television is a matter of concern in some quarters. Will television sell goods so effectively, on top of an already strong demand for consumer products beyond, perhaps, the capacity of the country to produce while, at the same time, maintaining its export trade?

This brings me to an exposition of really the general frame of reference of the American society that I mentioned earlier, which is extremely appropriate in answer to this question of the development of the British domestic economy.

Before I go too deeply into this, let me again make my plea for tolerance on your side. I am an American speaking from an American frame of reference but, as you heard earlier, I am married to a British girl and I'm of British extraction if we go back a mere two hundred years.

But I am an American. I believe wholeheartedly that we in America are trying to achieve our revolution. I also fear that you in Great Britain are trying to stop your revolution.

What I am saying is, of course, my own opinion and not necessarily representative. Our own intellectuals frequently fear the general public as though the ancient fear of the people had merit instead of, as it seems to me, merely focusing on the problems that the development of an all-people elite will bring to us.

I believe that in the last few years we have set in motion an information explosion. To each man there is flooding more information than he can presently handle, but he is learning how to handle it and, as he learns, it will do him good. I mean that each individual has the equipment to handle far more data than he does handle, and we can vastly increase the volume of traffic through his mind, and when we do increase that volume of traffic and he has more data available, he will respond with better data handling as an individual. By that I mean he will make better and more rational and more intelligent decisions. He will less likely be moved by emotionalism. He will be less likely to fall prey to fear, anxiety and confusion.

I BELIEVE THAT MAN has come a long way fast, and he can now make a quantum jump forward in a generation, largely due to television, for now we can see the day coming when a normal human being can handle the entire information load necessary

to place himself into his own time with all the information about his history as a human being, as a member of a race, a nation, a creed, a faith, all the information about the universe he inhabits and its scientific description; all the information about the human culture he inherits and its achievements and its history; all the information about himself and the way he works as an individual; so that his personal balance and equilibrium can be stabilised; so that he can handle his life and grow intelligently; and all the information about his future and all futures projected so that he can select from among the myriad alternatives the kind of person he wants to become, the kind of life he wants to live, the kind of work he wants to do, the kind of achievements he can aim for.

This new world is not really understood. People talk about pressure for conformity, from the mass media, when actually the real pressure is building an infinity of

differences. There is a transitional impact of people gaining social and economic privilege that they have never before enjoyed. But if they show certain undesirable traits, it is less than generous to criticise them.

We believe that this is a real revolution and that it is creating a new elite. We believe this new elite will encompass all men except the handicapped, the sub-normal; we believe it will bring about no great Utopian Monolith, but an explosion of an infinite number of personalities, each moving finally as his talents and interests direct him, not as his good and bad luck in birth and health and race, etc., have determined for him.

THIS REVOLUTION cannot take place unless through mass media, and particularly television, one is able to either build a classless society or reduce the paraphernalia and points of difference between social groups, so that individuals can move from any racial or ethnic or economic or class background into any other group or class, without any feeling of inferiority or superiority, without any fear, without any shame.

We believe that the uniformity that will follow from television and radio in the superficials of dress and manners and customs and speech is a decent civilised goal in any society. It prevents people who have the talent to move out of their group, from being hurt or ashamed or afraid as they move wherever their talent takes them.

Furthermore, the general attacks on the mass media and upon American industrial democracy do not make a very good case. There is absolutely no confusion of the popular, with the excellent, that I know of in this country or my own, in spite of what the critics say. There is a very definite feeling that what is excellent may very well be popular, as it is in broadcasting. The biggest TV audiences last season were for the best shows and most important events, generally. All very frequently it is also quite possible that what is excellent may not be popular and that what is popular may not be excellent. The people do not confuse the two. Furthermore, atomising our society into groups who are for the first time learning of fields and special interest activities that appeal to them that they never heard of before will increase. The incentive to dissent and heresy the right to be different, the acceptability of eccentricity.

The impact of television creating new interests will replace the static act of watching with the impact to go and do something in the new field of interest. We know that this is true from our experience with radio where the tremendous interest in serious music in the United States, and the fantastic growth of the number of symphony orchestras and

concerts of various types has followed the impact of the radio medium. Similar impact will cover everything else in the other fields.

Then, it is not true that the ease of television viewing stops people from more disciplined activity. You can walk into a drug store in the United States and probably find all of the so-called hundred great books on sale at fifty cents apiece or less, lecture halls are crowded and I needn't tell you about the millions of tourists. Actually, as the intellectuals do not seem to understand, real progress starts when we recognise that the paraphernalia of status is the trivia of life. It is when we put behind us the childish pursuit for some equality with any status group or money group or priestly group or any other basis for elitehood or apartness, and go to the fields of our special interests, where each of us as a personality develops his or her inborn interests, or adopted interests—it is only then that we are moving toward real maturity.

And to me, television and radio are the basic force behind this revolution. They are that, because they picture for the people the possible new world as it is available to them. Broadcasting shows the people what they can do and buy; what they can use and have; things of the spirit and the mind and the body; things for the individual and the group. Thus, broadcasting in the States becomes for us the centre of our incentive system, and this is the system under which we are achieving so much in real good for our people. Good homes, good health, good reading, good drama, good music, good everything. It is important that our great broadcasting enterprises sell goods, but more than selling goods, we sell the idea of a worthwhileness of a society that gives us all these real things: the home, the car, the library, travel and leisure, the whole of our tradition, at almost no cost. The price is to exchange peace-of-mind in a society of status for a certain amount of anxiety in a society of mobility. It is worth it.

I READ IN THE Listener a month or so ago one of W. H. Auden's pieces on writing poetry. In it he says, "Technology puts at our immediate disposal the arts of all ages and all cultures. The full impact of the machine in this respect is quite recent. Tradition now means a consciousness of the whole past as present, yet as a structure in whole, whose parts are related in terms of before and after."

Our people have available in their home, no matter how low their income, this complete art of all ages and all cultures, done in a system which attracts them even though they have no immediate known interest in the more rewarding, or

"Television is the instrument through which a nation can be awakened to the need for new and better methods"

better, or finer, of the arts. Its name is television; without that machine you cannot show people this picture of a future that does far more than makes them buy; it makes them work. America has grown great, not because people bought, and not because the country was rich. It has grown great because in America people work. They work hard and they work for real incentives, real things. The things may vary and the priority list of the individual may put bathtubs ahead of books. This may not be true in another generation, because he will not have to choose. He will, of course, have both. But the main thing is that in an economic system every individual, instead of fighting against some other group on some class basis to divide what there is, is trying also to increase production. Americans know first that it is only increased production per man that brings real wealth. Second, that all of us must be real professionals in our own undertaking, third, that we must do hard work in order to enjoy the things that we know are available to us. It is this that I think could well be considered by the British as they worry about their domestic economy and television. Television is the instrument through which a nation can be awakened to the needs for new and better methods of production, for new increases in manpower output; for new ideas in product development, for streamlined distribution and all the rest of the aspects of a modern economic democracy.

In the United States it was possible that after the pent-up war demand was filled that our country would go into a recession, instead of which there was an explosion up to a new economic plateau. I can't prove this, but I believed it completely, sincerely, as do many others. It was the power of television showing the people the rewards before them, making them willing work ever to harder to reach their real individual goals that sent us to our soaring new plateau, and this is going to happen again, and again, and again, in the United States. Already privilege is almost universal.

THIS IS AN EXCITING, exhilarating thing, brought about largely through the mass media and, of course, with television playing the leading role. As one looks at the American economy today, with its low work week, and its tremendous production and its high incomes, one must remember several things. First of all, that we have 25 million people already watching Shakespeare and opera, and that we have drug stores selling classics, and classical music playing all day and all night on the air in our biggest cities, and that we are building an all-people elite. Make fun of it if you will. You have very little time in which to do so.

But remember this also: if our people were satisfied with the standard of living of 1870, we could have a five-hour week right now. That would produce enough for all of us to have what our grandfathers had. But it is not enough, and our people will not sit still for it, and that is why, thanks to television and the picture of the great life before them, the incentives are so sharpened that there is a driving, churning speed in the American economy as it moves ahead devoted to the good things of life, both physical and mental.

There is considerable humorous handling in the British press about America, but I think it is interesting to realise that the reason we do not have any Socialists has nothing to do with propaganda about the free enterprise system. It is that actually the men who here might be Socialists, in America have joined with the entire working group, and they want to move ahead and build an ever-higher production, a broader shared wealth, a new leisure, a miracle society of new things that make life easier, more comfortable, more fun, more rewarding, more enlightened—a new world in which every man will be an Athenian with slaves of metal and electrons. They know that this world can only be created by

forgetting their special group desires and fears in order to increase per-man output. The nation is put ahead of the group.

BECAUSE OF THE knowledge spread by the new media, and particularly television, our entire society has an incredibly uniform desire to advance on its present economic and political patterns and concepts, and the desire to advance as fast as possible.

I have gone into this at great length, mainly because television is not just to sell soap. Television has a far more important role not only in uplifting the population, but a dynamic and revolutionary role that will influence every aspect of society, and if it is run right, influence it for good. Also, the problems that face Great Britain are soluble in more than one direction. The experience of the United States, with its mass media creating a desire among all of us to work harder and sacrifice personal and group advantages, to get real values quickly is something worth consideration by the British leadership.

Why are the Americans in a hurry —because there is so much to do! Where do Americans think they're going with so much speed? We can see where we're going and most of us find it a happy prospect. *[verbatim]*

Copies of this supplement to 'WPN' may be obtained price 6d from the
Circulation Director at 9/10 Old Bailey, London, E.C.4 CEN 4040.

Color Trends & Briefs: Contrast in quality between outdoor and indoor color was never more striking than it was this week—between NBC-TV's Oct. 15 Michigan State-Notre Dame game and Oct. 17 "Cyrano de Bergerac" on *Producers' Showcase*. As in World Series colorcasts (Vol. 11:41), quality of game transmission was generally disappointing. At Federal Communications Bar Assn. outing at the Horace Lohnes estate near Washington, where color sets were tuned to game, hundreds of consulting engineers, lawyers and FCC personnel agreed sports colorcasts have a long way to go before public is impressed.

By contrast, *Cyrano* was perfect—demonstrating precisely what the shouting is all about. Color is what made a brilliant performance complete. Critical comment of those who saw play in color was epitomized by *Variety's* George Rosen, who wrote: "The color was magnificent. Seldom if ever before had it been put to better use, for of all the plays converted to video, few have lent themselves to the compatible tint as this version of the dashing, romantic poet and swordsman." As an interesting statistical footnote, NBC-TV v.p. Thomas A. McAvity reported that the 30,000,000 viewers who saw play were 60 times as many as attended its 1946 & 1953 Broadway productions, 5 times as many as saw the movie.

* * * *

Network color schedules for next 2 weeks: NBC-TV—Oct. 24-28 & Nov. 1-4, *Howdy Doody*, 5:30-6 p.m.; Oct. 25 & 28, *Today* segments, 7-10 a.m.; Oct. 25 & 28, Nov. 3, *Home* segments, 11 a.m.-noon; Oct. 29, NCAA football game, Iowa vs. Michigan, 2:15-5 p.m.; Oct. 31, new dramatic series *NBC Matinee Theatre*, 3-4 p.m., running daily thru Fridays; Nov. 5, *Max Liebman Presents*, "The Great Waltz," starring Patrice Munsel, 9-10:30 p.m.; Nov. 6, *Color Spread*, "Constant Husband" (film), 7:30-9 p.m. CBS-TV—Oct. 29 & Nov. 5, *Gene Autry Show*, 7-7:30 p.m.; Oct. 25, *Red Skelton Show*, 9:30-10 p.m.; Nov. 3, *Shower of Stars*, starring Jack Benny, 8:30-9:30 p.m. Other upcoming shows: NBC-TV—Nov. 14, *Producers' Showcase*, "Wonderful Town," 8-9:30 p.m.; Nov. 20, *Maurice Evans Presents*, "The Devil's Disciple," 4-5:30 p.m.; Nov. 26, NCAA football game, Army vs. Navy, 1:15-4 p.m.; Nov. 26, *Max Liebman Presents*, "Dearest Enemy," 9-10 p.m.; Nov. 30, *Kraft Television Theatre*, 9-10 p.m.; Dec. 4, *Color Spread*, Maurice Chevalier variety show, 7:30-9 p.m. CBS-TV—Nov. 12, 19 & 26, *Gene Autry Show*, 7-7:30 p.m.

First 5 weeks' schedule of *NBC Matinee Theatre*, daily 3-4 p.m. dramatic color series which starts Oct. 31, was released this week, includes originals, adaptations from stories, novels, etc., plus some repeats of TV hits. Among repeats are *Kraft TV Theatre's* "The House on Wildwood Lane," *U. S. Steel's* "One for the Road" & "The Aspern Papers," *TV Playhouse's* "Roman Fever," *Hallmark's* "Courtship of Miles Standish," *Studio One's* "Wuthering Heights." Exec. producer Albert McCleery reported that rights to 110 properties have been obtained; that 3500 performers will be employed, including Sir Cedric Hardwicke, John Barrymore Jr., Fay Bainter, Sarah Churchill, Kent Smith, Richard Arlen, Gene Raymond, Clare Boothe Luce, Margaret Truman, Hugh O'Brien, Richard Boone, Katherine Bard, Kevin McCarthy.

First detailed color rate card is claimed by KTLA, Los Angeles, one of the 16 stations so far equipped to originate live color as well as slides and 16 & 35mm film (Vol. 11:42). Schedule newly prepared for *Standard Rate & Data* calls for \$750 extra for color on hour show, \$500 on half-hour or less.

McClatchy's KMJ-TV, Fresno (Ch. 24), one of the more successful uhf outlets, inaugurated first local colorcasts of films & slides Oct. 2 in conjunction with 16-p. section of *Fresno Bee* devoted to color TV and featuring ads in color.

Network affiliates equipped to rebroadcast color originated by networks now number 114 for CBS, 102 for NBC. We asked networks to bring up to date the July 15 lineup tabulated on pp. 355-356 of our *TV Factbook No. 21*. NBC reports these additions: WDEF-TV, Chattanooga; WIS-TV, Columbia, S. C.; WTVD, Durham, N. C.; KTSM-TV, El Paso; KARK-TV, Little Rock; KCCC-TV & KCRA-TV, Sacramento; KTBS-TV, Shreveport (replacing KSLA); KTIV, Sioux City, Ia.; KYTV, Springfield, Mo.; WKNB-TV, New Britain (replacing WNHC-TV, New Haven); WXEX, Petersburg, Va.; KRBC-TV, Abilene, Tex.; WNDU-TV, South Bend, Ind.; WITN, Washington, N. C. CBS makes these additions: KFVS-TV, Cape Girardeau, Mo.; WCSC-TV, Charleston, S. C.; KRNT-TV, Des Moines; KROD-TV, El Paso; WSEE, Erie; WJTV, Jackson, Miss.; KRCG, Jefferson City, Mo.; KSWM-TV, Joplin, Mo.; KOLN-TV, Lincoln, Neb.; WKRG-TV, Mobile, Ala. (replacing WALA-TV); WGTH-TV, Hartford (replacing WKNB-TV, New Britain); WREX-TV, Rockford, Ill.; KATV, Pine Bluff, Ark.; WGBI-TV, Scranton, Pa.; KSLA, Shreveport; KCMC-TV, Texarkana, Tex.; WFLB-TV, Fayetteville, N. C.; WDXI-TV, Jackson, Tenn.; WFAM-TV, Lafayette, Ind.; WDBJ-TV, Roanoke; KGUL-TV, Galveston; KCMO-TV, Kansas City (replacing KMBC-TV).

Again seeking manufacturers to build Lawrence color tube and sets incorporating it, Paramount Pictures' subsidiary Chromatic TV Labs is reportedly negotiating with Sears Roebuck—whose main suppliers are Pacific Mercury & Warwick. Biggest bottleneck appears inability to find manufacturer willing to produce tube; several have indicated they'll do so if they have more than one set-making customer. Chromatic has long stated that sets using its tube can be built to retail for \$400. Several sets have been made for it by Telechrome Inc., Amityville, Long Island, N. Y., using conventional black-&-white components in vertical chassis, housed in cabinet size of Crosley Super-V.

Color tube developments reported at RETMA-IRE fall meeting in Syracuse this week: (1) RCA's R. B. Janes said improvements in 21-in. tube have been effected by more accurate placement of mask and better method of placing phosphor dots on faceplate. He stated that "almost perfect color purity" has been achieved and that color tube life is now comparable with that of black-&-white. Next step, he said, is substitution of cheaper parts while maintaining quality. (2) CBS-Hytron's N. F. Fyler described 22-in. rectangular all-glass tube, said that its color uniformity is superior to that of round and that design permits greater mechanization and automation.

Another RCA distributor with heavy color promotion program, Southeastern Radio Supply, Raleigh, this week conducted symposium which attracted 350 dealers, servicemen and station representatives from the Carolinas and Virginia. Southeastern's sales mgr. Bill Hartenstein said another meeting is planned in 60-90 days, told of plans to aid dealers and servicemen in demonstrating and servicing sets. In Boston this week, Electric Institute sponsored meeting for servicemen, during which RCA field engineer C. W. Walters explained color circuitry.

U. S. will be host to CCIR Study Group 11 for 2 weeks starting March 5, as the international group works towards setting color standards for rest of the world. Demonstrations will be conducted at UN headquarters and at labs of most active color organizations. RETMA has reactivated NTSC, which formulated U. S. standards, and group is working with State Dept. in preparation for CCIR visit. GE's Dr. W. R. G. Baker continues as NTSC chairman.

"Color Television Engineering" (450-pp., McGraw-Hill, \$8) is new book by RCA's articulate lecturer on color, J. W. Wentworth.

NBC-Westinghouse swap of TV-radio stations in Philadelphia and Cleveland (Vol. 11:21) was held up by tight vote of FCC this week—with new Comr. Richard Mack breaking 3-3 tie and Commission voting to send principals a “McFarland Letter” indicating a hearing will be necessary. Under terms of deal, NBC would take over WPTZ & radio KYW, Philadelphia, Westinghouse would acquire WNBK & radio WTAM, Cleveland, and NBC would also pay Westinghouse \$3,000,000. Dissenting Comrs. Hyde, Doerfer & Lee favored approval of sale now. Commission’s letter said it’s concerned with monopoly and whether NBC pressured Westinghouse into the deal. It noted NBC’s present and proposed station ownership, said that there are 26,538,000 people living in Washington-Philadelphia-New York-New Britain areas where NBC would own stations; that 1,556,000 live in area overlapped by coverage of WRCA-TV, New York and WPTZ; that Westinghouse would have concentration in Pittsburgh-Cleveland-Ft. Wayne area. “The Commission is also concerned,” letter said, “as to whether the NBC used its power to grant or withhold network facilities as an instrument to persuade Westinghouse to accept the proposed Philadelphia-Cleveland exchange.”

Prosecution of college football authorities under anti-trust laws was asked Oct. 21 in complaint filed with Justice Dept. by WJIM-TV, Lansing, which accused National Collegiate Athletic Assn. and pres. Asa Bushnell of “arbitrarily restraining the televising of [Oct. 22] football game between Michigan State U and the U of Illinois.” WJIM-TV said gate has been completely sold out for 30 days, both schools had consented to local telecast of game, and it was available for telecast under “home TV sellout provision” of NCAA rules. “Under these circumstances,” said WJIM-TV, “refusal by the NCAA [is] not in the public interest and prohibits the flow of TV to the public. This conduct in our view is wholly arbitrary and without any plausible excuse and is injurious to the TV industry and the public it serves.”

Community antenna operators certainly have plenty to talk about as they meet at Antlers Hotel, Colorado Springs, Colo., Oct. 24. Not only is there FCC examiner J. D. Bond’s remarkable decision favoring illegal boosters (p. 4), but there’s threat of tightening govt. regulation. Wyoming Public Service Commission recently ordered that system planned in Rawlins could charge only \$25 for connection fee instead of proposed \$125, though this week it indicated it would amend ruling to permit the \$125 charge—with \$100 of it designated “contribution in aid of construction,” \$25 as “income.” There are reports, too, that group of western station operators are about to ask FCC to assume jurisdiction over systems.

While wrestling with deintermixture petitions (p. 1), FCC received another this week—from WPFA-TV, Pensacola, Fla. (Ch. 15) and KTAG-TV, Lake Charles, La. (Ch. 25), both controlled by Charles W. Lamar Jr. Reshuffle sought: substitute Ch. 4 for 25 in Lake Charles, 13 for 15 in Pensacola, 4 for 13 in Biloxi, 25 for 4 in Beaumont-Port Arthur; delete Ch. 4 from New Orleans. Another allocations petition filed, by Sarkes Tarzian’s WTTV, Bloomington, Ind. (Ch. 4), was request that Ch. 13 be assigned to Cartter, Ill.

Waiver of “territorial exclusivity” rule requested by WTTV, Bloomington, Ind. was turned down by FCC this week. WTTV said rule had forced cancellation of its “first refusal” clause in NBC contract because its channel isn’t assigned to Indianapolis, but Commission said station’s “primary obligation” is to Bloomington. Pre-freeze station said it was losing revenues because of loss of “first refusal” rights, might have to drop some educational programs.

Initial decision in Edward Lamb case probably will come in December. Hearing examiner Herbert Sharfman, now back at work after illness, says he’s currently working on case, which involves renewal of Lamb’s license for WICU, Erie (Ch. 12), but probably won’t be able to make his original goal of Nov. 24. Lamb’s attorney Russell Brown this week filed 115-p. point-by-point answer to Broadcast Bureau’s proposed findings in case and requested oral argument on the findings. Brown’s brief compared the reputation of Lamb’s witnesses with those put on stand by Broadcast Bureau, concluded that statements of credible witnesses who testified as to Lamb’s anti-communist views and activities “overwhelmingly countervail the scum brought forth by the Broadcast Bureau. It must be obvious,” brief continued, “that sober, considered judgment requires a finding that Lamb’s militant, open, unequivocal personal independence and loyalty to the United States are plainly disclosed, as against the fanciful deductions, imaginative inferences and sinister implications of his detractors.” Broadcast Bureau expects to file reply, probably week of Oct. 29.

New York police files and other official records have been opened to New York TV Productions Inc., headed by Theodore Granik, for use in projected *Dragnet*-type TV film series. *New York Times* broke story on front page Oct. 22, reporting Mayor Wagner had ordered all city department heads to “make their files, equipment and manpower available” to the commercial TV concern headed by his “long-time personal friend” who is a member of the law firm with which Mayor was formerly associated. *Times* reports other TV film producers had previously sought in vain to crack New York Police Dept.’s records, described as a “gold mine” of TV material.

Two TV applications were filed this week, bringing total pending FCC action to 161 (19 uhf). They were: for Provo, Utah, Ch. 11, by local group headed by attorney Robert W. Hughes, which will offer stock to public; for Ponce, Puerto Rico, Ch. 7, by George A. Mayoral, mgr. of New Orleans’ WJMR-TV & exec. v.p. of WORA-TV, Mayaguez, in partnership with electrical supply & building material dealer Wm. Cortada. [For details, see *TV Addenda 21-0* herewith; for complete listing of all grants, new stations, applications, etc., see *TV Factbook No. 21* with Addenda to date.]

Deintermixture is a “subject of public importance and interest,” Wm. L. Putnam, mgr. of WWLP, Springfield, Mass. (Ch. 22), said in letter to WTIC, Hartford, and he invited WTIC principals to present their viewpoints over WWLP. Putnam had gone before cameras to urge support of deintermixture, and WTIC complained to FCC (Vol. 11:42). WWLP is urging deletion from Hartford of Ch. 3, for which WTIC is applicant.

Control of KTVH, Hutchinson, Kan. (Ch. 12), Wichita area CBS-TV outlet, was acquired by *Minneapolis Star and Tribune* (Cowles) last week, FCC approving \$1,000,000 purchase of 80%; former owners retain 20% (Vol. 11:28). Cowles interests also operate KRNT-TV, Des Moines (Ch. 8) and KVTM, Sioux City, Ia. (Ch. 9); own 47% of WCCO-TV, Minneapolis (Ch. 4); publish *Des Moines Register & Tribune* and *Look Magazine*.

Hollywood film production goes on 5-day week under terms of new agreement between Assn. of Motion Picture Producers with IATSE, representing some 14,000 skilled production employes; pay increases run 11-14%.

Negotiations for merger of TPA and Screen Gems were formally called off this week, due to “difficulties that could not be resolved.”

Power increases: WAKR-TV, Akron (Ch. 49) Oct. 5 to 213-kw ERP; KONA, Honolulu, Oct. 22 to 60-kw ERP on Ch. 2 from 35-kw on Ch. 11.

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS — October 29, 1955

TV SETS ON FARMS: 2,000,000 farms have them, 3,000,000 don't, on basis of projected U. S. census figures; 15% of households, 5% of TVs are on farms (p. 1).

FATE OF ALLOCATIONS remains anyone's guess, with action next week unlikely; long-range predictions lean toward vhf mileage cuts, dropins (p. 2).

TOLL-TV FRONT QUIET, with FCC absorbed in deintermixture-allocations problems and Congressmen intent on next year's elections (p. 3).

U. S. POPULATION INCREASE of 7% from 1950 to 1954 shared by all but 7 states. Handy Census Bureau table useful in revising evaluation of markets (p. 6).

FIVE NEW STATIONS due to start in next few weeks, bringing more service to Mo., Ark., Texas & Hawaii; 3 due soon in Canada. Plans of other grantees (p. 6).

BRITISH VS. U. S. TV evaluated by more top-notch engineers who make spirited defense of American standards but credit British with meticulousness (p. 11).

LIGHTER-WEIGHT TV SETS are goal of many manufacturers, stimulated by success of GE's 32-pound 14-inch portable, Emerson's \$98 receiver (p. 8).

UPGRADING OF DISCOUNT HOUSES urged by NARDA managing director, pleading for their integration into local economic community (p. 10).

SYLVANIA EARNINGS of \$9,556,210 for 9 months break full-year profit record of \$9,536,181; sales show increase of 8% over last year (p. 13).

AUTOMATION WILL BOOST employment, wages, standard of living, electronics industry tells Congressmen; labor leaders fear job losses (p. 14).

TINKERTOY MODULES for lab use being offered to industry by new Aerovox division, now working with set manufacturers toward modular design TV (p. 14).

COLOR FILM CHAINS bought by 59 stations; DuMont lists 15 shipments to be added to RCA's 47, GE's 1; RCA sells live chains to 2 more (p. 15).

FARMS—15% OF HOUSEHOLDS, 5% OF TVs: The 15% of American families who live on farms own 5% of the TV sets in use. Some 3,000,000 of the 5,000,000 farm households are not equipped with TV receivers.

These facts are projected from first authoritative count of TVs on farms, county-by-county, now nearing completion by U.S. Census Bureau. Data was collected year ago as part of 1954 Census of Agriculture, but the fact that 25% sample was used makes it probably the most accurate TV count of any kind ever made. Govt. has been releasing the tabulations one county at a time, and since last July we have been printing the tallies as soon as each state is completed (Vol. 11:28 et seq.).

The TV count for all farms will be complete by year's end--but as of today, only 14 states remain to be tabulated, and we'll continue to print the complete data as fast as it becomes available from Census Bureau (farm TV count for latest state, Mississippi, is on p. 7). Though the missing 14 include the important TV states of New York, California, Ohio, Pennsylvania & Michigan, enough results are now available to spot the trends in TV set distribution on American farms.

Advertising Research Foundation's recent estimate that 57.7% of farms do not have TV (Vol. 11:40) appears to have been quite accurate, in view of fact that the Census counts to date indicate a figure of about 60% (subject to minor changes as tabulations are completed for the missing 14 states).

The 3,000,000 remaining non-TV farms represent a tough challenge to TV industry's circulation dept. Many can't readily pick up good signal because of distance from station, though lack of electricity is not a significant barrier to spread of TV to farms -- Rural Electrification Administration reporting that 92.3% of nation's farms are now wired.

Farm TV penetration by region, based on tabulations to date: Northeast 60% (Me., N.H., Vt., Mass., R.I., Conn., N.J.). North central 42% (Ind., Ill., Wis., Minn., Ia., N.D., S.D., Neb., Kan.). West 30% (Mont., Ida., Wyo., Colo., N.M., Ariz., Utah, Nev., Wash., Ore.). South 25% (Del., N.C., Fla., Tenn., Miss., Ark., Okla., Tex.).

States with highest farm TV penetration are those in east with small farms and concentrated population: New Jersey 82.8%, Rhode Island 76.3%, Massachusetts 68.9%, Connecticut 68.7%, Delaware 60%. Lowest penetration is in wide-open western states: Wyoming 8%, Montana 9%, Nevada 9%.

Note: Farm population is continuing 20-year pattern of shrinkage, while farms increase in size. In 1950, there were 5,382,000 farms in U.S., but in 1954 the total decreased to around 5,000,000. Census Bureau this week reported 7% increase in U.S. population during same period. For population shifts by states, see p. 6.

ALLOCATIONS STILL TOTALLY UP IN AIR: No more certainty in allocations-deintermixture picture has appeared this week -- and there's good chance next week will go by without definitive action. FCC Comr. Bartley will be attending NARTB regional meeting in Colorado Springs, Colo., and it's traditional for Commission not to act on vital matters without full membership present.

There's growing belief that when Commission does finally grapple with problem again it will determine that the only thing to do is to enter over-all allocations proceeding. And the long-range guessing in Washington is that end-product will be a cut in vhf standards to permit dropins of more stations.

Hanging heavily over whole proceedings is Court of Appeals, where FCC's battling average in last year or 2 has been very poor. This week, court again slapped Commission down, ordering it to take another look at its Ch. 11 grant of merged WWSW-WJAS application in Pittsburgh. Uhf WENS, Pittsburgh, had charged grant was illegal, filed a Ch. 11 application which it said was entitled to hearing.

Another threat of court action came in form of petition to FCC from off-air WTRI, Albany (Ch. 35). It asked rehearing on allocations proceedings in Albany-Schenectady-Troy area. It has been seeking to get area made all-uhf, while WROW-TV has been asking that Ch. 10 be added.

WTRI based petition on CBS's informal conferences with Commission, charging that CBS's recommended allocation plans affect the formal on-the-record proceedings. WTRI said conference is illegal, nullifies everything that went before.

On the Congressional front, Senate Commerce Committee chairman Sen. Magnuson (D-Wash.) says: "I won't comment on specific issues. That's the Commission's business, but I hope they have something done by the time we start hearings Jan. 17."

Working quietly in background, Senate committee's allocations engineering study committee headed by MIT's Prof. Edward Bowles and consisting of industry's top engineering talent (Vol. 11:24-26) is steadily tackling allocations problems, but probably won't be heard from for some time. Group hasn't met since initial meeting in Capitol June 21, but Chairman Bowles has assigned individual tasks to each member and has been consulting with them personally and by mail. Group is expected to make a report -- though probably not a final one -- when Sen. Magnuson's hearings start.

Dr. Allen B. DuMont's advice to FCC, given in recent 3½-hour session with Chairman McConnaughey, is understood to be same as he has long advocated. He has said that goal should be 5 competing stations in top 60 markets; that it would take some 24 vhf channels to cover country properly; that getting only 2-3 vhf channels from military or FM would doom uhf without helping situation; that extensive deintermixture is real answer; that uhf is not an inferior service.

* * * *

ABC pres. Robert E. Kintner expanded on his allocations philosophy in speech at Pulse luncheon in N.Y. Oct. 26, calling number of stations "the No. 1 problem" in the industry and stating:

"We believe that this is one problem left in the communications industry that will plague and vex not only the industry, but the public as well for the rest of its days unless action is taken soon. Faster FCC action is also needed on vhf grants in such cities as Pittsburgh, Boston and Miami where the vhf allocations are there, but undecided... When this problem of scarcity is solved by the Govt., as I am sure it will be, then you will find that this portion of the communications business will be more competitive than radio ever thought of being, because with radio in its hey-

day there remained the scarcity of clear channels which contributed to an unequal situation among the networks."

More juggling of allocations was sought this week, meanwhile: (1) WTSK-TV, Knoxville (Ch. 26) asked that Ch. 7 be taken from WSPA-TV, Spartanburg, S.C., added to Knoxville and Augusta, Ga. or to Knoxville and Columbia, S.C. (2) Onetime CP-holder WGOV-TV, Valdosta, Ga. (Ch. 37) sought addition of Ch. 8 to Valdosta, though its post office is 3.6 mi. too close to Tampa. (3) Radio WGBR, Jesup, Ga. requested assignment of Ch. 8 to Brunswick, supporting deintermixture petition of CP-holder WOBS-TV, Jacksonville (Ch. 30). (4) Texas Technological College requested that Ch. 5 be reserved for educational use in Lubbock.

If anyone wants a uhf transmitter nowadays, he can obtain one for a lot less than they were priced originally. At recent meeting in Washington, uhf operators were told that RCA has 10-15 transmitters in warehouse, is offering them for \$22,500 including \$6500 filterplexer and \$2591 worth of tubes. Used transmitters, with new filterplexer, crystals and tubes, are \$15,000. Original price of 1-kw transmitter was \$57,000, later reduced to \$47,000. GE is reported having very few in stock.

PAY-TV ISSUE SHOVED ASIDE—MOMENTARILY: Pay-as-you-look TV fight is mighty quiescent nowadays and there's no telling when it will flare up again. As far as FCC is concerned, it has more than it can handle with deintermixture and uhf problems. It feels pay TV is far from urgent matter, won't detach any staff to work on it. Congress is much more concerned with next year's elections and, despite RCA Chairman Sarnoff's suggestion that toll TV be made a campaign issue (Vol. 11:39), apparently no Congressman wants to take a stand on the matter -- except to placate local friends and generous campaign contributors.

There isn't the proverbial Chinaman's chance that subscription TV will be a plank in national platforms but if it were, in the words of the canny Sam Goldwyn this week, "that would be the end of it." Goldwyn has been one of the most vocal proponents of toll TV in moviedom.

Key men on Capitol Hill, Sen. Magnuson (D-Wash.) and Rep. Priest (D-Tenn.), chairmen of Senate and House Commerce Committees, have shown no eagerness to jump into the act, though Magnuson says fee TV will come up in Jan. hearings.

Other Congressmen haven't been so shy. Rep. Celler (D-N.Y.), chairman of influential Judiciary Committee got mighty upset about it at one time, introduced a bill to ban pay TV. Others who have opposed subscription TV publicly are Sen. Welker (R-Ida.), Rep. Bass (R-Tenn.) and Rep. Radwan (R-N.Y.). Speaking up as champions of pay-as-you-look were Rep. Chelf (D-Ky.) and Rep. Lane (D-Mass.). However, there's no real division on party lines.

Spokesmen for both pro-pay and anti-pay camps claim they've corralled plenty of powerful support in Congress. If so, they're keeping them under wraps. From the standpoint of lobbying power, anti-pay forces probably have the biggest guns. There are far more big station operators and theatremen -- who are very nice friends for a candidate to cultivate -- than there are pay-TV proponents, who have less to offer.

Telecasters at NARTB regional meeting in San Francisco this week were warned not to let up in opposition to pay-as-you-look. TV board member Robert Swezey, of WDSU-TV, New Orleans, stated: "Those of us engaged in the free system of TV are under obligation to acquaint all interested parties and the general public with our views. Failure to maintain a continuously firm and vigorous position in the controversy may well have the most disastrous results for the TV industry."

Outside the domain of govt. regulation, Jerrold Electronics pres. Milton Shapp says he still plans to start wired pay TV in 6 to 9 months in several communities (Vol. 11:37). But Zenith spokesman Millard Faught this week claimed wire toll TV "would automatically change it from a great potential ally to a certain and dangerous enemy of TV broadcasting stations." It would "become a menace to broadcasting," he said, "competing for audiences but adding nothing to broadcast TV service."

Good education for the public came in form of article by Milton Lehman -- in Oct. 29 Saturday Evening Post -- a readable presentation of subscription-TV dispute.

Personal Notes: Robert E. Kintner, ABC pres., will represent TV-radio in media panel Nov. 1 in 46th annual Assn. of National Advertisers convention Oct. 31-Nov. 2 at Hotel Plaza, N. Y. . . . Dr. Thomas Coffin, NBC research mgr., addresses Princeton U Advertising & Selling Forum Nov. 15 on "TV as a Selling Force" . . . Fred Ahern, ex-CBS-TV director of west coast operations, joins General Teleradio's RKO Radio Pictures as production coordinator, reporting to exec. v.p. Charles L. Glett . . . Harold Woolley promoted to sales mgr., KTVT, Salt Lake City . . . Jerry Gordon, ex-Muzak Corp., Washington, now national sales mgr., KCSJ-TV, Pueblo, Colo. . . . Alan D. Vaber promoted to program director, WMGU, Adams-Pittsfield, Mass., replacing Edward Pearson, resigned . . . Lane Blackwell, ex-Radio Free Europe, named mgr. of London office, Freemantle Overseas Radio & TV Inc. . . . Andrew P. Jaeger, ex-sales v.p. of Procter TV Enterprises & onetime director of DuMont film div., and James T. Shaw, ex-TV-radio director of Henri, Hurst & McDonald, Chicago, join Ziv in expansion of national sales dept. . . . Mrs. Sally Ball Kean promoted to asst. director of NARTB publicity & informational services, replacing Miss Fran Riley, now Ted Bates & Co. publicity dept., N. Y. . . . Robert S. Mandeville, ex-v.p. & eastern sales mgr. of reps Everett-McKinney, joins expanded sales dept. of H-R Representatives, along with Calvin S. Cass, ex-Hoag-Blair . . . E. James York, ex-King Features Syndicate, named mgr. of Screen Gems' expanded merchandising dept. . . . Edward E. Gardner, ex-TV sales mgr., Headley-Reed Co., joins NBC Radio Spot Sales, Chicago . . . Glenn Shaw promoted to gen. mgr. of radio KDYL, Salt Lake City . . . Stanford Levy, ex-WHUM-TV, Reading & WFIL-TV, Philadelphia, named sales facilities coordinator, WRCA-TV, N. Y. . . . Wm. Golding, ex-promotion mgr. of Avco's Crosley div., joins sales staff of Ziv International . . . Thomas B. Shull, ex-mgr., WTOM-TV, Lansing, Mich., joins N. Y. sales staff of MCA-TV Film Syndication . . . Richard Barron named promotion mgr. of WSJS-TV, Winston-Salem, replacing Jack Abernathy, resigned . . . Frederick L. Essex, onetime Ruthrauff & Ryan producer, named TV-radio director of American Baptist Convention, replacing Roy I. Madsen, now secy. of American Bible Society's dept. of churches . . . Robert Hyland promoted to gen. mgr. of radio KMOX, St. Louis, succeeding Eugene Wilkey; CBS says latter will devote full time to preparation of KMOX-TV (Ch. 11), for which it holds initial decision.

Mrs. Laura L. Hollingsworth, 67, well-known administrative asst. in FCC secretary's office, died Oct. 23 after long illness; she served FCC and predecessor FRC 28 years.

AGENCIES: Russell Johnston named TV-radio v.p. of Marschalk & Pratt div., McCann-Erickson; Wm. C. Munro named TV-radio research v.p. . . . Stanley Frame, National Biscuit Co., appointed chairman of advertising research steering committee, Assn. of National Advertisers, succeeding Frank W. Mansfield, Sylvania . . . Paul Foley, ex-MacManus, John & Adams, joins McCann-Erickson as v.p. & chairman of plans board, Detroit . . . Dr. A. B. Blankenship, ex-Young & Rubicam research mgr., joins Ted Bates as v.p.- research director . . . Gene Patterson promoted to senior TV-radio program supervisor, Dancer-Fitzgerald-Sample . . . Michael V. McCarthy Jr. named TV-radio director of Chicago office, Erwin Wasey & Co. Ltd. . . . George A. Bradford, ex-GE TV-radio adv. mgr., named executive on Crosley Electronics account, Compton Adv., assisted by John Roper, ex-Magnavox . . . Peter Keveson, ex-TV-radio copy director, Lennen & Newell, named TV-radio commercial copy director, Doherty, Clifford, Steers & Shenfield . . . Heber G. Wolsey, TV-radio mgr., Gillham Adv., Salt Lake City, elected a v.p.

Illegal booster approval by FCC examiner J. D. Bond last week (Vol. 11:43) was assailed as stimulus to further illegal operation and as a threat to Commission's entire allocations system at National Community Television Assn.'s meeting in Colorado Springs, Colo., this week. In telegram to FCC Chairman McConnaughey, NCTA pres. M. F. Malarkey Jr. said: ". . . the effect of these decisions has been to completely terminate the development of lawful means of furnishing TV reception to fringe areas. Failure on the part of the Commission to immediately suspend, review and reverse these initial decisions will result in further widespread violations and will constitute an abdication of your Commission's ability, hence its authority, to properly control and regulate the channels of communication throughout the U.S." Milton J. Shapp, pres. of Jerrold Electronics (community antenna systems) also told FCC that Bond's decisions imperiled allocations system and already had stimulated 6-10 sales a day of illegal booster equipment by one Northwest distributor.

"Abandon attitude of business atheism and get religion" KPIX gen. mgr. Philip G. Lasky warned NARTB region 8 conference in San Francisco this week. Discussing "Challenge of the TV Code," Lasky told broadcasters that if they are to survive progressively and unfettered, they must "recognize the position of the public as the all-powerful hand which gave us this industry and which can take it away." Earlier, WDSU-TV v.p. & gen. mgr. Robert D. Swezey cautioned members against a "let George do it" attitude toward solution of multiple problems which threaten industry, saying TV is in crucial period when its normal growth may be thwarted and even permanently arrested. During 3-day session, ex-NARTB pres. & chairman Judge Justin Miller called on group to unite with other media in fighting continuing battle to insure free dissemination of news.

How TV transformed school started in 1909 with \$1.65 into modern plant with endowment of \$826,000 was told in Oct. 28 *N.Y. Herald Tribune* feature on Dr. Laurence C. Jones, Mississippi Negro educator this week. Chance appearance on Ralph Edwards' *This Is Your Life* some months ago ended with Edwards' appeal for \$1 contributions to Dr. Jones' school. Money poured in and what once had been log cabin near Jackson, Miss., now is bustling institution where students do all work in preparation for vocations.

RCA chairman David Sarnoff was awarded Chicago Navy League plaque for "pioneering in field of communications" at Oct. 27 dinner gathering which heard him call for 3-point national security program. After praising Navy's early work in radio development, Gen. Sarnoff urged nation to maintain military strength to point where fear of reprisal will deter any attack, to develop strong civil defense program and to "pursue victory in the so-called cold war, as resolutely as the Navy has always pursued victory in hot wars."

International TV film center with libraries in N. Y. and Paris to exchange cultural, educational and scientific movies between U. S., Russia and other United Nations countries, was proposed in recent resolution introduced at Tangier Conference on Television sponsored by UNESCO. Maurice Mitchell, head of Encyclopedia Britannica Films and Ivan Andreev, director of Soviet TV & radio, discussed possibility of newsreel exchange and reciprocity in entry of cameramen and TV reporters to U. S. & Russia.

American TV demonstration drew greatest crowds of any country's exhibits at recent Pakistan industrial fair at Karachi, with 868,000 people getting first peek at TV screen. Among closed-circuit programs were interviews with NBC pres. Sylvester L. Weaver Jr. and N. Y.'s ex-gov. Thomas E. Dewey.

Network Accounts: Sponsor bargain, top-rated \$64,000 *Question* on CBS-TV, costs Revlon only \$70,000 a week in time, talent, production and prize money, according to packager Louis G. Cowan Productions. That's considered dirt-cheap, when compared to spiraling costs of lower-rated variety or drama shows (by contrast, competitor Hazel Bishop reportedly pays \$90,000 for *This Is Your Life* on NBC-TV). Revlon sales have shown 40% increase since program went on air, said v.p. Martin Revson. . . Ford and Alcoa are among big advertisers who plan even bigger plunges into network TV next year, according to survey in Oct. 24 *Wall Street Journal*. . . Chevrolet, in first regular daytime sponsorship by auto manufacturer, buys Wed. 10:15-10:30 a.m. segment of *Garry Moore Show* on CBS-TV starting Nov. 30, thru Campbell-Ewald, Detroit. . . Charles Antell (Super Lanolin liquid makeup) to sponsor *Ted Mack Show* on NBC-TV starting in Nov., Mon.-thru-Fri. 3:15-3:30 p.m., thru Product Services Inc., N. Y. . . Norwich Pharmacal Co. to replace GE as 15-min. alt. week sponsor of *Ozzie and Harriet* on ABC-TV starting in Jan., Fri. 8-8:30 p.m., thru Benton & Bowles. . . Upjohn Co., in network TV debut, buys several partic. on medical segment of *Home* on NBC-TV starting in Nov., Mon.-thru-Fri. 11 a.m.-noon, thru Wm. Douglas McAdams Inc. . . Carter Products and Pharmaceuticals Inc. to replace *Meet Millie* with *Joe and Mabel* on CBS-TV starting Jan. 3, Tue. 9-9:30 p.m., thru Sullivan, Stauffer, Colwell & Bayles and Edward Kletter Assoc. . . Dodge to sponsor Cotton Bowl football game from Dallas on NBC-TV Jan. 2, Mon. 1:45-4 p.m., thru Grant Adv.

ABC-TV's emergence as third network has important meaning to all facets of industry, ABC pres. Robert Kintner told annual Pulse luncheon Oct. 26 at Hotel Plaza, N.Y., where he was honored as its "man of the year." He said advertisers and agencies "now have additional ways of testing new programs, building new franchises and improving old franchises." Programming-wise, he said this means "greater opportunity for talent; particularly young talent; greater opportunity for developing new programming ideas; greater opportunity for doing business in a creative world." Finally, he declared: "To the public it means that the listener is no longer confined to a choice of 2 national programming structures; he now has a third and in the public interest I hope the day will come that he will have a fourth and a fifth." He defended network radio generally and ABC Radio's "theme" plan of programming particularly (Vol. 11:41), saying: "We know that a business which can do a gross of over \$600,000,000 is something not dead enough to be buried. We also know that a medium that covers 96% of all homes in America does not have one foot in the grave."

First partic. sponsors for NBC Radio's *Weekday*, daily extension of *Monitor*-type program format starting Nov. 7, are Associated Products Inc. (5-Day deodorant stick), Phillips-Jones Corp. (Van Heusen shirts) and Mennen Co. (Mennen Skin Magic), all thru Grey Adv. Gross price for one-min. spot, subject to frequency discount, is \$1500; 30 sec., \$5625 for minimum of 5 per week; 6-sec. "billboards," \$4500 for minimum of 10 per week.

Liggett & Myers, for *Dragnet*, is first sponsor to order all 44 of NBC-TV's smaller markets under network's new Program Extension Plan (Vol. 11:41). According to NBC, some 611,000 TV homes have thus been added to *Dragnet* audience.

Radio KDKA, Pittsburgh, celebrates 35th anniversary next week, will receive "Historic Sites in Journalism" award from journalistic fraternity Sigma Delta Chi at Nov. 2 luncheon featuring FCC Comr. Richard A. Mack as speaker.

Station Accounts: Top 25 spot advertisers in third 1955 quarter, with number of spot schedules and stations they used, as reported in Oct. 25 *Rorabaugh Report on Spot TV Advertising*: Procter & Gamble, 29 schedules & 526 stations; Brown & Williamson, 5 & 449; Colgate-Palmolive, 18 & 294; General Foods, 17 & 258; Toni, 8 & 210; National Biscuit, 16 & 188; Bulova Watch, 1 & 180; Sterling Drug, 13 & 165; Ratner Promotions, 16 & 162; Standard Brands, 6 & 162; American Chicle, 9 & 159; Miles Labs (Alka-Seltzer), 6 & 157; Liggett & Myers, 3 & 144; Philip Morris, 2 & 139; Carter Products, 19 & 137; Ford Motor, 6 & 130; General Motors, 8 & 128; Kellogg Co., 9 & 120; M&M Candy, 1 & 117; Continental Baking, 14 & 116; Block Drug, 14 & 114; Coca-Cola, 2 & 114; Hills Bros. (coffee), 2 & 111; Nehi Corp., 9 & 105; Purex Corp., 7 & 103. New to the third-quarter list were Ratner Promotions, Liggett & Myers, Continental Baking, Block Drug & Hill's Bros. . . . Lionel Corp., on theory that everyone's an electric train fan, will direct appeal to all members of the family in big TV spot campaign for Xmas, thru Grey Adv. . . . Lemon Products Advisory Board plans big spot campaign to promote frozen lemonade as year-round beverage, using slogan "Any time is time for a lemonade lift," thru McCann-Erickson, L. A. . . . Wine Institute, 717 Market St., San Francisco, plans spot drive to promote California premium wines in east, thru Roy S. Durstine Inc., San Francisco. . . . United Gas Co. of Shreveport, one of biggest natural gas distributors in nation, to sponsor TPA's *Count of Monte Cristo* in 9 southern markets. . . . Stroh Brewery Co. to sponsor Detroit Red Wings hockey schedule, to be divided among all 3 Detroit stations, plus 4 in upstate Mich., thru Zimmer, Keller & Calvert Inc., Detroit. . . . National Biscuit Co. using cartoon character "Buffalo Bee" to introduce new Wheat Honeys and Rice Honeys cereals with big TV-newspaper campaign, thru Kenyon & Eckhardt. . . . Among advertisers currently reported using or preparing to use TV station time: Eelbeck Milling Co., Columbus, Ga. (Hushpuppy mix, cornbread mix), thru H. G. Sample Adv., Atlanta; Warson Product Corp., St. Louis (Warsene capsules), thru Gleen R. Stocker & Assoc., St. Louis; North American Airlines, N. Y., thru Associated Adv. Service, N. Y.; Toastmaster Products Div., McGraw Electric Co., Elgin, Ill. (toasters, waffle irons), thru Erwin, Wasey & Co., Chicago; John H. Wilkins Co., Washington (Wilkins coffee), thru M. Belmont Ver Standig Adv., Washington; Dolores of Florida, Lakeland, Fla. (brasieres), thru Bishopric, Green & Assoc., Miami; National Airlines, Miami, thru Grant Adv., Miami; Bunny Bear Inc., Everett, Mass. (Bunny Bear crib mattresses, auto bed), thru Badger, Browning & Parcher, Boston; John H. Breck Inc., Springfield, Mass. (Breck hair & scalp preparations), thru H. B. Humphrey, Alley & Richards, Boston; Carac Co., Freeport, N. Y. (fertilizers & insecticides), thru Mann-Ellis, N. Y.; Socony Mobil Oil Co., thru Compton Adv., N. Y.

Rate increases: WNAC-TV, Boston, raises base hour from \$2000 to \$2200, min. \$420 to \$500; KDKA-TV, Pittsburgh, hour from \$1500 to \$1700, 20 sec. \$300 to \$400; WCCO-TV, Minneapolis, hour from \$1100 to \$1475, min. \$275 to \$330; KTNT-TV, Tacoma, Wash., from \$700 to \$900 & \$150 to \$180; KJEO-TV, Fresno, from \$450 to \$500 & \$90 to \$125; KELO-TV, Sioux Falls, S. D. adds new Class AA rate (7-10 p.m. daily) at \$425, min. at \$85, Class A hour remaining \$350; WSUN-TV, St. Petersburg, base hour from \$325 to \$400, min. \$65 to \$80; KVTV, Sioux City, from \$300 to \$350 & \$60 to \$75; KCEN-TV, Temple, Tex. from \$250 to \$300, min. \$50 to \$60. Spot increase: WOR-TV, New York, increased base min. rate from \$300 to \$500, 20 sec. \$200 to \$300, 10 sec. \$125 to \$200, base hour remaining \$1500.

POPULATION RISE OF 7% between 1950 and 1954, reported by U. S. Census Bureau this week, was shared by all but 7 states—greatest increases being shown by California, Florida, Delaware and most of the mountain states (Nevada's 31% and Arizona's 23.8% leading all, except for Alaska's 62%). The whole country's population went from 150,697,361 to 161,183,000 (162,409,000 including armed forces overseas) as of July 1, 1954—a figure that director of census Robert W. Burgess has said may rise to 228,000,000 by 1975.

Because the figures have great significance in evaluating markets, we publish the Census Bureau's new table below, showing the new 1954 estimates, official 1950 figures, percentage of change. Incidentally, the new figures and/or projections therefrom might well be used in connection with the state and county TV ownership figures just published in handy brochure form by Edward Petry & Co., titled *TV Set Count and Market Data—County by County*. The TV estimates therein are *Television Magazine's*; the figures on population (now revisable) and on families and retail sales are by *Sales Management*.

The Petry brochure is available from that company on request, or we'll get one for you. Following are complete state-by-state figures:

NEW ENGLAND			
State	1954	1950	% chge.
Maine	890,000	913,774	- 2.6
New Hampshire	550,000	533,242	+ 3.2
Vermont	377,000	377,747	- 0.3
Massachusetts	4,924,000	4,690,514	+ 5.0
Rhode Island	837,000	791,896	+ 5.7
Connecticut	2,185,000	2,007,280	+ 8.8
MIDDLE ATLANTIC			
New York	15,826,000	14,830,192	+ 6.7
New Jersey	5,303,000	4,835,329	+ 9.7
Pennsylvania	10,984,000	10,498,012	+ 4.6
EAST NORTH CENTRAL			
Ohio	8,720,000	7,946,627	+ 9.7
Indiana	4,235,000	3,934,224	+ 7.7
Illinois	9,193,000	8,712,176	+ 5.5
Michigan	7,028,000	6,371,766	+ 10.3
Wisconsin	3,628,000	3,434,575	+ 5.6

WEST NORTH CENTRAL			
State	1954	1950	% chge.
Minnesota	3,132,000	2,982,483	+ 5.0
Iowa	2,665,000	2,621,073	+ 1.7
Missouri	4,076,000	3,954,653	+ 3.1
North Dakota	635,000	619,636	+ 2.5
South Dakota	672,000	652,740	+ 2.9
Nebraska	1,366,000	1,325,510	+ 3.1
Kansas	2,023,000	1,905,299	+ 6.2
SOUTH ATLANTIC			
Delaware	371,000	318,085	+ 16.7
Maryland	2,601,000	2,343,001	+ 11.0
District of Columbia	849,000	802,178	+ 5.9
Virginia	3,560,000	3,318,680	+ 7.3
West Virginia	1,990,000	2,005,552	- 0.8
North Carolina	4,225,000	4,061,929	+ 4.0
South Carolina	2,270,000	2,117,027	+ 7.2
Georgia	3,606,000	3,444,578	+ 4.7
Florida	3,300,000	2,771,305	+ 19.1
EAST SOUTH CENTRAL			
Kentucky	2,978,000	2,944,806	+ 1.1
Tennessee	3,362,000	3,291,718	+ 2.1
Alabama	3,001,000	3,061,743	- 2.0
Mississippi	2,126,000	2,178,914	- 2.4
WEST SOUTH CENTRAL			
Arkansas	1,798,000	1,909,511	- 5.8
Louisiana	2,882,000	2,683,516	+ 7.4
Oklahoma	2,174,000	2,233,351	- 2.7
Texas	8,479,000	7,711,194	+ 10.0
MOUNTAIN			
Montana	619,000	591,024	+ 4.8
Idaho	598,000	588,637	+ 1.5
Wyoming	298,000	290,529	+ 2.4
Colorado	1,499,000	1,325,089	+ 13.1
New Mexico	778,000	681,187	+ 14.2
Arizona	928,000	749,587	+ 23.8
Utah	762,000	688,862	+ 10.6
Nevada	210,000	160,083	+ 31.0
PACIFIC			
Washington	2,531,000	2,378,963	+ 6.4
Oregon	1,640,000	1,521,341	+ 7.8
California	12,500,000	10,586,223	+ 18.1
TERRITORIES			
Alaska	208,000	128,643	+ 62.0
Hawaii	522,000	499,794	+ 4.4
Puerto Rico	2,229,000	2,210,703	+ 0.8
Canal Zone	53,800	52,822	+ 1.8
Virgin Islands	24,000	26,665	- 10.0
Total	161,183,000	150,697,361	+ 7.0

Note: Including armed forces overseas, total as of July 1, 1954 was 162,409,000.

FIVE NEW TV stations look like good bets to get on air in November, though no new starters have begun in last 3 weeks, leaving on-air total at 454, including 107 uhf. Imminent stations, all shooting for Nov. 15 or earlier, are KTVO, Kirksville, Mo. (Ch. 3); KHTV, Little Rock, Ark. (Ch. 11); KMVI, Wailuku, Hawaii (Ch. 12 satellite of Honolulu's KONA); KBST-TV, Big Spring, Texas (Ch. 4). One scheduled early Nov. starter can be scratched—Pittsburgh's WIIC (Ch. 11), whose grant was stayed this week by court pending further FCC action (see p. 2).

In Canada, 3 stations are candidates for early starts, all shooting to be on in next week or 2: CJLH-TV, Lethbridge, Alta. (Ch. 7); CKRS-TV, Jonquiere, Que. (Ch. 12); CKNX-TV, Wingham, Ont. (Ch. 8).

* * * *

In our continuing survey of upcoming stations, these are latest reports received from principals:

KTHV, Little Rock, Ark. (Ch. 11), with 50-kw RCA transmitter almost ready, plans Nov. 3 test patterns using 150-ft. auxiliary tower, reports gen. mgr. B. G. Robertson. Commercial start is set for Nov. 20, after 12-bay RCA antenna is installed on 1175-ft. Ideco tower, under construction, which it will share with KARK-TV. KTHV becomes CBS primary next April 1, meanwhile will carry

CBS & ABC shows not cleared by present affiliate KATV, Pine Bluff-Little Rock (Ch. 7). It's 42% owned by local radio KTHS, a subsidiary of *Shreveport Times* (KWKH); 32% by *Little Rock Arkansas Democrat*, with pres. A. K. Angel holding another 10% personally; remainder by National Equity Life Insurance Co. Base hour will be \$200. Rep will be Branham.

KHPL-TV, Hayes Center, Neb. (Ch. 6) planned as satellite by KHOL-TV, Kearney (Ch. 13), has changed call from KHOK-TV and plans Dec. 2 commercial start, reports promotion mgr. Mrs. Violet M. Aspegren for principal Dr. F. Wayne Brewster, head of hospital & clinic in Holdrege. Residents of tri-state area near Nebraska's southwest border, which will get new service, contributed \$140,000 of estimated \$188,000 building cost (Vol. 11:39). GE 5-kw transmitter is being installed in new 22x40-ft. building, also containing convenient living quarters for operating personnel. Construction of 500-ft. Stainless tower started week of Oct. 24, with 6-bay 81-ft. GE antenna scheduled for installation Nov. 25. Satellite's only employes will be chief engineer John Seide, coming from KHOL-TV, and asst. engineer Thomas Johnson, of Segundo, Colo. KHOL-TV's \$200 base rate will include both stations. Rep is Meeker.

Telecasting Notes: "Britain Outproducing N. Y. as Supplier of U. S. Video Film," headlines Oct. 29 *Billboard*, which reports that 6 shows are now in production in England which are either on air in U. S. or on the market here and that current plans could double this number. "This still doesn't begin to approach TV film production in Hollywood, where there are an estimated 50-odd shows currently shooting for network airing and another dozen for syndication," story adds. "But it will put Britain far out ahead of New York, where there are now only 5 shows being filmed, including 2 by Electronicam. There is no TV film production on the European continent at this moment" . . . "TV tryouts" for motion picture material are proposed by independent movie producer Wm. Schorr, who intends to use TV to pre-test a couple of his movie stories. The veteran theatrical and radio director compares TV to the out-of-town tryout for Broadway plays. He plans to make 30-min. or hour versions of 2 of his story properties, either live or filmed, for use on TV before movie shooting begins. He hopes not only to gauge audience reaction but also arouse interest of possible backers . . . TV to movies: "Uncle Ed and Circumstance," recent CBS-TV *Studio One* production featuring Jackie Gleason, reportedly will be adapted as theatrical feature starring the TV comedian; theatrical version of ABC Syndication's *Sheena, Queen of the Jungle* goes before Cinemascope cameras in Feb.; independent producer Vincent M. Fennelly due to begin shooting next week on "Crime in the Streets," originally seen on ABC-TV's *Elgin Hour* . . . Bing Crosby's TV "spectacular" debut now definitely scheduled for March 10 on CBS-TV's *Ford Star Jubilee* in Arthur Schwartz musical version of Maxwell Anderson's "High Tor," with Julie Andrews. Filming of black-&-white show begins in Hollywood Nov. 7 . . . Universal Pictures has bought screen rights to "The Great Man," controversial novel about TV by NBC's Al Morgan . . . TV hit becomes Broadway hit: "No Time for Sergeants," originally produced on *U. S. Steel Hour*, won unanimous raves from N. Y. critics on its opening as a legitimate production . . . Arche Mayers, founder and former pres. of Unity TV Corp. and veteran of film distribution industry, sets up new Standard Television Corp. (745 Fifth Ave., N. Y.) in TV film distribution & syndication field . . . Frank Sinatra forms independent Kent Productions Inc., to produce TV films as well as 6 theatrical features . . . Full-hour weekly filmed drama series, tentatively titled *Wire Service*, will be produced for ABC-TV by Four Star Productions, owned by Charles Boyer, David Niven, Dick Powell & Ida Lupino. Contract calls for maximum of 39 films in 1956-57 program season, to be filmed in Hollywood, Paris & London . . . *Rerun: Big Town*, filmed drama which ran 5 years on NBC-TV, to be syndicated by MCA-TV under title of *Headline* . . . Taking its local shows "on the road," Philadelphia's WCAU-TV Nov. 3 originates 3 regular live shows from Mid-Atlantic Farm & Home Show in Atlantic City, 60 mi. from studio . . . Opening night at Tulsa Opera televised by KOTV, featuring arrival of first-nighters, backstage glimpses, etc.

RCA and Westinghouse offer equal job opportunities to all regardless of race and creed, RCA chairman David Sarnoff and Westinghouse chairman-pres. Gwilym A. Price told President's Committee on Govt. Contracts, headed by Vice-President Nixon, this week in Washington. Sarnoff stated that Negroes, Japanese and other minority groups have made fine record both in RCA and NBC, many rising to high positions in engineering and programming; that advancement is based solely on individual achievement and potential for promotion. Price said Westinghouse was part of industry which expected to double size in next decade, couldn't afford to ignore Negro manpower potential.

PENETRATION OF TV on Mississippi's farms is just slightly over 13%—or 29,514 farms with TV out of total 215,815 farms in state. County-by-county figures for the state are latest in series of tabulations based on Census Bureau's 1954 Census of Agriculture of Oct.-Nov. 1954, with TV figures compiled from Govt.'s individual county tabulations. The Mississippi farm TV county census:

MISSISSIPPI					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	1,026	120	Lincoln	2,717	532
Alcorn	2,498	407	Lowndes	2,317	165
Amite	2,737	310	Madison	4,059	424
Attala	3,089	284	Marion	2,667	436
Benton	1,537	328	Marshall	3,483	554
Bolivar	6,739	507	Monroe	3,775	395
Calhoun	2,672	266	Montgomery	1,642	139
Carroll	2,066	170	Neshoba	3,569	532
Chickasaw	2,444	198	Newton	2,870	538
Choctaw	1,590	85	Noxubee	2,685	189
Claiborne	1,204	107	Oktibbeha	2,103	117
Clarke	2,255	397	Panola	4,457	1,077
Clay	1,944	114	Pearl River	1,767	676
Cochahoma	5,134	447	Perry	1,065	114
Copiah	2,785	487	Pike	2,531	472
Covington	2,172	225	Pontotoc	3,402	537
De Soto	3,840	922	Prentiss	2,758	356
Forrest	1,333	212	Quitman	3,864	599
Franklin	1,276	234	Rankin	2,895	725
George	1,306	178	Scott	2,872	466
Greene	1,124	80	Sharkey	1,431	122
Grenada	1,394	165	Simpson	2,802	426
Hancock	711	216	Smith	2,694	280
Harrison	1,046	299	Stone	620	158
Hinds	4,627	870	Sunflower	6,681	488
Holmes	4,108	355	Tallahatchie	4,521	650
Humphreys	2,614	230	Tate	2,975	636
Issaquena	605	95	Tippah	2,590	568
Itawamba	2,504	342	Tishomingo	1,859	162
Jackson	1,216	287	Tunica	3,664	387
Jasper	2,735	390	Union	3,044	717
Jefferson	1,787	96	Walthall	2,595	358
Jefferson Davis	2,499	315	Warren	1,316	192
Jones	3,610	638	Washington	4,348	319
Kemper	2,475	312	Wayne	1,913	178
Lafayette	2,532	474	Webster	1,847	71
Lamar	1,570	282	Wilkinson	1,378	86
Lauderdale	2,557	619	Winston	2,672	268
Lawrence	1,791	192	Yalobusha	1,902	343
Leake	3,737	489	Yazoo	3,777	516
Lee	3,960	483			
Leflore	4,938	319			
			State Total	215,815	29,514

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37); N. J., Tenn. (Vol. 11:39); Ark., Conn., Mass., R. I., Texas, Wash. (Vol. 11:40); Me., N. M., Ore. (Vol. 11:41); Ariz., Fla. (Vol. 11:42); Del., Ill., Ind., N. C. (Vol. 11:43).

Record-breaking price again is being paid for profitable independent WNEW, N. Y. (50-kw, 1130 kc), which is being sold for \$4,000,000 to group headed by oilman Jack Wrather, who also owns 39% of KFMB-TV & KFMB, San Diego, and last year acquired Lone Ranger Inc. for \$3,000,000 (Vol. 10:32). Wrather and John L. Loeb, of Carl M. Loeb, Rhoades & Co. investment firm, will own 75%, with ex-Blair pres. Richard D. Buckley continuing as pres.-gen. mgr. and 25% owner. Selling holdings are estate of late attorney Horace Lohnes, 25%, and following who hold 16.66% each: Harry R. Playford, St. Petersburg banker; H. W. Holland, St. Petersburg attorney; Ed. C. Wright, financier. Previous record price for radio station was the \$2,100,000 paid by this group when it acquired WNEW last year (Vol. 10:16) from firm controlled by Wm. S. Cherry Jr., of Providence's big Cherry & Webb dept. store, also operator of WPRO-TV & WPRO. Allen Kander & Co. negotiated sale.

Conne-Stephens Productions Inc. is new TV film company capitalized at \$1,000,000, planning several dramatic series. Officers are Wm. Stephens, pres.; Harry Maizlish and Donn Tatum, v.p.'s; Jerome Weber, secy.-counsel; Alice Blackburn, treas.; Edward R. Conne, chairman. Wm. Morris Agency will handle distribution.

TRADE SCRAMBLES FOR LIGHTER-WEIGHT SETS: Stimulated by spectacular success of GE's 32-lb. 14-in. portable (at \$99.95 & \$129.95) and recent entry of Emerson into 14-in. portable field (at \$98), a number of major TV manufacturers are experimenting with means of injecting some form of portability into their lines next year.

Their goal is a lighter-weight table model -- not necessarily a portable set as such, complete with handle, but a set which can be transported easily from room to room. As one manufacturer put it, "we're shooting for a table model that, like its radio counterpart, is really a table model -- not one that weighs a ton." Apropos of radio comparisons, it should be noted too that portables have proven one of the real staples of radio industry -- consistently good sellers.

Portability and profitability are the keynotes of their experiments. To a company, they profess grudging admiration of GE's successful sales volume, but they also want their own lighter-weight sets to provide them a greater profit margin.

Tube makers hold key to future plans, as they have in many other facets of TV's development in past. Their research is currently centered on wider-deflection tubes, premitting use of shallower, lighter cabinets. Another aspect is greater use of lighter-weight printed circuits, which nearly all have in their current lines.

Set makers are cloaking their experiments in secrecy, for obvious competitive reasons. They say, however, that whatever changes they make won't be reflected in new sets until mid-1956. There's still too much work to be done in the laboratories to bring out lighter-weight models at Jan. winter markets in Chicago.

GE isn't sure about future of its own 14-in. portable, despite its success. Some 200 workers were laid off at Syracuse last week, as production on the set began to taper off, prompting speculation that GE was preparing to bring out new portable. Jack Beldon, marketing mgr. of GE's TV-radio dept., told us:

"We're going to keep our foot in the second-set door. Exactly what form that will take, I can't say at the moment. Our portable has shown that the second-set market can be cracked and we will continue to plug for that market."

Emerson is "mighty pleased" with early response to its 14-in. portable, said spokesman. But he acknowledged that it would be several weeks before its true value could be properly assessed. It may or may not be retained in line beyond Xmas.

* * * *

Mass TV market continues to manifest buy-up trends, success of 14-in. portable notwithstanding. RCA spokesman reported advent of Xmas season has strengthened consumer demand for its higher-priced models. Philco pres. James H. Carmine said big volume market is for TV sets with special features, not low prices, added that Philco's biggest seller is its 24-in. console, not 17-in. price leader. Motorola v.p. Ed Taylor said his company has been required to alter its production mix four times this year to accomodate increased demand for high-end 21 & 24-in. receivers.

Any new models to be shown in Jan. -- and they will be relatively few -- no doubt will be dropped in at the higher end of the line, in effort to stimulate this trend. Chances are, too, that more sets will be dropped than added, with some low-end "loss leaders" sacrificed to make room for more profitable receivers.

Hallicrafters was only company to increase prices this week, raising 5 models average of \$10. Only strike-bound Westinghouse, among major manufacturers, hasn't increased prices yet. Zenith increased prices last month by \$10 on its leader sets and added two 24-in. models to line, but made no public announcement at the time.

Brief highlights of other major trade developments this week:

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Color Movement: Philco started production this week on its 2 color sets (at \$795 & \$895), pres. James H. Carmine revealed at American Marketing Assn. luncheon

in Washington. He later told us the sets were being shipped to distributors as soon as they came off the lines. He reiterated view that color won't be an "important influence" in mass market until late 1956 -- but once it gets going, sales will be "tremendous." "Black-&-white sets will move into the rumpus room, or an upstairs bedroom, while color takes over in the living room," he said. "...But there is much that remains to be done in the laboratories of both manufacturers and broadcasters. Until the broadcasting networks present color programs at more frequent intervals, color TV will not move forward rapidly." C.P. Baxter, gen. mgr. of RCA Victor TV div., though still declining to release national sales totals, this week reiterated that "there is a possibility that color receivers may be in short supply during the months ahead." He rounded up previously-reported sales in several markets up to the time of World Series (Vol. 11:40-41): Ohio Appliances, Cincinnati, 68; Raymond Rosen & Co., Philadelphia, 333 to dealers, of which 109 went to consumers; RCA Victor Los Angeles branch, 181; Southern Wholesalers, Washington, 35 to consumers.

Economic Rainbows: Dun & Bradstreet survey of 1363 manufacturers, distributors & retailers finds that 67% believe first-quarter sales next year will be higher than first 3 months of 1955. About 30% predicted no change, 3% said they expected sales to be lower. Higher earnings were forecast by 54% of businessmen, lower by only 4%. About 59% said they anticipated no change in prices, 38% foresaw boosts; 78% indicated payrolls would remain at current levels, 18% felt they would increase their staff. Another bullish look into the future came from Dec. Fortune Magazine, which predicted that purchasing power of average family will double in next 25 years from present \$4400. Its projection was predicated on average 3% annual increase in the national production in next 25 years, with average work week dropping from 41 hours to about 35. In still another burst of optimism, Herbert R. Silverman, chairman of National Commercial Finance Conference Inc., told annual convention of Commercial Finance Industry: "If Government adopts the right policies and if business, particularly the financial industry of which we are a part, pursues responsible policies. we would easily have in 1956 a total of business activity of between \$400 billion and \$405 billion." He urged more liberal monetary policies to encourage growth.

Economic Paradoxes: Even though the national economy is booming, the bankruptcy courts are keeping pace. This anomalous situation was reported to annual convention of National Assn. of Referees in Bankruptcy in Washington by Edwin L. Covey, chief of bankruptcy div. of U.S. Courts. He said 59,404 bankruptcy petitions were filed in fiscal year ended last June 30, more than at any time since 1947, and 6268 more than in preceding fiscal year. Archie H. Cohen, editor of Referee's Journal, said: "It's a strange paradox, but it is true because credit is free and easy. People buy more than they should because they earn good salaries. When business is bad, credit tightens and people buy only what they need. Also, a lot of small businesses fail because persons venture into business who have no understanding of the relationship between cost and profit, and should never have been in business in the first place." Note: Dun & Bradstreet last week reported 270 failures among TV-radio-appliance retailers in first 9 months, down from 373 in first 9 months of 1954.

Production: TV output totaled 186,153 week ended Oct. 21, compared to 198,831 preceding week and 185,435 week ended Oct. 7. It was year's 42nd week and brought production for year to date to about 6,200,000 vs. 5,650,000 in same period of 1954. Aided by high auto set production for new models, output of radios keeps soaring, totaling 374,708 (189,383 auto) week ended Oct. 21 -- highest in 4½ years, compared with 350,351 preceding week and 334,816 week before. For 42 weeks, radio production totaled 10,925,000, compared to 8,600,000 in corresponding period of 1954.

Admiral sued its ex-distributor, Major Appliance Distributors, Charlotte (now DuMont and CBS-Columbia) this week for \$144,732 and possession of files held by defendant. The 13-count complaint charges improper sales and breach of contract.

Hoffman Electronics has taken over all service policies & warranties of Stewart-Warner, no longer producing TV-radio-phonos in U. S. but continuing in Canada.

Chicago's 1956 Parts Show space drawings will be held Dec. 7 at Biltmore Hotel, N. Y.; manufacturers planning to exhibit must return contracts by Nov. 30 to Kenneth C. Prince, 1 N. LaSalle St., Chicago.

Canadian Marconi has advanced from seventh place in 1953 to third place currently in dollar volume of TV sales among Canadian manufacturers, according to gen. mgr. John J. Kingan.

Topics & Trends of TV Trade: Good word for some discount houses came this week from unexpected source—NARDA managing director A. W. Bernsohn, whose Oct. 25 speech to American Chamber of Commerce Executives at Milwaukee was an appeal to upgrade the discounter. NARDA has never taken official stand vis-a-vis discount houses, though its conventions have been spiced by some rather hot anti-discount house speeches by its leading members.

He urged Chamber of Commerce to invite discount houses to become members, and to offer them opportunities to serve on committees working out codes of advertising ethics. At the same time, he advised Chamber members to join with BBB, local dealers and law enforcement officials to prosecute anyone, including discounter, who "operates in such a manner as to defraud your community's citizens." He concluded:

"There are almost as many types of discounters as there are numbers of them. Some were just yesterday the most stalwart of the list price dealers and some will doubtlessly develop to that type tomorrow. Among those there are many who are making a substantial contribution to our economy and many who are so contemptible in their operation you should get to know them better so as to discover how best to exterminate them from your community. Bring them to you. See for yourself. There's a lot of good Chamber membership material among these people—and also a lot of very interesting and rewarding work to be done with, for, or to them."

Reviewing early days of discount houses, Bernsohn said many franchised retailers became "legitimate cut-throat dealers" in effort to meet competition. Discount houses, by the same token, also changed their mode of operations by "prettying up their stores, advertising, training their salesmen better, offering price and terms, gaining brand identification."

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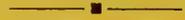
Approval of Muntz reorganization plan (Vol.10:10, 11:26), has been voted by majority of general creditors and stockholders. In formal notice filed this week in Chicago Federal Court, 83% of creditors, holding aggregate of more than \$4,000,000 in general claims, and stockholders with about 70% of company's 1,115,376 common shares, approved Chapter X plan to pay creditors 25% of their claims in new 3% preferred stock (\$1 par), up to total of 1,050,000 shares, with balance in non-interest 8-year notes. Common stockholders will receive stock in reorganized company on share-for-share basis. Tax claims of \$1,609,230 will be paid over 3-year period.

TV shipments to dealers totaled 4,155,541 in first 8 months, when production was 4,820,991, according to RETMA state-by-state report released this week (county-by-county tables available to members from RETMA on request). They compared with shipments of 3,463,871, production of 3,785,519, in first 8 months of 1954. New York led with 404,250; California second, 355,011; Pennsylvania third, 258,647. Aug. shipments totaled 605,664, compared to 465,160 in July and 466,694 in Aug. 1954.

Wilcox-Gay Corp., currently operating under Chapter XI of Bankruptcy Act, was authorized by Federal Court this week to borrow \$141,250 from Wm. E. Heller Co., Chicago, to provide for financing of subsidiary Majestic International. Loan must be repaid in 24 monthly installments of about \$5885 each.

Diversification—with a vengeance: Zenith announces "Sensilarm," thin 17-jewel wrist watch that can be set like an alarm clock but, instead of buzzing, sets up a vibration in the thin metal back; it was developed originally for hard of hearing, probably will sell for \$59.50 & \$79.50.

Trade Personals: Norman C. Owen, who joined Zenith as distribution v.p. in July after resigning as pres. of Webster-Chicago, named sales v.p. of CBS-Columbia, replacing Harry Schecter, resigned; David J. Hopkins continues as CBS-Columbia sales director, under Owen . . . Paul A. Barkmeier resigns as v.p.-gen. mgr. of RCA Estate div., now consolidated in Whirlpool-Seeger Corp. operations; he had previously served as pres. of RCA Estate Appliance Corp., v.p. of RCA Distributing Corp. & v.p.-gen. mgr. of record div. . . . George L. Wilcox, Canadian Westinghouse exec. v.p., elected pres., replacing Herbert H. Rogge, resigned . . . Ernest L. Hall, gen. mgr. of consumer products for DuMont licensee Canadian Aviation Electronics Ltd., promoted to new post of corporate director of planning & merchandising, headquartering in new location at 6214 Cote de Liesse Road, Montreal . . . Vincent Barreca, pres. of Canadian Admiral, assumes additional duties of operations v.p., is also elected a director of parent Admiral Corp. . . . Carl A. Duffy, mgr. of Packard-Bell service dept., elected a v.p. . . . Joseph F. Walsh resigns as marketing mgr., Westinghouse TV-radio div. . . . James L. Emaus promoted to sales engineering mgr., DuMont CR tube div., reporting to div. sales mgr. Robert G. Scott . . . Wm. R. Greer promoted to southeastern district sales mgr., GE tube dept., headquartering in Clifton, N. J. . . . Leslie A. Roberts resigns as pres. of Philharmonic Radio & TV Corp. to become vice-chairman of Seagrave Corp., Columbus, O., fire engine manufacturer . . . Arthur B. Shesser promoted to sales director, Haydu Bros. (tubes); Frank G. Ferdinand, ex-Sheldon Electric, named sales mgr. of CR tube div. . . . Allen S. Johnson, ex-Webster-Chicago & Westinghouse, joins Thompson Products as asst. to electronics div. mgr. Wm. M. Jones, in charge of production & merchandising of hi-fi line . . . Dr. Ralph L. Power rejoins Hoffman Electronics as editor of *Hoffman Transmitter* after 2 years in South America . . . Wm. P. Mackle resigns as sales mgr. of Admiral range div. to join Norge div., Borg-Warner Corp. . . . J. Carl Brigrance, ex-Remington Corp., named midwestern sales mgr. of Emerson's new air conditioner div., Omaha . . . Lyle Leverick, ex-E. B. Latham Co., N. Y., named Andrea N. J. sales mgr. . . . Earl Rush resigns as gen. mgr. of V-M Corp. (phonos) to join L. A. distributor J. W. Marsh Co.



Realignment of RCA executive responsibilities, disclosed this week, resulted in several changes of titles. Dr. Elmer W. Engstrom, exec. v.p. for research & engineering, is promoted to new post of senior exec. v.p. (directly below chairman David Sarnoff and pres. Frank Folsom), supervising RCA Labs, defense and commercial electronic products (excluding TV), engineering & manufacturing services and product planning. Ewen C. Anderson, exec. v.p. of commercial dept., gets new position of exec. v.p. for public relations, continuing to supervise patents; reporting to him will be Orrin Dunlap Jr., v.p. in charge of institutional advertising & press relations, staff v.p. George Wheeler in charge of Washington office, and community relations director Julius Haber. Charles M. Odorizzi, whose title of corporate exec. v.p. is abolished, has been named exec. v.p. for sales & services, supervising RCA International, RCA Distributing Corp., RCA Service Co., RCA Institutes & communications div. W. W. Watts, exec. v.p. for electronic products, is named exec. v.p. for electronic components, continuing supervision over tubes, transistors & parts, with engineering products and defense work shifted to Dr. Engstrom. Robert A. Seidel continues as exec. v.p. for consumer products. Personnel v.p. E. M. Tuft, v.p.-gen. attorney Robert L. Werner and v.p.-treas. Ernest B. Gorin, who had reported to Odorizzi, will report to Folsom.

DISTRIBUTOR NOTES: CBS-Columbia appoints Frank Edwards Co., 382 6th St., San Francisco (Frank Edwards, pres.), replacing McCormack Corp.; Edwards Co. is ex-DuMont outlet . . . Capehart-Farnsworth appoints Edgar A. Brown Inc., Carnegie & E. 40th St., Cleveland (Edgar A. Brown, pres.) and Neil Distributors Inc., 1035 NW 71st St., Miami (Herbert S. Neilinger, pres.) . . . Olympic Radio appoints Maloney Distributing Co., 1117 Farnam St., Omaha (James J. Maloney, pres.) . . . Westinghouse Electric Supply Co., Boston, appoints John E. Sheasgreen as mgr. of consumer products, succeeding Edward Sutherland, transferred to N. Y. headquarters; R. C. Pound, from Burlington, Vt. office, succeeds Sheasgreen as consumer products mgr. in Portland-Bangor . . . Victor H. Meyer Distributing Corp., N. Y. (Sylvania) appoints David Stern, ex-Gross Distributors Inc. (Stromberg-Carlson), as major appliance sales mgr.

Westinghouse made pitch for hotel-motel trade with demonstration of special TV-radio sets at National Motel Show this week at Chicago's Morrison Hotel. Radio selector system is built into TV receivers, enabling guest to listen to local radio stations and/or hotel music system. Westinghouse recently sold more than 1000 TV sets to new Statler-Hilton Hotel in Dallas (Vol. 11:33).

Westinghouse signed wage agreement with 14,000 white collar workers this week—but chances of imminent settlement of 3-week strike of 55,000 production workers at 29 plants, including TV-radio factory at Metuchen, N. J., appeared slim. Negotiations with striking IUE were recessed until Nov. 1 following week of fruitless bargaining.

Wrist radio using 3 transistors, button-sized batteries, covering broadcast band, advertised at \$24.95 by L.E.L., 380 Oak St., Copiague, L. I., N. Y.

THE GAMUT, from "gamma" to "sidebands," is covered this week in engineers' comments on British vs. American TV images—in our symposium which has elicited views of many of the top technical minds of the country (Vol. 10:45 & 11:36, 40-43). One theme running through most of this week's responses is a strong defense of U. S. standards and their potential for greater brightness without flicker—with superior quality of average British picture generally attributed simply to meticulous attention to equipment.

Noting our series on picture quality in "England vs. the colonies," Dr. George H. Brown, director of RCA Labs' systems research writes, good-humoredly: "By now, you will find it difficult to find the average expert who will be willing to say that we have better pictures, because so many people have said the reverse." But he does state: "I no longer understand what is meant by a 'better' picture. Certainly the use of 525 lines is better than 405, but the average American receiver pairs the odd and even lines so we generally look at a picture with only half of the available 525 lines. A little careless operation of the camera pairs the lines at the transmitter, so even a good receiver is thwarted. The English are a little ahead on horizontal resolution, for they scan 10,125 lines per second while we scan 15,750 . . . I have seen over the air many times pictures which are the equal to anything produced in England. However, that is not the general rule. Col. Henn-Collins [Vol. 11:41] says they do not use more technicians per picture, but I believe they use more technicians per picture . . . The BBC maintains its own relays and links from studio to the several stations and they work over these facilities endlessly. In the U. S., the telephone company supplies the links, they are not available for previews, the local circuits and switching facilities

Census Bureau will be fountainhead of market data for trade in next 9 months—planning to release state-by-state, industry-by-industry information as of 1954 on number of business establishments, total sales, payrolls, value of products shipped, cost of materials, etc. Based on 1954 Census of Business, data will provide first complete picture of nation's business structure since 1947-48.

Lansdale Tube Co., a Philco div., starts supplying vacuum tubes and semi-conductor products directly to industry & Govt. C. H. Warshaw has been named mgr. of semi-conductor sales, W. F. Maher gov't. sales, J. J. Grabiec tube sales. Marshall A. Williams, gen. sales mgr. of gov't. & industrial div., will also be gen. sales mgr. of Lansdale operations.

Emerson Radio's Charitable & Educational Foundation, which last year completed distribution of \$100,000 to first 10 non-commercial educational stations to start operations, has established employe scholarship program at New York's New School for Social Research, with 18 initial awards.

Zenith has asked year's postponement of trial of its patent infringement counter-claim suit against RCA, GE & Western Electric. Federal Court in Wilmington, Del., set trial for Jan. 16 but Zenith filed motion for postponement. Hearing on Zenith's request was set for Nov. 9.

Radio shipments to dealers, excluding auto radios, totaled 2,991,307 in first 7 months, 13% above the 2,662,346 shipped in first 7 months of 1954, reports RETMA. July shipments alone were 475,500, compared to 338,572 in July 1954.

Simple TV-sound-only receiver, also covering FM band, is subject of how-to-make-it article in Nov. *Radio & Television News*.

are variable and not too good, and the programs do often come over vast distances." Brown also states that it's far easier to get good pictures with fixed-tuned single-channel British sets than with our multi-channel receivers. In conclusion, he reports visiting a couple of new stations recently, where "the technicians were following the book because it was all new and strange. Their pictures were practically perfect."

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Hazeltine's chief research engineer Charles J. Hirsch analyzes differences in these areas: (1) Camera—Tube is linear over whole operating range and has a level in its output signal which corresponds to absolute black, permitting good reproduction of gray scale. There are no spurious halos due to overloading, and high frequency response holds up better. "However," he adds, "the camera is less sensitive with the result that lenses must be more open and this results in reduction in the depth of focus." (2) Bandwidth—While British picture has some 20% more horizontal resolution, "this is compensated for by having fewer lines, which makes for less vertical resolution and fewer pictures per second, which increases the tendency to flicker." (3) Transmitters—"Because there are fewer transmitters and the selectivity problem is correspondingly less, the receivers need not be as sharp on the vestigial sideband side of the carrier. This results in less quadrature distortion." (4) Delay equalization—"The British do a splendid job of equalizing the signal to make sure that all parts of each picture element arrive at the same time. The overall effect is that British pictures have a sharpness which is often lacking in our pictures."

Hirsch concludes: "To be fair, however, it should be pointed out that we are comparing one British transmission on which loving care is spent, with 7 transmissions in New York, so that the average is bound to be statistically

in favor of the British. Our standards are capable of giving pictures which are superior to the British and the high quality of British pictures shows that one can do an excellent job by making the most of the facilities available."

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Maintenance is also stressed by Dr. Thomas T. Goldsmith, DuMont research v.p. "A high degree of technical perfection in operation," he says, "can give a better quality picture even with the lower resolution of 405 lines than is available in many of our out-of-the-way stations operated on a shoestring by a limited technical staff . . . Another factor which probably accounts for relatively good field performance in England is the absence to a large degree of tall buildings in metropolitan areas. As you know, New York City is a very poor place to get good TV pictures."

As for film telecasts, Dr. Goldsmith says: "The British have used the flying-spot technique for many years and undoubtedly have harnessed it well by long experience. This might account to some degree for the overall conclusion that British pictures are good." But British pictures have some defects, he says:

"The low frame rate of 25 per second does lead to considerable interlace flicker which I have noticed. British engineers who have visited me in the U. S. have remarked on the efficiency with which we utilize our interlace system for very smooth picture reproduction. Our higher resolution standards give superior performance when the equipment is well maintained, both at the transmitting and receiving end. I believe it is a practice to use higher brightness receivers in the U. S. than in England with a resultant better viewing condition, particularly in the daytime. I believe that our best shows in the U. S. provide considerably superior performance than is available in the British system." Dr. Goldsmith also attributes good British pictures to simplicity of manufacturing and tuning single-channel sets, and he expects that choice of stations will result in reduced performance of average British set.

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Non-technical observer Merle S. Jones, CBS v.p. for stations and general services, said his recent British viewing was limited to hotel receivers and control-room monitors but: "I must say that the installation of a set in my hotel room was handled with great care by the Savoy Hotel people, and I am sure that I had the finest possible reception in that area, and believe me, I did get a very good picture."

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NBC v.p.-chief engineer Robert E. Shelby puts it this way: "It is my understanding that there is not a great difference between the theoretical limits of the 2 sets of standards with respect to potential definition. It is noted, however, that the lower field repetition rate in Great Britain (50 per second vs. 60 per second in the U. S.) results in a threshold of perceptible flicker at a substantially lower picture brightness.

"Without in any way questioning the sincerity of the reported observations, I am impelled to point out that such qualitative comparisons are not very accurate, even when the pictures being compared are seen simultaneously side by side. If it should ever be deemed necessary to settle this question by committee action, I have no desire to serve on the subcommittee which would select the picture to be designated as typical of average U. S. TV picture quality!"

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Frank P. Barnes, GE mgr. of marketing, broadcast equipment, says he also has been given to understand, by GE people who have been over, that BBC retains a very large staff of technicians to keep equipment operating at top quality at all times.

"Within this country, picture quality is often a function of the amount of maintenance applied to the equipment," he states. "The same equipment in the hands of major network technicians will put out pictures of substantially better quality than those transmitted from the average station. I do not believe that there are any fundamental techniques or standards of the British system which would produce better pictures than our own."

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Noted consultant John V. L. Hogan doubts whether any single reason accounts for differences. "It may well be," he says, "that the British engineers are more careful in their transmitter and studio adjustments, and that the tube and set manufacturers are more critical as to performance than is customary in the U. S. Over here, we transmit many poor pictures, but I am inclined to believe that their fuzziness or poor tone-scale is the result of carelessness or poor components rather than any inherent limitations of the system."

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Another top-notch engineering executive, who chooses to remain anonymous, says there's much more to the matter than definition. "To the eye," he states, "there is not very much difference between the British and American standards. As a matter of fact, it takes particular program material to notice the difference between the British 405 system and French 819 system.

"At a recent CCIR meeting the British, in trying to sell their 405-line system as compared to the European 625-line, gave a demonstration showing that small distortions in transmission or reception made little difference in the 405-line picture but seriously degraded the 625-line system . . . For example, in reception, a reflection on a transmission line of reasonable length can reduce the definition of the American picture by 50%. Under the same conditions, the British picture is degraded only 15%. Again with respect to reception, the British are fortunate in that they were required to receive only one channel and the problem of designing receivers to cover several octaves and antennas to do the same thing would not exist. Even with their present 2 channels they have a much easier job.

"With regard to broadcasting, I was impressed by the fact that I was shown at least twice as much testing and measuring equipment as broadcasting equipment so that in addition to 4 times as many engineers per program, they must have 4 or 5 times as many maintenance engineers per system.

"I am surprised that those reporting on the good British images were not disturbed by flicker. Most of the demonstrations that I have witnessed of the British, French and Dutch TV systems were conducted either at night or in rooms with shades carefully drawn. On a few occasions I have operated receivers in homes under lighting conditions which are common to American TV viewers and found that I was disturbed by the very pronounced flicker. In conclusion, Americans over a period of time will lick the problems of noise and distortion in our picture and we will not be disturbed by flicker."

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Consulting engineer Robert Kennedy suggests another reason for quality of British pictures. Reading Oct. *Wireless World* letters to the editor, he noted reference to double sideband transmission in London. "With a decent receiver," he says, "double sideband will certainly produce a better picture than single sideband, which we use." We checked with RCA's top-notch transmitter engineer Jack Young, who said: "Double sideband would reduce such imperfections as 'leading white' and 'trailing smears.' I think it would be enough for a critical layman to notice." BBC is due to switch to single sideband, same as ITA.

Financial & Trade Notes: Sylvania's 9-month earnings of \$9,556,210 (\$2.97 per share) not only broke a record for that period, but also exceeded the highest full-year profit in company's history. Earnings in first 9 months of 1954 were \$6,166,226 (\$1.93), and best full-year profit was 1953's \$9,536,181 (\$3.10). Sales in first 9 months of 1955 were \$216,242,559, nearly 8% ahead of the \$200,827,520 sales in corresponding 1954 period. Third-quarter earnings were \$3,468,191 (\$1.07), highest of any quarter in company's history, up 31% from third quarter 1954's \$2,643,441 (85¢). Sales were \$77,529,210, also a record high and 5% over \$73,756,822 in same 1954 quarter.

Pres. Don Mitchell told stockholders that record-breaking earnings and high sales "represented excellent over-all business conditions and strong demand throughout Sylvania's major product lines." He said company's TV set sales are "strong," and demand from its tube customers is running far ahead of last year. Market for tubes in commercial and industrial field is "especially promising," he declared. Company's defense backlog was about \$65,000,000 as of Sept. 30.

Note: Sylvania sales research director Frank W. Mansfield told San Francisco Sales Executives Assn. Oct. 27 that Sylvania's 1955 sales should hit record \$300,000,000 and go to \$320,000,000 in 1956. Sales last year were \$281,000,000.

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CBS's 1955 revenues should exceed \$300,000,000, vs. \$280,300,000 in 1954, but net is expected to be little changed from 1954's \$11,410,000—according to analysis issued Oct. 14 by W. E. Hutton & Co., N. Y. investment house. Revenues for first 26 weeks of 1955 were \$150,000,000, net \$6,300,000. For future, report prepared by R. L. Weissman states, annual revenues of \$375-\$400,000,000 and net of \$22-\$24,000,000 may be expected when color TV comes into its own—possibly in year starting in fall of 1956. "Color is obviously the big development to look toward," report says. "The prospect is for a retail TV set market measured in terms of billions of dollars. This is a market created by the black-&-white sets and awaits only a product that can be marketed at substantially less than the prevailing \$750 price." After reviewing tremendous surge of CBS's TV & radio networks in recent years and their excellent showing so far this year, report attributes static net earnings outlook for 1955 to "unsatisfactory price situation" affecting CBS-Hytron tube div. and problems facing CBS-Columbia receiver div. "in connection with the building up of a strong distribution system [and] widespread disregard of adequate profit margins." Summary notes that Columbia Records div. continues profitable and that recently organized monthly subscription LP record club has met with "very satisfactory response."

Westinghouse reports 9-month earnings of \$43,839,000 (\$2.55 a share) on sales of \$1.134 billion, down from profits of \$62,644,000 (\$3.77), sales of \$1.213 billion in corresponding 1954 period. Third quarter profits were \$14,422,000 (84¢) on sales of \$378,468,000 vs. \$17,285,000 (\$1.04) on \$401,674,000 in third quarter year ago. Pres. Gwilym A. Price said results in third quarter "were adversely affected by a prolonged production loss" resulting from IUE strike, which currently has shut down 29 plants, including TV-radio factory at Metuchen, N. J. He said consumer products sales in first 9 months were 10% over same 1954 period.

Television-Electronics Fund had net assets of \$105,942,248 on Sept. 30, up 96% from \$53,997,200 on same date year ago. Net asset value per share rose to \$11.28 on 9,395,026 shares outstanding Sept. 30 from \$9.46 on 5,707,201 shares year earlier. Sept. was record sales month—\$2,676,153 vs. \$2,102,835 in Sept. 1954.

RCA will borrow \$100,000,000 in first public financing operation in firm's 36-yr. history through offering of 25-yr. subordinated convertible debentures to common stockholders in Nov., chairman David Sarnoff announced Oct. 28. As reported earlier (Vol. 11:36), RCA will use funds for working capital required by expanded business volume and to improve facilities for research, manufacturing and service in electronics and allied field. Debentures will be offered in ratio of \$100 principal amounts for each 14 shares of common stock of record and will comprise only outstanding senior obligation of RCA with exception of \$150,000,000 in promissory notes due in 1970-77 to insurance companies. Lehman Bros. and Lazard Freres & Co. will manage nationwide group of investment bankers who will underwrite \$100,000,000 offering; rights to subscribe will be mailed to common stockholders about mid-Nov. Gen. Sarnoff stated: "It is significant that 80% of RCA's business in 1955 will be in products and services introduced on market in last 10 years. RCA sales of products and services amounted to \$940,950,000 in 1954, largest volume in RCA history up to that time. In the first 9 months of 1955, sales have reached \$740,662,000, an increase of 12% over the first 9 months of last year and highest in any comparable period in the corporation's 36 years. It is expected that in 1955, RCA sales volume will exceed \$1 billion."

Arvin Industries 1955 sales will run \$63-\$65,000,000 vs. \$53,372,757 in 1954, earnings exceeding \$4 vs. \$2.50 per share, pres. Glenn Thompson told N. Y. Society of Security Analysts. In reply to question from floor, he said company had no regrets about its decision to drop TV this year (Vol. 11:13), though it represented \$6,000,000 annual business. "It just wasn't worth it to us," he said. "It took so much effort and money without our being sure that we could make a profit that we just couldn't work up any enthusiasm for it." Arvin's third-quarter earnings were \$1,057,833 (\$1.19 per share) on sales of \$15,411,963 vs. \$613,680 (69¢) on \$12,985,370 for same 1954 period.

Magnavox earned \$564,807 (71¢ a share) on sales of \$13,322,884 in 3 months ended Sept. 30, compared to \$331,729 (42¢) on \$10,347,538 in corresponding period of 1954. At annual meeting Oct. 26, stockholders voted to increase outstanding common shares (\$1 par) from 1,000,000 to 2,000,000 to finance expansion. Pres. Frank Freimann said \$6,500,000 in new defense and research contracts were received in last 60 days.

Standard Coil Products Co. had net loss of \$304,753 on sales of \$44,534,655 in first 9 months, compared to profit of \$1,912,279 (\$1.30 a share) on \$55,707,168 in corresponding 1954 period. Pres. Glen E. Swanson attributed loss to operations on "old tuner line" and non-recurring organizational expenses in setting up Canadian subsidiary, saw return to profitable operations next year.

Thompson Products earned \$8,986,542 (\$3.20 per share) on sales of \$214,478,664 in first 9 months 1955 vs. \$8,812,107 (\$3.25) on \$203,493,692 for same 1954 period. Pres. J. D. Wright predicted considerably higher sales for year but said earnings probably will be lower because of "company transitions."

General Precision Equipment earnings plunged sharply in quarter ended Sept. 30—\$202,000 (8¢ per share) on sales of \$31,456,000 vs. \$1,061,000 (\$1.15) on \$31,141,000 in same period 1954. Pres. Hermann G. Place said decline was caused by adverse factors affecting subsidiaries.

Muter Co. earned \$161,025 (22¢ per share) on sales of \$8,973,557 in first 9 months of 1955, compared to \$226,501 (31¢) on \$8,689,481 in corresponding period of 1954.

Gross Telecasting Inc. had gross revenue of \$1,800,000 in first 9 months vs. \$1,600,000 in same 1954 period. Per-share earnings after taxes were \$1.33 vs. \$1.19.

Biggest stock issue by a TV film distributor would be the \$8,000,000 which reportedly will be sought by UM&M Inc. through public offering. Charles Amory, pres. of the year-old distributing firm, said this week he expects gross to reach \$5,000,000 for year ending Oct. 21, 1956. Company's hottest current property, *Sherlock Holmes*, grossed \$500,000 through sale to local banks and loan associations during its first year. No details were available on the proposed stock issue. Note: Another TV film company going to public for financing is new Splendor Film Corp., offering 1,200,000 shares at 50¢ each. Company will specialize in producing Negro TV and theatrical films, is headed by playwright-producer-director Warren Coleman, band leader Noble Sissle and longtime NBC orchestra personnel director H. Leopold Spitalny.

Dividends: Sylvania, 50¢ payable Dec. 22 to stockholders of record Dec. 2; Gross Telecasting 'A' 30¢ and 'B' 5¢, Nov. 10 to holders Oct. 31; Westinghouse, 50¢ Dec. 1 to holders Nov. 7; Magnavox, 37½¢ Dec. 15 to holders Nov. 25; Baltimore Radio Show (radio WFBR, Baltimore), 10¢ Dec. 1 to holders Nov. 15; P. R. Mallory, 35¢ Dec. 10 to holders Nov. 14; Standard Coil Products, 10¢ Nov. 17 to holders Nov. 7; Oak Mfg. Co., 35¢ Dec. 15 to holders Dec. 1; General Dynamics, 55¢ Jan. 10 to holders Nov. 18; Republic Pictures, 5% stock Jan. 3 to holders Dec. 7.

Webster-Chicago Corp. earned \$691,476 (\$1.33 a share) on sales of \$21,847,039 in first 9 months of 1955, compared to \$236,894 (46¢) on \$19,754,744 in same 1954 period. Third-quarter earnings were \$630,300 (\$1.21) on sales of \$8,325,979 vs. \$74,060 (14¢) on \$7,015,933 in third quarter year ago. Chairman R. F. Blash told stockholders that big profit increase in third quarter resulted from sale of vacant real estate in Berkeley, Ill., plus many innovations to improve production efficiency.

Jerrold Electronics Corp., in first statement to stockholders, reports unaudited earnings of \$51,249 on sales of \$1,559,778 for 6 months ended Aug. 31, and announced plans for construction of new community antenna systems and development of new master antenna products.

Official Films (Harold Hackett, pres.) reports net profit of \$346,217 for fiscal year ended June 30, up \$30,000 from preceding fiscal year. Stockholders vote Oct. 31 on authority to increase capitalization from 2,000,000 to 3,000,000 common shares (10¢ par).

Clevite Corp. earned \$3,219,431 (27¢ per share) on sales of \$16,033,395 during quarter ended Sept. 30 vs. \$1,980,501 (15¢) on \$13,846,187 for same 1954 period. Pres. W. G. Laffer said electronics sales have improved and that firm is expanding work in transistors and diodes.

Texas Instruments Inc., manufacturers of silicon transistors, expects to report per-share earnings of about 48¢ on sales of \$28-\$30,000,000 for full 1955, said pres. J. E. Jonsson, compared to 40¢ on volume of \$24,387,334 in 1954.

P. R. Mallory & Co., which left TV tuner business to concentrate on other components, earned \$1,626,530 (\$1.49 a share) on sales of \$47,564,194 in first 9 months of 1955, vs. \$521,048 (29¢) on \$39,462,774 same 1954 period.

Daystrom & subsidiaries earned \$960,000 (\$1.01 per share) on sales of \$37,855,000 for 6 months ended Sept. 30 vs. \$757,813 (\$1.17) on \$36,266,000 for same period of 1954.

Beckman Instruments earned \$1,322,050 (\$1.06 per share) on sales of \$21,330,598 in year ended June 30 vs. \$920,280 (85¢) on \$18,652,870 in 1953-54 period.

Electronic Associates, Long Branch, N. J., earned \$198,185 (80¢ per share) in 8 months ended Aug. 31; comparison with same period last year unavailable.

Columbia Pictures earned net of \$4,948,000 (\$5.64 per share) for year ended June 30 vs. \$3,594,733 (\$4.01) in 1953-54 period.

Electronics Reports: Automation—industry vs. labor:

Depending on who was talking, you could take your choice of country's future in pictures painted by witnesses at Congressional hearings on automation this week. Electronics industry leaders, who have tremendous stake in automation, envisioned increased employment, higher living standard, shorter work week and almost-unbelievable economic boom ahead. Dr. Cleo Brunetti, director of General Mills engineering research & development, pointed to TV picture tube industry as example of automation's benefits. A few years ago, he said, 20-in. picture tube blanks were sold by manufacturer for \$75 at a loss. Now, automatic machinery turns out 21-in. blanks for \$8.50 at a profit and 2000 people have jobs that didn't exist before.

Also testifying was GE pres. Ralph J. Cordiner who said nation would need about 40% more goods and services by 1965 with only 14% more people in labor force—therefore, industry must develop more productive machinery and methods. Labor—represented by CIO secy-treas. James Carey and Communications Workers' pres. J. A. Bierne—bowed to inevitability of automation but called for long range controls to avert mass unemployment and displacement of workers. Both urged shorter work week, higher salaries and—at same time—drastically reduced consumer prices.

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Three definitions of automation, as given in last 2 weeks by leaders in electronics industry: (1) Former RETMA chairman & pres. Robert C. Sprague, chairman of Sprague Electric, in address last week to Radio Fall Meeting (Vol. 11:43)—“That domain of activity which adds to the mechanisms and processes one or more of the following in various degrees: feedback control, programming, versatility and integration.” (2) Cleo Brunetti, General Mills director of engineering research & development, at this week's Congressional hearing on automation—“Machine, power, programming and control.” (3) GE pres. Ralph J. Cordiner, at hearing—“Continuous automatic production, largely in the sense of linking together already highly mechanized individual operations.”

Tinkertoy modules for laboratory use are now being offered by Aerovox Corp.'s new module div., which leased from Bureau of Standards the original Tinkertoy module pilot production plant in Arlington, Va. (Vol. 11:21). Company currently is specializing in supplying “modularized standard circuits” for use by design engineers, electronics labs, etc., but plans to open new plant for mass production of modular components. Aerovox now offers modules comprising the following circuits: DC regulator, video limiter, low level cathode follower, dual cathode follow or video mixer, intermediate video amplifier, video driver amplifier. Module div. mgr. Sam J. Griffin says Aerovox is working with some leading TV set manufacturers toward eventual design of modular TV receivers. Aerovox plans to supply modules to set and equipment manufacturers in same manner as does ACF Electronics, Alexandria, Va., whose Compac modules are also based on Tinkertoy (Vol. 11:12).

Million-hour transistor for military computers has been developed by 2 top electronics labs, may be produced in next few years, Philco research director Donald G. Fink told IRE in Washington this week. Names of labs can't be divulged, Fink said, but research is expected to pave way for better semi-conductors in future civilian TV and radio use, primarily because 100-year type units can be produced without costly design and production methods.

Dyna Co., 5142 Master St., Philadelphia, is new company designing & producing electronic components & equipment, especially for hi-fi (David Hafner, pres.).

Sylvania plans to build multi-million dollar tube plant in Altoona, Pa., replacing quarters it now rents there.

Color Trends & Briefs: DuMont reports it has shipped color film scanners to 15 stations up to this week. RCA previously reported 45 shipments (Vol. 11:42), announced 2 more sales this week, and GE has delivered 1. Thus, 63 color film chains have been sold to 59 stations (4 have both RCA & DuMont). This week, RCA also reported sale of live color cameras to 2 more stations—WJBK-TV, Detroit and WTAR-TV, Norfolk—making 18 stations which have purchased live chains. RCA's latest film camera sales were to WTOP-TV, Washington and WTAR-TV, Norfolk.

Following is DuMont's up-to-date list of color film scanner purchasers: WCBS-TV & WABD, N. Y.; WFMY-TV, Greensboro, N. C.; WAGA-TV, Atlanta; WBZ-TV, Boston; WFBM-TV, Indianapolis; KXJB-TV, Valley City, N. D.; WTVW & WITI-TV, Milwaukee; KTRK-TV, Houston; WDSU-TV, New Orleans; KDUB-TV, Lubbock, Tex.; KTLA & KNXT, Los Angeles; WDBJ-TV, Roanoke.

DuMont lists, in addition, 5 shipments of "industrial" color film scanners, somewhat modified from station equipment. These went to Corning Glass, Eimac, Crosley, Motorola, Canadian Westinghouse. GE's sole shipment was to KING-TV, Seattle, 1½ years ago; this gear was replaced by brand new GE equipment this week.

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Industry's evaluation of GE color tube, which GE demonstrated recently and said may be ready for production by 1957 (Vol. 11:40, 42), is supplemented by comment of Dr. Thomas T. Goldsmith, DuMont research v.p. "I have not seen the GE tube recently," he said, "but some of my engineers saw it in detail and report that the pictures were very good. We have been working for some time on tubes having quite similar characteristics, and they offer promising results. Economically, the construction of a strip tube with a set of strip deflection components appears to me to be fundamentally costly. This cost in the tube may be partially offset by better performance and perhaps some simplification in the operating circuitry." As for color sets generally, Dr. Goldsmith goes on, "I still feel that we have not yet reached a practical answer on tubes and circuits to be able to provide a low-cost color receiver which can assure the customers of long and relatively trouble-free performance of high quality. You should give us research people more time to invent some real ways to produce good color TV."

Color set sales reports: Philadelphia—RCA distributor Raymond Rosen & Co. states that dealer Mort Farr's color billings in Sept. were 50% of his black-&-white; that 9 area dealers have sold total of 73 sets in recent weeks. Davenport, Ia.—L. A. Baumgartner, mgr. of RCA Victor Distributing Corp. reports: "Interest in color in this area is definitely on the upswing. At a meeting for servicemen held here early in Oct., we had an attendance of 142, which gave us almost 100% acceptance of invitations. Most of our good dealers, those who are in a location near enough to receive an adequate signal, are demonstrating color to their customers. Retail sales are increasing as evidenced by repeat orders from dealers. It looks now as if we'll be completely out of both models early in Dec."

Lenticular film for color kinescope recordings, using addition process and black-&-white emulsion, was demonstrated by Eastman Kodak to network representatives this week. Though no estimate of commercial availability was made, network engineers were impressed, one stating: "We think they have something. They gave no prices, and it isn't going to be ready tomorrow, but it looks good." Movie industry has long experimented with process, but low light efficiency has been roadblock.

Daily colorcasts of last 10 min. of 2:30-3 p.m. *Jinx Falkenburg* show will start Oct. 31 on WRCA-TV, N. Y.

Network color schedules for next 2 weeks: NBC-TV—Oct. 31-Nov. 4 & Nov. 7-11, *Howdy Doody*, 5:30-6 p.m.; Oct. 31-Nov. 4 & Nov. 10-11, *NBC Matinee Theatre* with John Conte, starring Louis Hayward, Kevin McCarthy, Augusta Dabney, Wm. Bishop, James Dunn & Ann Harding, 3-4 p.m.; Nov. 3, *Home* segments, 11 a.m.-noon; Nov. 5, *Max Liebman Presents*, "The Great Waltz," starring Patrice Munsel, Jarmila Novotna & Bert Lahr, 9-10:30 p.m.; Nov. 6, *Sunday Spectacular*, "Constant Husband," (film) starring Rex Harrison, Margaret Leighton & Kay Kendall, 7:30-9 p.m.; Nov. 9, *Today* segments, 7-10 a.m. & *Home* segments, 11 a.m.-noon. CBS-TV—Nov. 1 & 8, *Red Skelton Show*, 9:30-10 p.m.; Nov. 3, *Shower of Stars*, starring Jack Benny, Frankie Laine, Marilyn Maxwell & Gracie Allen, 8:30-9:30 p.m.; Nov. 4, *Mama* episode, "Dream for a Day," starring Peggy Wood, 8-8:30 p.m.; Nov. 5 & 12, *Gene Autry Show*, 7-7:30 p.m.; Nov. 10, *Climax*, "Scheme to Defraud," starring Dennis O'Keefe & Phyllis Thaxter, 8:30-9:30 p.m. **Among upcoming shows:** NBC-TV—Nov. 14, *Producers' Showcase*, "Dateline 2," starring Milton Berle, Greer Garson, Wm. Holden, Martha Raye & John Wayne, 8-9:30 p.m.; Nov. 20, *Maurice Evans Presents*, "The Devil's Disciple," starring Ralph Bellamy, 4-5:30 p.m.; Nov. 26, NCAA football game, Army vs. Navy, 1:15-4 p.m.; Nov. 26, *Max Liebman Presents*, "Dearest Enemy," 9-10 p.m.; Nov. 30, *Kraft TV Theatre*, 9-10 p.m.; Dec. 4, *Color Spread*, Maurice Chevalier variety show, 7:30-9 p.m.; Dec. 12, *Producers' Showcase*, "Sleeping Beauty," starring Margot Fonteyn and Sadler's Wells Ballet, 8-9:30 p.m. CBS-TV—Nov. 19, *Ford Star Jubilee*, "The Caine Mutiny Court Martial," 9:30-11 p.m.; Nov. 19 & 26, *Gene Autry Show*, 7-7:30 p.m.; Nov. 24, *Climax*, 8:30-9:30 p.m.

"Color TV: Who'll Buy a Triumph?" titles article by Francis Bello in Nov. *Fortune Magazine*—with theme built around fact that tremendous technical success of creating NTSC standards is yet to be matched by set sales. Article recites history of color development, tells how system works, describes various tri-color tubes, outlines marketing experience to date, gives predictions on sales. Author even attempts to determine precisely who contributed what inventions to system—something it will probably take courts years to decide. He says this year's set sales "probably will not exceed 35,000, and the total number of color sets operating by year's end will be under 50,000."

"Year of color" will be 1956, with set sales running into hundreds of thousands, NBC exec. v.p. Robert W. Sarnoff predicted in question-&-answer interview with Maurice Zolotow in Nov. *Cosmopolitan Magazine*. He estimated 25,000 color sets now in use. On programming, Sarnoff said he's against giveaway shows in general but said *\$64,000 Question* is a good program, wished NBC had it. He outlined NBC's plans for developing new writers and improving children's shows.

Color is "perfect public relations medium," NBC v.p. Syd Eiges told public relations group in Washington this week. "Getting in on the ground floor of color TV," he said, "can bring prestige and leadership to PR people themselves as well as to the interests they work for." He said that many types of documentaries, unimpressive in black-&-white, become worthwhile in color.

AT&T's color facilities rates will continue on present "experimental" basis until Jan. 1, 1957, according to statement filed with FCC this week.

Dealers' color sets will be installed and serviced indefinitely by RCA Service Co., free of charge, under new policy; previously, installation and adjustment ran \$29.50.

NBC-TV underwriting pilot films for 2 color series—*Adventures of Tom Sawyer* and *Johnny Moccasin*, western.

Formation of a Political Broadcast Unit to coordinate NBC's handling of 1956 campaigns was announced this week. Headed by NBC treas. Joseph A. McDonald, unit will process all requests for purchases of political time, following up move last April to make available spot and regular commercial periods in fall of 1956 (Vol. 11:18). Meanwhile, Democrats finally entered full-scale TV-radio planning stage last week, when Democratic National Committee chairman Paul Butler stated that party would allot approximately \$5,000,000 to broadcasting in next year's national campaign. If GOP maintains spending ratio in line with 1952 outlays (Democrats, \$2,573,576; GOP, \$3,447,734), our earlier estimate of \$7-\$8,000,000 for both parties (Vol. 11:42) would have to be increased to \$11-\$12,000,000. Butler called TV "greatest medium that has ever been developed for politics," but added that daytime radio is tremendously valuable.

New York Mayor Wagner backtracked on his order to make city files available to TV producer Theodore Granik (Vol. 11:43) after Police Commissioner Kennedy refused to cooperate and other TV film producers and newspapers unleashed storm of protest. Editorials suggested that city should receive payment for material and that other TV producers be given same opportunity as Granik. Denying that he had intended to give Granik a monopoly, Wagner ordered review of whole question, inviting TV-radio representatives to serve on special committee to study issue. Meanwhile, Granik held press conference jointly with v.p. Ralph Cohn of Columbia Pictures' Screen Gems subsidiary, announced that Screen Gems and Granik's New York TV Productions Inc. would jointly produce TV film series *The New York City Story* at cost of \$1,000,000 for 39 half-hour films.

Top program on British commercial TV for first week was *I Love Lucy* which drew 94% of viewers in those homes equipped with tuners which will receive new ITA as well as BBC, according to Nielsen. Following closely behind was big variety show *Sunday Night at the Palladium* with 93%. First full week of competitive telecasting "shows that many of the new ITA programs are making large inroads on the BBC's audience in those homes equipped to receive both BBC and ITA transmissions," Nielsen says.

Camera and the courts: Florida Supreme Court ruled this week that person shown on TV during news program cannot sue TV station for invasion of privacy, dismissed \$250,000 damage suit against Miami's WTVJ brought by "innocent bystander" picked up by TV camera during police gambling raid. Court ruled he wasn't injured because telecast didn't depict him as being arrested or tag him as gambler. In N. Y., "guest" of CBS's *What's My Line?* was sentenced to 9-month prison term after Detroit viewers identified him as car thief (Vol. 11:33).

ABC lost a legal point this week when N. Y. Supreme Court Justice Hofstadter denied its motion to dismiss \$7,000,000 suit brought against it by Walter Winchell for alleged breach of contract (Vol. 11:36). The judge, however, directed that Winchell's complaint be "recast" so that it gives "with greater particularity" his course of action.

NARTB forms community antenna committee, headed by Wm. Fay, WHAM-TV, Rochester. Other members: Wm. C. Grove, KFBC-TV, Cheyenne; Lawrence H. Rogers II, WSAZ-TV, Huntington, W. Va.; Henry Slavick, WMCT, Memphis; Omar Elder, ABC-TV; Thomas Fisher, CBS-TV; Harry Olsson, NBC-TV.

Application for Coos Bay, Ore., Ch. 16, was filed with FCC this week by local KOOS, owned by Sheldon F. Sackett, who also holds CP for KVAN-TV, Vancouver, Wash. (Ch. 21). Applications on file now total 162 (20 uhf). [For details, see *TV Addenda 21-P* herewith.]

It's not conspiracy but a matter of price which has kept feature movies away from TV, defense witnesses testified this week in Govt.'s "16mm" anti-trust suit against 5 major movie makers (Vol. 8:30 & 11:38-43). "We never refused to sell if the price was right," 20th Century-Fox pres. Spyros P. Skouras told Los Angeles Federal Court Judge Yankwich. "Prices offered, however, were so ridiculous that we could not sell our film." Former RKO pres. Ned Depinet also denied any conspiracy and said his board of directors had rejected any sale of film backlog until "price was right." Former RKO v.p. Creighton J. Tevlin reported on negotiations with networks for company's old features, said CBS was offered 450-600 films for \$10,000,000 cash in 1951 but turned them down. RKO was sold this year to General Teleradio for \$25,000,000. At one point in hearing Judge Yankwich ruled that Govt. can't force defendants to make current features available to TV. Completing testimony he began last week, Stanford Research Institute's Kenneth Beggs estimated that TV's purchases of feature films totaled \$21,900,000 in 1954 as opposed to \$12,300,000 in 1952 and \$2,500,000 in 1949. He said TV cost the movies \$365,000,000 at the boxoffice last year.

Debate over theatre-TV World Series continues, but with declining vigor following Theatre Owners of America's rejection of a closed-circuit Series monopoly last week (Vol. 11:41, 43). This week Independent Theatre Owners pres. Harry Brandt took opposing view, favoring a World Series limited to theatre screens. An "enlightened public," realizing that baseball is a business, would be "delighted to watch the entire Series in their local theatres," he said. One closed-circuit TV topkick—Sheraton Closed Circuit TV exec. v.p. Wm. P. Rosensohn—came out against a theatre Series, saying "events of tremendous national import and interest should be available to all without payment of a fee or admission price." Note: FCC Comr. Robert Bartley says he gets a chuckle out of current talk of World Series on theatre TV. "I saw the World Series in a Dallas theatre in 1920," he relates. "It was when they had those boards with lights showing the positions and plays. I remember it very well because Bill Wambsganss executed an unassisted triple play and the board wasn't able to convey it. A man had to come out and explain it." It was 1920 Series, with Wambsganss playing with Cleveland Indians vs. Brooklyn Dodgers.

Prizes totaling \$40,000 will be awarded by Fund for the Republic to best 3 TV shows on civil rights subjects during Oct. 1, 1955-May 31, 1956 period. Judges: theatrical producer Kermit Bloomgarden, publisher-telecaster Gardner Cowles, CCNY pres. Dr. Buell G. Gallagher, Alf M. Landon, KEYD-TV, Minneapolis, mgr. Robert M. Purcell, Mrs. Eleanor Roosevelt, author Gilbert Seldes, N. Y. attorney Harrison Tweed.

Peabody TV & Radio Awards Advisory Board named TV personality and author Bennett Cerf chairman to succeed Edward Weeks, editor of *Atlantic Monthly*. Jan. 10 is closing date for 1955 nominations—which should be sent to U. of Georgia journalism school—in these categories: news, entertainment, education, juvenile programs, promotion of international understanding and public service.

Another hike due in TV film-costs: IATSE technicians, having won 30¢ hourly wage increase and 5-day week from movie majors, begin negotiations next week with Alliance of TV Film Producers. Settlement is expected to be on similar lines. Most TV film companies now operate on 6-day week.

DuPont Foundation TV-radio award nominations were opened this week by Lee Memorial Journalism Foundation, Washington & Lee U, Lexington, Va.; deadline is Dec. 31.

New Armed Forces TV station is scheduled for installation in Panama Canal Zone next spring.

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SUMMARY - INDEX OF THE WEEK'S NEWS — November 5, 1955

TV-RADIO TRENDS and future appraised for admen at ANA convention in significant report by ABC pres. Robert E. Kintner (p. 1 & Supplement).

NEW "SLIM LOOK" FOR TV sets coming as tube & set makers work on 120-degree tube making possible much smaller cabinets, lighter sets (p. 1).

DEINTERMIXTURE VOTED DOWN by FCC, 4-2, general rule-making due to start; special meeting scheduled for Comr. Bartley's participation (p. 2).

ALL-OUT FOR COLOR, despite industry apathy, NBC will spend \$12,000,000 to expand colorcasting; RCA reveals 1000 set sales weekly (pp. 3 & 15).

TV's OWN TELEGRAPH network for time clearances, program changes, ad copy, etc. projected by Teleprompter Corp.; FCC rules it's common carrier (p. 4).

BUY-UP TREND CONTINUES in receiver market, with average retail sales higher and 24-in. demand up. Some techniques used in merchandising color (p. 9).

TOP 100 DEFENSE CONTRACTORS since start of Korean war include 23 firms identified with electronics, headed by GE, General Dynamics, AT&T, Bendix (p. 12).

IRE ELECTS HAZELTINE'S Art Loughren as 1956 pres., adds directors, fellows; Philco's Frank Bingley and Zenith's Jack Bridges win top awards (p. 13).

MOTOROLA NOW MAKING push-button gearshift for Chrysler Corp. cars; 3rd quarter sales set record with \$225,000,000 year seen. Philco sales, net up (p. 14).

RATE OF NEW CPs still sluggish, this week's 2 bringing year's total to 44; examiner upholds CBS's right to switch affiliates in Albany (p. 5).

'TELEVISION & RADIO—TODAY & TOMORROW': In line with our policy of bringing to you, or telling you about, important "documentary" data in the TV and related electronics fields as it becomes available (see also box on p. 16), we send you herewith a Supplement containing full text of an important "report to advertisers" delivered this week by ABC pres. Robert E. Kintner at the convention of the National Assn. of Advertisers. He had been chosen as spokesman for TV-radio broadcasters on a panel on which rival marketing media also had their say. We think he did a bang-up job.

TV's challenge, as he says, is not whether the medium is effective but how best to buy it, program it and use it commercially. He thereupon discourses on the trends to film, to multiple sponsorships, to 90-minute shows, to increasing network control of programming. He takes a detached attitude on color, sees it requiring the same "5-year circulation growth" that TV itself did -- but not as a major programming factor before 1957.

Some significant new findings in a survey of Detroit viewers are disclosed, and Kintner again takes FCC to task for not acting more expeditiously in equalizing competitive channel facilities in the top 100 markets. As for radio, particularly network radio as it shrinks in the face of TV's impacts, he makes a strong case for its continuing effectiveness as an advertising medium, pointing out that "about the same number of people listen to radio today as they did before TV" -- though admittedly "not as often or as long" and "less...in the living room."

Though aimed essentially at admen, this is "must" reading for all executives concerned with marketing and with TV and/or radio advertising. It sets forth fundamental facts about the strengths and weaknesses of the media, and nicely appraises their present effectiveness and future potential.

NEW 'SHALLOW' TV SETS IN THE WORKS: A new compact shape for TV sets -- one that should please the housewife, make for greater portability and cut shipping costs -- is being seriously explored by tube and set makers, who have set mid-1956 goal for biggest change in receiver appearance since introduction of the rectangular tube.

Making possible TV's new svelte shape will be a much shallower tube using a deflection angle of 110 or 120 degrees -- which for the first time will permit the designing of a 21-in. set whose depth is much less than its width. It should take

several pounds off total weight of set, due to smaller cabinet and lighter weight of the tube itself -- a big assist in the trend to portability (Vol. 11:44).

While it's a step toward the "flat tube," new experimental 120-degree tube is of conventional rectangular CR tube design except for its wide angle and its stubby appearance. The trend to larger screen sizes which slowed down a couple of years ago has recently been supplanted by the search for a "flatter" tube.

The 120-degree tube measures 15-15/16-in. from faceplate to tip of base in the 21-in. screen size, weighs 22.6 lb. The 110-degree tube is slightly longer and heavier. The traditional 70-degree tube measured 23 $\frac{1}{2}$ -in., weighed 26 lb. A year ago, industry converted to 90-degree tube which is 20-7/16-in. long, weighs 24.2 lb.

While most manufacturers seem to be shooting for mid-1956 marketing of new shallow sets, many won't be pinned down or even permit quotes. Nearly everybody is working on it and some 120-degree tubes have been built and even sampled to receiver makers -- but the label on the new slim TV still remains "strictly experimental."

The problem: economics. The 120-degree tube requires extremely high sweep voltage to deflect electron beam at such a sharp angle. In addition to problem of designing new economical high-voltage deflection components, this also means virtual redesign of receiver circuit for proper balance with the higher voltages required. The 110-degree tube involves same problems but to far lesser extent. Nevertheless, there isn't a manufacturer who doesn't believe these troubles can be worked out.

* * * *

Most optimistic tube maker we talked to was Westinghouse, whose gen. mgr. Richard T. Orth hopes a 120-degree tube can be ready for deliveries by Jan. Though not yet a big CR tube maker, Westinghouse is pushing hard for the new tube, and has sampled it to a few customers (including Westinghouse receiver div.) in hopes they can help work out deflection yoke and circuit problems. The experimental model is a 21-in. rectangular with neck of standard diameter, though work is also going forward on small-neck model which complicates tube-making but helps simplify deflection.

We saw the tube the other day at Westinghouse's Elmira tube plant (one of the few not affected by the big Westinghouse strike) and were advised that the all-glass bulbs came from Corning Glass, which is also expected to have the "flattened" item in 14, 17 & 24-in. sizes as soon as the 21-in. is proved practical. Kimble Glass is also ready to turn out the bulbs as soon as needed.

One of largest independent picture tube makers, National Video Corp., has also sampled set makers with 120-degree 21-in. tube, but pres. Asher Cole stressed it is being made for experimental use, not for immediate application. "It will require a great deal of circuitry by yoke manufacturers before we can decide whether it's economically feasible to sweep it," he said. But then he added that his company is shooting for deliveries in time to hit mid-1956 markets with "thin TV."

"We're not encouraging our customers to go hell-bent on it now," said CBS-Hytron pres. Charles J. Stromeyer of the 120-degree tube. "Much work remains to be done on technical problems connected with its use." Like some other tube makers, he declined to give his opinion on statements that 120-degree sets will be on the market by mid-1956, with perhaps a preliminary dribble even before that time.

Though they're not talking about it yet, and it isn't known whether they've sampled their customers, too, it's an open secret that other big tube makers also are working on same development -- certainly RCA, Sylvania, GE, Raytheon.

DEINTERMIXTURE REJECTED, RULE-MAKING SET: Allocations hassle got dramatic this week. With deintermixture proponent Comr. Bartley absent Nov. 2, FCC voted 4-2 to deny all deintermixture petitions and to drop Ch. 10 into Albany area -- Comrs. Hyde & Webster dissenting. They all voted to start general rule-making proceeding for purpose of weighing entire industry's suggestions on allocations.

Out in Colorado, where he's been attending NARTB regional meeting and looking over govt. installations, Bartley heard what had happened, grabbed the phone and told colleagues he wanted in on the act. They acceded to his request, and all 7 members met Sat. Nov. 5, failed to take final action, scheduled another meeting.

That's where things stood at press time -- but prospects of Bartley's par-

ticipation changing majority vote seemed very slim. Uhf operators in affected areas -- Hartford, Madison, Peoria, Evansville -- made last-ditch effort to block final action. Knowing that new Comr. Mack had voted, they petitioned for reopening of the cases, asking that Mack at least hear oral argument before voting. Whether tactic succeeds or not, counsel for uhf operators are talking about court appeals.

Deadline for filing comments in rule-making proceeding, once FCC starts it, was fixed at Jan. 15 -- but this might be changed. Meanwhile, it's understood FCC would move fast to finalize long-pending initial decisions in cities where they've been stymied by deintermixture petitions. Grantees would be permitted to build with understanding they'd be under same jeopardy -- no more, no less -- affecting any other station in event radical allocations changes are finally made.

NBC's VAST COLOR EXPANSION, RCA SET SALES: More than ever the prime movers in color, unflagging in their zeal for it despite intra-industry lassitude and skepticism, RCA and NBC this week stepped up their multi-million dollar drive to put color across.

Seriousness of their intent can be gauged by fact that Nov. 4 meeting of RCA board authorized NBC to spend \$12,000,000 to expand its color facilities by fall of 1956 -- in N.Y., Chicago, Los Angeles. This includes \$1,250,000 for the complete conversion to color, by next April 15, of NBC-owned WNBQ, Chicago, so that it will be able to colorcast some 10 hours of programs daily.

Net result of NBC's color expansion will be to enable it, within a year, to double present network color schedule -- from 40 to 80 hours monthly. Though the announcement doesn't mention it, NBC's WRC-TV, Washington, will feature color heavily -- perhaps go all-color -- when it builds completely new facilities soon. Silence on network's WNBK, Cleveland, is due to fact it's awaiting final FCC approval of plan to exchange ownership of WNBK for Westinghouse's WPTZ, Philadelphia (Vol. 11:43).

[For NBC plans for new studios, technical facilities, etc., see p. 15.]

* * * *

RCA revealed at same time the answer to most persistent question in industry -- number of color sets being sold. Answer, disclosed by Chairman Sarnoff:

"We are selling sets at the rate of about 1000 a week -- and these are actual installations in customers' homes." Gen. Sarnoff also gave his estimate of total industry sales expected next year: "More than a couple hundred thousand."

No mention was made of color set price cuts, so it's apparent company hasn't departed from opinion given us by high RCA source (Vol. 11:39): "If any set maker can make and sell 25,000 a month, it's conceivable [prices] could come down."

Impact of announcement about WNBQ color plans was felt immediately in Chicago, where Ned Corbett, RCA Victor Distributing Corp., reported order for 500 sets from Polk Bros., Chicago chain said to be biggest TV merchandiser in midwest.

Industry now has a "bearing" on color set sales, with Gen. Sarnoff's disclosure. Since RCA is far-&-away the biggest producer and merchandiser, it may be assumed industry's total color sales isn't greatly in excess of RCA's 1000 weekly. One survey of Los Angeles area puts RCA's share at 70% -- so industry weekly total could be in 1250-1500 range. (For current merchandising efforts, see p. 9.)

As for number of color TV sets in use, recent survey by Pulse for Television Age showed total of 26,942 in whole country (about 3000 in New York City); updated, that would indicate perhaps 40,000 as of now. Noteworthily, of those who have seen colorcasts, 72.9% liked what they saw, 25% didn't; 5.6% planned to buy a color set during 1955-56, 86.7% had no such plans, 2.1% didn't know.

* * * *

CBS is turning bearish about color, meanwhile. Queried about reports CBS is cutting back its colorcasting schedule -- now about 10 hours monthly and embracing some of the best tint shows yet telecast -- pres. Frank Stanton denied them but his response to us clearly indicates disappointment with the progress of color to date:

"We're constantly watching the situation. You don't turn these things off and on like a faucet. If we were to cut back, it certainly wouldn't be sometime

soon. We have commitments in color -- in 'Shower of Stars,' 'Ford Star Jubilee,' 'Omnibus,' 'Red Skelton Show,' etc.

"We certainly have no plans to increase the color schedule. Why should we? There has been no response in set sales. We're getting complaints about the quality of pictures from color on black-&-white sets."

Speculation over CBS's color plans started with story in Nov. 2 Variety which reported that Stanton had issued memo "alerting the program staff to the possibility of the network folding its tint tents within the next 30 days." Stanton said he has issued no such memo.

One of CBS's ambitions has been to profit from color through tube sales of its CBS-Hytron div., set sales of CBS-Columbia div. But divisions have shown such great losses that they've eaten huge chunk out of TV-radio networks' big earnings.

FASTER & CHEAPER intercity communications —an instantaneous service devoted entirely to 2-way telegraph traffic of TV stations, networks, ad agencies, reps, program producers, etc.—are proposed in system projected by Teleprompter Corp., which got FCC advice this week that it was subject to common carrier regulation and thereupon immediately announced intention to launch \$5,000,000 project.

Teleprompter, which manufactures and leases prompting devices, rear screen TV equipment and automatic slide projection devices, announced Nov. 4 through its chairman Irving B. Kahn that it has undertaken, in conjunction with Western Union, to set up a semi-automatic telegraphic network with switching centers in N.Y., Chicago, Atlanta, Dallas, Los Angeles. Messages from one user to another will be transmitted to nearest switching center, then routed by coded signal through use of tape.

Network would be used for time clearances, transmission of availabilities, program changes, cueing, news, women's & farm features, ad copy, outage reports to networks, etc. Teleprompter executives point out that clearance of facilities for networks, for example, heretofore has taken as long as 8 hours, can now be done in minutes — and more cheaply.

Project would be known as Teleprompter Program Communications Network, and plan is to get it going in about 6 months. It's understood to have blessing and backing of Western Union, which goes in for "group" usage and leases circuits for bank and aeronautical and other "industrial networks." Several of the TV networks are said to have indicated they would join, as have some important reps and others.

Mr. Kahn and his v.p. for engineering, H. J. Schlafly Jr., who fathered the idea, were in conference this week with FCC officials, who were informed that the projected telegraph network would ultimately connect about 500 service points. Subscribers would pay fixed fees for overall service, probably monthly, and these would amount to considerably less than present overhead telegraph, TWX or telephone rates — made possible because of group usage.

It's mainly on matter of tariffs to be charged — inasmuch as FCC has indicated (Public Notice No. 25210) that such a service would constitute common carrier operation — that the Teleprompter executives were in conference with FCC this week. Mr. Kahn stated flatly no stock issue was planned to raise working capital, and it's presumed Western Union is to be the prime backer.

WTVK is new call approved this week for WTSK-TV, Knoxville (Ch. 26) by FCC, denying objections of radio WIVK, Knoxville.

Personal Notes: Charles T. Ayers resigns as ABC Radio v.p. to join NBC as v.p. in charge of radio network, replacing Wm. H. Fineshriber, who resigned earlier this year; Don Durgin promoted to succeed Ayers, with Gene Accas promoted to succeed him as director of sales development & research; John H. Eckstein succeeds Accas as adv. & promotion director; Adolph L. Seton elevated to publicity director . . . Joseph Stamler promoted to sales mgr., WABC-TV, N. Y., replacing Lawrence L. Wynn, resigned . . . Stephen C. Riddleberger promoted to new post of ABC Radio business mgr. . . . Harold E. Fellows, NARTB pres., returned to desk Nov. 2 after bout with pneumonia . . . Gustav B. Margraf, ex-NBC gen. counsel and later its v.p. for talent, elected this week as gen. solicitor, Reynolds Metals Co., Richmond . . . Charles W. Besosa and Wm. H. Quinn promoted to v.p.'s of Nielsen TV-radio div. . . . Samuel H. Cuff, its consultant on TV-radio since 1947, appointed fulltime director of TV-radio activities for Allied Stores, 401 Fifth Ave., N. Y. . . . Leonard C. Warager promoted to administrative sales mgr., NBC film div., succeeded by Daniel M. Curtis as eastern sales mgr.; Edward A. Montanus promoted to replace Curtis as central sales mgr. . . . Thomas McManus, v.p. & eastern sales mgr. of MCA-TV, named to new post of international sales mgr. . . . Wm. C. MacPhail, publicity director of Kansas City Athletics and son of ex-major league magnate Larry MacPhail, named CBS sports director, succeeding John Derr, now exec. producer of CBS Radio sports programs . . . Stanley Reid promoted to production mgr. of WTOP-TV, Washington . . . Nevin McCord, ex-Salt Lake City theatreman, recently program director of KEDD, Wichita, promoted to KEDD resident mgr. under pres. Stanley H. Durwood . . . Theodore Koop, CBS director of Washington news & public affairs, named to Alexander Hamilton Bicentennial Commission's advisory committee on public relations . . . Paul Audette, ex-WOAI-TV, San Antonio, named production mgr. of upcoming CKRS-TV, Jonquiere, Que., due this month . . . Al Hollander resigns as operations director of WABD, N. Y. . . . Stan Byrnes promoted from west coast rep to sales mgr., Studio Films Inc. . . . James E. Denning appointed NBC director of talent & program contact administration . . . Edythe Rein, secy., E. Jonny Graf, midwest sales mgr., Edward M. Gray, west coast sales mgr., promoted to v.p.'s, National Telefilm Assoc. . . . Walter Stein, ex-MBS, appointed asst. research mgr., CBS-TV Spot Sales.

John E. Brady, General Foods' TV-radio coordinator, named director of adv. services, corporate marketing dept.

Herman Paley, 76, charter member of ASCAP, composer of more than 1000 songs (*Keep on Smiling, Sympathy, Billy*), 1934-44 director of entertainment for WOR under Alfred J. McCosker, died Nov. 4 in Hollywood. He is survived by his wife, son & daughter.

SLOW RATE of TV grants by Commission in recent months picked up a bit this week with issuance of 2 CPs — to Community Telecasting, Youngstown (Ch. 73) and KINY, Juneau, Alaska (Ch. 8). Commission has granted 44 CPs this year, only 11 of them in 4 months since July 1.

Youngstown is one of the handful of "uhf islands" in country, where WFMJ-TV (Ch. 21) and WKBN-TV (Ch. 27) have been operating quietly and successfully, relatively free from outside vhf signals and with no vhf channels assigned to city. New grantee is owned 50% by Sanford Schafitz, operator of radio WJAR, Farrell, Pa., 50% by banker Guy M. Gully. Schafitz's father, Leonard J., once held CP for WSHA, Sharon, Pa. (Ch. 39); he sought to drop it, but Commission revoked it instead — ruling he had misrepresented finances (Vol. 11:36).

Juneau grantee is controlled by Wm. J. Wagner, of Seattle, operator of 6 Alaskan AMs and owner of 6% of TV stations KTVA, Anchorage (Ch. 11) & KTVF, Fairbanks (Ch. 11).

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CBS's switch of affiliation from WTRI, Albany-Schenectady-Troy (Ch. 35) to WROW-TV (Ch. 41) was solely a "legitimate exercise of a business judgment," in opinion of FCC chief examiner James D. Cunningham, who recommended that Commission turn down WTRI's protest and affirm sale of WROW-TV to group headed by Lowell Thomas. WTRI had charged that sale violated multiple-ownership rules, anti-trust acts, etc.

Cunningham held that CBS was entitled to choose WROW-TV even though "the evidence presented in behalf of protestant establishes the superiority of WTRI over WROW-TV from the standpoint of their relative abilities to aid the CBS in its competitive position [and] although the record shows that the WTRI management was not afforded the opportunity to make a factual presentation (to CBS) of the relative merits of the two operations . . ." He ruled that Thomas is not under control of CBS.

CRITIC JOHN CROSBY, who likes nothing better than to needle the industry, its programs and its denizens, this week departed from that tack to deliver a homily on the influence and power of Edward R. Murrow that contains some penetrating observations on the TV medium going well beyond a mere accolade to that great broadcaster. In his syndicated column, Crosby starts out by calling Murrow "one of the most powerful men in the U. S. today" and then he ruminates on a movie now being made in Hollywood that tells about a cracker barrel philosopher with a big radio audience who tries to get us into a war with China.

"Could this happen?" he writes. "Maybe I'm naive, but I doubt it." Then he expands on what he calls "The Crosby Law," using Murrow as the vehicle:

"It seems to me that Murrow has influence simply because he doesn't misuse it, and the minute he tried to, he wouldn't have it. Perhaps I'm over-optimistic, but I feel strongly that the American public not only cannot be gulled, but would violently resent any attempt at persuasion on matters they hold dear. They will buy the toothpaste, they will laugh at the jokes, they will tune in by the millions. But these are matters of no moment. The moment you get into areas where they feel deeply—the farm problem, foreign policy, public office—skepticism mounts.

"In fact, it might be stated as Crosby's Law that the more important the subject is, the less influence the guy with the mike has. In matters of the most profound importance to the individual—say, religion—I doubt that the

NBC's purchase of uhf WBUF-TV, Buffalo (Ch. 17), which has been protested by present NBC-TV affiliate WGR-TV (Ch. 2), was set for hearing to start Dec. 19. Issues really cover the waterfront: (1) Would sale promote monopoly by NBC? (2) Would NBC's pending acquisition of uhf WKBN-TV, New Britain, Conn. and WPTZ, Philadelphia, promote monopoly? (3) Did NBC pressure Westinghouse into deal wherein they'd swap their Philadelphia & Cleveland stations? (4) Does RCA's past anti-trust history reflect on NBC's qualifications?

WGR-TV has asked FCC to hold up transfer of WBUF-TV pending the hearing, but WBUF-TV says it can't hold out beyond Dec. 31, would have to go off air. Commission deferred decision on this until it inspects WBUF-TV balance sheet.

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To pave way for drop-in of Ch. 2 in Asheville, N.C. via co-channel mileage cuts, WISE-TV (Ch. 62) filed petition asking amendment of various rules so that FCC could consider each such drop-in on individual merits. It requests that new channels assigned at less than present spacings be called "flexibility assignments." Station suggests changes in Sec. 3.609, 3.607(b) & 3.610. It proposes to build Ch. 2 station with 1.259-kw, 423-ft. above average terrain, to avoid interference with Grade B contours of WFMY-TV, Greensboro, N.C. (159 mi.) and WSB-TV, Atlanta (165 mi.).

Effort to block final grant of Ch. 7 to *Omaha World-Herald* was made this week by Nebraska Democratic State Central Committee and Omaha Teamsters' Union (AFL). They sought to intervene on grounds newspaper has "long standing habits of news suppression and bitter bias." *World-Herald* was favored over KFAB by Examiner Honig's initial decision April 6.

George B. Storer's pre-freeze WSPD-TV, Toledo (Ch. 13) was granted move to site 9 mi. southeast of Toledo and height increase from 510 to 970 ft.—Commission deciding slight increase in Grade A overlap with Storer's WJBK-TV, Detroit (Ch. 2) is inconsequential.

Murrows, or Godfreys, the Winchells or anyone else could sway a single soul a single inch."

Crosby was unstinting in his admiration of Ed Murrow and producer Fred Friendly for their initial CBS-TV *See It Now* program of the new season. It's now carried sporadically as 60 or 90-min. show. The first, titled *The Great American Lottery*, dealt with the Vice Presidency of the U. S. from earliest days to now, drew general acclaim.

Teen-ager TV habits, as surveyed by Advertest Research in N. Y. area in outside-the-home interviews with 663 youngsters age 13-19 years: Average exposure to four principal media "yesterday" was 3½ hours with 46% of time spent on TV, 35% on radio, 11% on newspapers, 8% on magazines. TV viewing was heaviest after 9 p.m., radio did best between 6-9 p.m., newspapers & magazines 3-6 p.m. TV was found in 97% of homes, radio in 99%, and 75% of youngsters were exposed to TV daily with most preferring same programs as adults. Of TV commercials, beer and cigarette ads were liked best and movies, comedy, mystery & variety shows were top choices. About 33% felt TV had good influence mainly through education, keeping teen-agers off streets and forming basis for conversation. Detrimental effect was admitted by 35%, who cited tendency to imitate actors, excess of crime programs, interference with home work.

Proposal to transfer control of CKLW-TV, Windsor-Detroit (Ch. 9) to Paramount Windsor Theatres Ltd., has been filed with Canadian Broadcasting Corp., will be acted upon Dec. 1.

Telecasting Notes: Daily "daytime spectaculars" made their debut this week on NBC-TV's high-budgeted Mon-thru-Fri. 3-4 p.m. *Matinee Theatre*. First in color drama series, J. P. Marquand's "Beginning Now" starring Louis Hayward, was hailed by *New York Times'* Jack Gould as "a drama that consistently held interest . . . meticulously cast with top players . . . lavish and imaginative direction." On other hand, *Variety* called it "hardly a cut above the conventional soap opera in story material." Both, however, saluted it as heralding new era in daytime TV. Said Gould: "The program's theory is that distaff viewers, who enjoy intelligent dramas after dark, do not suddenly become moronic clucks in the daylight. [It is] a significant contribution to the evolution of a more mature TV" . . . Movie studios' efforts in network TV nicely summed up the adroit "Eye & Ear Man" in Oct. 31 *Advertising Age*: "With the exception of Disney, there is no film company that appears to have impressed the mass audience of TV, which is greater any single night than the largest all-time audience of any single picture. Neither have the executives of the film industry had to account for their judgment as strictly as they must in a mass medium which almost instantly reflects the opinion of the customer. Can it be that the motion picture management is due for a change to enable it to meet the electronic age with wisdom and courage?" . . . More TV hits go Hollywood—all from NBC's *Philco-Goodyear TV Playhouse*: Paddy Chayefsky, who wrote "Marty," will rejoin producer Harold Hecht and director Delbert Mann, who filmed it, in production of his "Bachelor Party" early next year. Pair of Robert Alan Aurthur's plays—"Shadow of a Champ" & "A Man Is 10 Feet Tall"—also bought for movies, former for \$100,000, said to be highest TV-to-Hollywood deal yet . . . Seven dramas originally seen on TV are currently on MGM's movie shooting schedule . . . TV series to be adapted as theatrical movies: Warner Bros. plans cinema versions

of *Our Miss Brooks*, *Lone Ranger* and *Ed Sullivan Show*; movie *Medic* to be made by Medic Productions, *Racket Squad* by Hal Roach Jr., both for Allied Artists distribution . . . Movie producers won't buy any network TV time, after all. Council of Motion Picture Organizations, which had tentatively decided to get movie industry sponsorship for its Audience Awards (Vol. 11:42-43), changed its mind, called off telecast as an "expression of appreciation to the nation's newspapers" . . . Who Controls Network TV Programming? *Sponsor Magazine* asked that question of the networks themselves, came up with show-by-show breakdown Oct. 31. Conclusion: "Of 844 total network hours, a little over one-half—424½ hours—are network-controlled. Client, agency or packager control the remaining 419½ hours." On ABC, 80 program hours are network-controlled, 70 outside-controlled; CBS, 174 & 160; NBC 180½ & 179½ . . . First ABC-TV 90-min. spectacular reportedly will be filmed drama, to be produced by an outside firm to network's specifications . . . Who said that? "[NBC pres. Pat Weaver] has done a great job. He comes out swinging at all times. Some of the things he comes up with might drop dead, but all of them show some kind of thought. That creates excitement and it's good for the medium."—CBS-TV comedian Jackie Gleason in Nov. 5 *Billboard* interview . . . World Series games were out-rated only by \$64,000 *Question* in Nielsen survey for Sept. 25-Oct. 8. Jackpot show was viewed in 18,694,000 homes or 58.2%, and Sun. Series game was second with 18,631,000 homes and 56.1%.

20th Century-Fox TV operations are now headed by Irving Asher, Paramount producer for last 5 years, succeeding Sid Rogell, founding head of its TV subsidiary TCF Productions, who moves over to other duties. Otto Lang continues as exec. producer of GE's *20th Century-Fox Hour*.

ANOTHER TV CODE—this one for the TV film industry—is in the works in Hollywood, despite some protests that any new code would mean needless duplication of NARTB's TV code. Drafting of new code was initiated Oct. 29 at joint meeting of National Society of TV Producers and National Audience Board, year-old group dedicated to program improvement.

NSTP pres. Tom Lewis, head of Lewislor Productions, said TV film code was necessary to let producers "guide themselves in the making of properties for the viewing public in either live or filmed TV shows." Desilu exec. producer Martin Leeds, who was named chairman of committee to explore formulation of code, called the proposed document "an outline of good taste." Other committee members named were Wm. Mooring, columnist of Catholic publication *The Tidings* and member of Audience Board's preview advisory committee; D. B. Bernstein, of Audience Board; Jack M. Warner Jr., of Warner Brothers, representing TV units of major movie studios; Max Guilford, NSTP; Richard St. John, Alliance of TV Producers.

Before being named to code committee, St. John expressed doubt as to whether such a code was needed, calling the whole discussion "beating a dead horse." Also skeptical was Harold See, KRON-TV, San Francisco, chairman of NARTB film committee, who pointed out that most stations subscribe to NARTB Code and are obligated to screen all films for objectionable matter.

Radically new film base for TV & movie industry, strong enough to tow an automobile yet only ⅓ as thick as present film bases, was announced this week by DuPont and will be on market soon. It's called "Cronar" and its chief advantage is extreme toughness and resistance to shrinkage, suiting it ideally to TV usage and storage.

Two huge movies-to-TV deals in offing: (1) General Teleradio offering nearly the entire RKO feature and short subject backlog directly to selected stations in "test markets." Teleradio is seeking to realize \$15,000,000 through sale of the features to TV, has so far been unable to unload the entire block at that price to any single syndicator, and so is testing the direct-to-station approach. Backlog is said to contain up to 750 features and 950 shorts. Reportedly approached by Teleradio were several "typical" stations in large, medium and small markets on 5-year deals involving all or a major part of the package. Top RKO pictures of the past aren't included in package, being held out for theatrical reissues. (2) Paramount's entire 2000-film backlog of short subjects is on verge of being sold for TV at about \$4,500,000. A. W. Schwalberg, one-time Paramount v.p., is representing unidentified syndication purchaser in negotiations.

American Research Bureau this week proposed own county-by-county TV set census for next year, requiring 8-12 months and costing more than \$1,000,000. According to preliminary proposal submitted to networks and leading agencies, survey would cover station reception and frequency of reception, based on 500,000 personal family interviews in 1000-county sample. A. C. Nielsen Co. has previously announced plans for county-by-county set census next year.

Latest intercity microwaves granted TV stations: To KRGV-TV, Weslaco, Tex., 7-hop system from San Antonio; to KNOX-TV, Grand Forks, N. D., 1-hop from Fargo. At same time, Commission declined to grant Portland-Bangor microwave to WABI-TV, Bangor—sending station McFarland Letter noting that AT&T facilities are available.

Station Accounts: Bell Telephone Co. of Pennsylvania, setting pattern which will be duplicated in several other states, opens month-long intensive spot test campaign on WGAL-TV, Lancaster, for its "TFT" (Too Few Telephones) drive, thru Gray & Rogers Adv., Philadelphia; it's designed to promote greater use of extension phones . . . Chicago's partic.-sponsored *In Town Tonight*, news-variety show on WBBM-TV (Mon.-thru-Fri. 10-11 p.m.) is sold out, representing gross of \$2,000,000 a year and making it one of most successful local daily strips; among sponsors are Standard Oil, Old Golds, Magikist, Toastmaster, Hamilton Glass, Ford Dealers Assn. . . Ruppert Brewing Co. (Knickerbocker beer) signs 4-year contract for \$5,000,000 to sponsor N. Y. Giants home baseball games on WPIX and radio WMCA, thru Biow-Beirn-Toigo; Chesterfield sponsored last year . . . Union Pacific R.R. to sponsor *Basketball with Gardner*, clinic for basketball coaches and players moderated by U of Utah coach Jack Gardner, for 3rd straight year on KSL-TV, Salt Lake City, Tue. 6:15-6:30 p.m., thru Gillham Adv. . . Kellogg Co. plans expansion of current spot campaign to introduce Special K Cereal, with national distribution planned for next spring, thru Leo Burnett Co., Chicago . . . CBS-Columbia releases through local distributors series of 50-sec. spot commercials on its TV-radio-phonograph lines, featuring Quentin Reynolds, with provision for 10-sec. local dealer identification . . . Among other advertisers currently reported using or preparing to use TV stations time: Femco Corp., San Francisco (Oven-Sprite oven cleaner), thru Wilson-Markey Adv., San Francisco; Paramount Citrus Assn., San Francisco (Cal Fame frozen juices & fruits), thru Anderson-McConnell Adv., San Francisco; Block Drug Co., Jersey City (Laxium), thru Emil Mogul Co., N. Y.; Golden Mix Inc., Warsaw, Ind. (griddle cake & waffle mix), thru Garfield Adv., Detroit; Wm. B. Reilly & Co., New Orleans (Luzianne coffee & tea), thru Roman Adv., Baltimore; Armour & Co., Chicago (Miss Wisconsin cheddar cheese), thru John W. Shaw Adv., Chicago; Grand Union Co., E. Paterson, N. J. (supermarkets), thru L. H. Hartman Co., N. Y.; Miles Laboratories, Elkhart, Ind. (Tabcin cold tablets), thru Geoffrey Wade Adv., Chicago; Block Drug Co., Jersey City (Nytol for sleeping), thru Harry B. Cohen Adv., N. Y.; Northern Pacific R.R., St. Paul, thru BBDO, Minneapolis; Hutchinson Chemical Corp., Chicago (waterproof wax), thru Roberts, MacAvinche & Senne, Chicago; E & B Brewing Co., Detroit thru Simons-Michelson Co., Detroit; Seaside Oil Co., Santa Barbara, Cal., thru McCarty Co., L. A.; Gibson Refrigerator Co., Chicago, thru Henri, Hurst & McDonald.

American Chicle is second sponsor to buy into NBC-TV's "Program Extension Plan" to aid smaller-market stations (Vol. 11:41), ordering 24 of the 44 PEP stations for its one-third sponsorship of *Caesar's Hour*, Mon. 8-9 p.m. Liggett & Myers ordered all 44 stations last week for *Dragnet*.

NBC-TV increased evening IDs from 5 to 10 sec. this week in move to allow network and sponsors more time for messages about upcoming programs. Program times have accordingly been shortened by 5 seconds.

First "TV Show Train" of fall season will be run on New Haven R.R. Nov. 26 to carry people from Springfield, Mass. and way points to N. Y. for *Perry Como Show* on NBC-TV.

New ABC affiliates: WCTV, Thomasville, Ga.-Tallahassee, Fla. (Ch. 6) and WTVY, Dothan, Ala. (Ch. 9), latter also CBS under Extended Market Plan.

New reps: WENS, Pittsburgh to Branham (from Petry); KCRG-TV, Cedar Rapids, Ia. to Hoag-Blair (from Venard, Rintoul & McConnell).

Network Accounts: NBC-TV's daytime color experiment, partic.-sponsored *Matinee Theatre* (Mon.-thru-Fri. 3-4 p.m.), has \$5,500,000 billings week after its Oct. 31 debut. Latest sponsor is Corn Products Refining Co. (52 partic.), thru C. L. Miller Co. Those signed in advance of debut: Liggett & Myers (104 partic.), thru Cunningham & Walsh; Sylvania (32), thru J. Walter Thompson; Block Drug, for Amm-I-Dent toothpaste (26), thru Harry B. Cohen Adv.; Bates Fabrics (13), thru James P. Sawyer Inc.; Motorola (13), thru Leo Burnett Co.; B. T. Babbitt Co. (13), thru Dancer-Fitzgerald-Sample; Procter & Gamble (13), thru Benton & Bowles; Alcoa (2), thru Fuller & Smith & Ross . . . RCA to sponsor three 30-min. segments in color on NBC-TV's *Home* Nov. 8, 15 & 22, Tue. 11-noon, shows originating from some 38 Allied Stores outlets, thru Kenyon & Eckhardt . . . Ralston Purina to sponsor *Ethel & Albert* on ABC-TV starting Nov. 11, Fri. 10-10:30 p.m., thru Guild, Bascom & Bonfigli, San Francisco . . . Mutual of Omaha to be alt. sponsor (with American Chicle) of *Zoo Parade* on NBC-TV starting Nov. 6, Sun. 3:30-4 p.m., thru Bozell & Jacobs . . . Lionel Trains Corp., in big pre-Xmas splurge, buys *Paul Winchell and Jerry Mahoney Show* on NBC-TV starting Nov. 5, Sat. 11-11:30 a.m., thru Grey Adv. . . Goodyear to sponsor special religious show, *No Room at the Inn*, on NBC-TV Xmas Sun. 4-4:30 p.m., thru Young & Rubicam . . . ABC-TV is preparing entry in big-money giveaway sweepstakes, to compete with CBS-TV's \$64,000 *Question* and NBC-TV's *Big Surprise*; in audition stage is new show emceed by Jan Murray, in which top prize is \$100,000 . . . NBC-TV planning own baseball game-of-the-week next summer, in competition with CBS-TV; it will be sponsored on co-op basis.

FCC approved 2 radio station sales to groups organized to acquire TV-radio properties: (1) Continental Telecasting Corp. bought KRKD, Los Angeles, from Frank Doherty interests for \$417,500 (Vol. 11:35); it's headed by Arthur B. Hogan, pres. of Albert Zugsmith Corp., which owns 36% %; Richard C. Simonton, functional music operator in Los Angeles and Las Vegas, who holds 36% %; Frank Oxarart, of radio KFWB and 20% owner of Tucson's KVOA-TV & KVOA, who has 26% %. (2) Dolph-Petty Bestg. Co. acquired KMYR, Denver, from F. W. & A. G. Meyer for \$155,000 (Vol. 11:29, 33). Dolph-Petty ownership interlocks with KULA-TV & KULA, Honolulu; WMT-TV & WMT, Cedar Rapids; radio KJBS, San Francisco. In addition, FCC approved transfer of KAVE, Carlsbad, N. M., along with CP for KAVE-TV (Ch. 5), to John Battison group for \$150,000 (Vol. 11:32, 39); selling group is headed by Val Lawrence, of KROD-TV, El Paso.

Radio KANS, Wichita, Kan. (5-kw D, 1-kw N, 1480 kc, NBC) was sold this week for \$225,000 by O. L. (Ted) Taylor (who now has only KRGV-TV & KRGV, Weslaco, Tex.) to Kenyon Brown & Frank Lynch, who also own KBYE, Oklahoma City. Brown owns 1/3 of KWFT-TV & KWFT, Wichita Falls, Tex., and has interest in radio KGLC, Miami, Okla. Sale was negotiated through Blackburn-Hamilton.

Assn. of National Advertisers elects these 1956 officers: chairman, Edwin W. Ebel, General Foods, succeeding E. G. Gerbic, Johnson & Johnson; vice-chairman, George Mosley, Seagram Distillers, succeeding Ebel; pres., Paul B. West (re-elected). Directors: Ben H. Wells, 7-Up Bottling Co.; Henry Schachte, Lever Bros.; Howard Marple, Monsanto Chemical; Donald Frost, Bristol-Myers.

Power increases: KSLA, Shreveport, La. (Ch. 12) Oct. 30 to 316-kw ERP; KFDX-TV, Wichita Falls, Tex. (Ch. 3) Oct. 30 to 100-kw; KIMA-TV, Yakima, Wash. (Ch. 29) Oct. 20 to 191-kw; KELO-TV, Sioux Falls, S.D. (Ch. 11) Oct. 13 to 251-kw.

EQUIPMENT SHIPMENTS reported this week: By GE—5-kw transmitter to upcoming KEST-TV, Big Spring, Tex. (Ch. 4), due Dec. 15; 10-kw transmitter to upcoming KOSA-TV, Odessa, Tex. (Ch. 70), due in mid-Dec.; 5-bay antenna to KQTV, Fort Dodge, Ia. (Ch. 21). By RCA—10-kw transmitter to upcoming KHAS-TV, Hastings, Neb. (Ch. 5), due Dec. 1.

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In our continuing survey of upcoming stations, these are latest reports from principals:

KLEW-TV, Lewiston, Ida. (Ch. 3), installing 5-kw GE transmitter, plans Nov. 15 test patterns, CBS programming by Thanksgiving, reports gen. mgr. Charles R. White. Foundations for tower and guy wires have been poured and 50-ft. 3-bay GE antenna is scheduled for installation on 250-ft. Fisher tower shortly after Nov. 10. It will be operated as non-satellite by Tom Bostic's KIMA-TV, Yakima, Wash. (Ch. 29), which also operates satellite KEPR-TV, Pasco, Wash. (Ch. 19), holds CP for KBAS-TV, Ephrata, Wash. (Ch. 43) and is applicant for Ch. 8 satellite in Walla Walla. Reps will be Weed, and Moore & Lund (Northwest). Base hour will be \$150.

KBST-TV, Big Spring, Tex. (Ch. 4) has changed test pattern target to Dec. 15, plans Dec. 25 start with CBS shows, writes pres.-gen. mgr. Wm. J. Wallace. Installation of 5-kw GE transmitter starts Nov. 24 and 500-ft. Andrews tower with 3-bay antenna is due to be ready Dec. 1. Owners include Robert W. Whipkey, publisher of *Big Spring Herald*, and Lewis O. Seibert, owner of San Angelo radio KGKL and 45% of KPLT, Paris, Tex. Base rate will be \$150. Rep will be Pearson.

KRMA-TV, Denver (Ch. 6, educational), installing 5-kw GE transmitter in Nov., plans Dec. test patterns, has tentative Jan. target for programming, reports TV engineer T. G. Morrissey for Dr. Kenneth Oberholtzer, supt. of schools. CP is held by Denver public school system. Ideco 210-ft. tower with GE antenna is ready at site near Look-out Mt., where Denver's 4 commercial outlets have transmitters. KRMA-TV will be 19th non-commercial station.

KHAD-TV, Laredo, Tex. (Ch. 8) plans Dec. 1 start, reports 50% owner Hank Avery. It's second area outlet, XEFE-TV, Nuevo Laredo, Mex. (Ch. 11) having begun Spanish-language programming last Sept. (Vol. 11:40). KHAD-TV's 500-watt Gates transmitter is due for delivery in 2 weeks. Studio is being built downtown at Convent & Houston Sts. Prodelin 8-bay antenna will be on Hamilton Hotel roof, in same block, 210-ft. above ground. Shaun F. Murphy, ex-WTVP, Decatur, Ill. will be mgr., with Lawrence Beckman, ex-WOAI-TV, San Antonio, chief engineer. Rep not chosen.

WDAM-TV, Hattiesburg, Miss. (Ch. 9) expects to be on air between Feb. 15 and March 1, reports 1/3 owner Dave A. Matison Jr., who also has interest in Hattiesburg radio WHSY and operates chain clothing store. Building plans are about complete and bids will be asked in late Nov. Transmitter & tower haven't been ordered as yet. Base hourly rate will be \$150. Rep not chosen.

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CKGN-TV, North Bay, Ont. (Ch. 10) has 5-kw Canadian GE transmitter due Nov. 20, expects to start programming 10 days after Dec. 10 test patterns, reports G. A. Alger, one of principals in new Tel-Ad Co. Ltd., organized by local businessmen to take over license and construction of station. Stainless 373-ft. tower, due at Callendar, Ont. site Nov. 10, will have GE slotted antenna. Russ J. Eastcott, ex-CHCH-TV, Hamilton, Ont., is gen. mgr.; Bill Hart, ex-CKSO-TV, Sudbury, Ont., commercial production chief; Walter Totman, chief engineer. Base hourly rate will be \$160. Canadian reps will be Paul Mulvihill and John N. Hunt & Assoc. (Vancouver).

WEST VIRGINIA farm census, compiled this week by U.S. Census Bureau, shows that 20,007 of state's 68,583 farms—about 29%—had TV in Oct.-Nov. 1954, when count was made. It's 35th state to be tabulated in first farm census to include TV set count (number of farms is based on actual count, TV sets on 20% sample). The county-by-county totals:

WEST VIRGINIA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Barbour	1,561	287	Mingo	881	272
Berkeley	1,131	671	Monongalia	1,593	744
Boone	610	200	Monroe	1,772	481
Braxton	1,773	213	Morgan	459	207
Brooke	320	210	Nicholas	1,616	426
Cabell	1,643	910	Ohio	479	400
Calhoun	1,258	182	Pendleton	1,322	149
Clay	849	175	Pleasants	392	105
Doddridge	944	122	Pocahontas	1,061	147
Fayette	1,675	395	Preston	2,060	642
Gilmer	1,106	160	Putnam	1,537	738
Grant	777	135	Raleigh	2,038	638
Greenbrier	2,172	535	Randolph	1,383	229
Hampshire	1,135	278	Ritchie	1,228	222
Hancock	248	192	Roane	1,904	489
Hardy	1,006	186	Summers	1,427	202
Harrison	1,712	392	Taylor	764	212
Jackson	1,751	798	Tucker	542	78
Jefferson	615	435	Tyler	763	185
Kanawha	1,735	741	Upshur	1,648	191
Lewis	1,345	183	Wayne	2,292	872
Lincoln	1,726	580	Webster	959	195
Logan	625	190	Wetzel	1,214	322
McDowell	931	136	Wirt	604	80
Marion	1,379	501	Wood	1,698	506
Marshall	1,311	608	Wyoming	1,096	222
Mason	1,648	637			
Mercer	2,235	816			
Mineral	630	185			
			State Total	68,583	20,007

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37); N. J., Tenn. (Vol. 11:39); Ark., Conn., Mass., R. I., Texas, Wash. (Vol. 11:40); Me., N. M., Ore. (Vol. 11:41); Ariz., Fla. (Vol. 11:42); Del., Ill., Ind., N. C. (Vol. 11:43); Miss. (Vol. 11:44).

TV station costing \$18,937 is proposed for Ponce, Puerto Rico (Ch. 9) in application by Ralph Perez Perry, owner of San Juan radio WKVM and TV applicant for Caguas. He proposes to use complete Adler small-station package costing \$15,937, taking 3 days to assemble. Transmitter power would be 150 watts. ERP from already-available RCA antenna would be 826 watts. Tower erection and installation would be done by staff of WKVM. Perry says station would provide immediate TV service with possibility of developing into larger operation later. His application brings total on file with FCC to 161 (19 uhf). [For details, see *TV Addenda 21-Q* herewith; for complete listing of all grants, new stations, applications, etc., see *TV Factbook No. 21* with Addenda to date.]

Sarkes Tarzian's entry into station equipment field has been highly successful, according to commercial mgr. F. Dan Meadows, who reports: "We just got into full-scale production late this summer and already we have delivered equipment to 17 stations. These deliveries have included everything from distribution amplifiers to microwave, and 2 stations have their studios completely equipped by us."

New report on propagation in vhf & uhf TV bands has been issued by FCC. Prepared by Wm. C. Boese & Harry Fine, it was originally presented at Sept. 23 IRE symposium in Washington. Copies of report, known as T.R.R. Report No. 2.4.15, may be obtained from FCC, or from us.

Canadian TV applications to be considered at CBC meeting Dec. 1: Stewart-Warner Corp. of Canada Ltd. for experimental Ch. 10, Belleville, Ont.; Twin Cities Television Ltd. for Ch. 2, Kamloops, B.C., 160 mi. NE of Vancouver.

Rules covering TV station monitors and their type approval were finalized by FCC this week. Rules are effective Dec. 12 but stations have until June 1, 1957 to comply. Copies are available from Commission or from us.

BETTER TV RECEIVERS IN GREATER DEMAND: "I have never seen anything like it in our 10-year history. Folks just don't seem to be interested in leader models anymore. They come into the stores with plenty of folding money in their pockets and all they talk about are sets selling around \$300 and up. I read in your issue last week that Motorola had altered its production mix 4 times to higher-end sets. Well, I've had to change mine 6 times this year -- that's how tough it is to keep up with demand."

So spoke one major manufacturer this week, in commenting on the buy-up market -- TV trade's biggest development, which is continuing into what promises to be the industry's best Xmas season and full year. Production is heading inexorably towards 8,000,000 for 1955, with retail sales likely to be around 7,800,000.

Several statistical charts document trend to higher-end sets. Average retail price of \$215 now for TV set represents \$20 increase over first of year, and would be higher but for the spectacular success of GE's 14-in. portable (at \$99.95 and \$129.95). How much higher, the statisticians won't estimate -- but they place 14-in. production for first 9 months at 200,000 (out of total of 5,760,506), with the overwhelming majority made by GE. Emerson and Olympic also have 14-in. receivers. By contrast, only 20,000 of the 14-in. sets were produced in first 9 months of 1954.

Production of 24-in. sets has increased from 2% at start of year to about 8% currently. This is a screen size which shows gains each month, nearly always at the expense of 17-in. category. Westinghouse's Dan Halpin, for one, has predicted that 24-in. will account for 20% of industry's sales next year (Vol. 11:37), and Philco's Jimmy Carmine has said 24-in. is his "hottest" seller (Vol. 11:44). RCA also says 24-in. is "improving". There's no industry-accepted method to chart movement from low-end to high-end 21-in. sets, but this is another definite trend.

Brief highlights of other major trade developments this week:

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Color Merchandising: Those 1250-1500 color set sales a week (see p. 3) -- what merchandising angles are being used to sell them? Judging from reports from distributors, answers can be summed up in term "creative selling" -- i.e., find a customer for each set, rather than wait for the customer to ask for set. To be sure, there's no single pattern of merchandising for all markets -- each has its own individuality. But here are a few of the techniques used among most successful markets:

Krich-New Jersey Inc. (RCA), taking "Cadillac trade" goal literally, sent a circular to list of 4500 Cadillac owners in its area 2 weeks ago. It was headlined, "To the person who demands the finest things in life!", urged them to mail enclosed card to nearest dealer for private demonstration of color set. James S. Cohan, mgr. of merchandising, said 387 requests for private showings were received in few days after mailing, added he expects to sell majority of them.

In Los Angeles, where local Electric League estimates 450 color sets moved to dealers in Sept.-Oct. (about 90% of them sold to consumers), RCA factory branch is placing dealer-listing ads in all metropolitan newspapers and supplying dealers with in-store promotion material. Starting Nov. 15, it will have big promotions on billboards in area, with KRCA spots emphasizing color.

Motorola's Los Angeles distributor Kierulff & Co. put color sets in several model homes, and its sales mgr. Edward O. Morgan was instrumental in forming So. Cal. TV Dealers Assn. to promote color. Dealers themselves sent invitations to select customer lists inviting them to showings of colorcasts. Penn-Owsley Music Co., for one, invited more than 400 upper-income Hollywood families to special showing at its Wilshire Blvd. store, reports it sold more than 20 sets in last 2 weeks.

In Philadelphia, RCA distributor Raymond B. Rosen & Co., whose avowed goal is 150 sales a week, stepped up pace of his ad campaign. In Nov. 3 Philadelphia Bul-

letin, ad lists full color schedules for 2 weeks, invites readers to send for free booklet explaining details of color system. The 21-in. sets are pictured, but only mention of price is line reading: "Prices for RCA Victor Color Television Sets Begin at \$395 (for 15-inch model CT-100, not shown)." Bruno-N.Y. used checkerboard calendar motif in N.Y. newspapers to call attention to color program schedules.

Economic Sparkle: They're getting repetitious, but the high-level economic forecasts continue uniformly bullish. National Assn. of Purchasing Agents, on basis of its Oct. membership survey, foresees good business conditions continuing well into 1956. It reports definite signs of price stability, employment at the highest peak since mid-1950, inventories in "favorable" balance. Robert W. Burgess, director of Census Bureau, predicted that total retail sales in 1955 would be about \$184 billion -- \$13-14 billion over 1954. Steel Magazine predicted sizeable employment and production increases next year, with greatest gains in second quarter. Looking ahead 10 years, Assn. of National Advertisers and American Assn. of Advertising Agencies this week issued joint report declaring that advertising could help raise standards of living by 33% in next decade, with average family income rising to \$7000 a year.

SEC Recognition: SEC Index of Weekly Closing Prices of Common Stocks on N.Y. Exchange last week established TV-radio industry as separate entity for first time. Companies used for index compilation are RCA, Sylvania, Philco, Admiral, Emerson, Magnavox. For week ended Oct. 28, TV-radio index -- based on 1939 figure of 100 -- was 542.9, down 1.3% from previous week's 550. Note: Dept. of Commerce has always lumped TV-radio within larger category of electrical machinery in its compilations.

Production: TV output totaled 183,139 week ended Oct. 28, compared to 186,153 preceding week and 198,831 week ended Oct. 14. It was year's 43rd week and brought production for 10 months to about 6,500,000 vs. 5,850,000 in same period of 1954. Still spurred by high auto set production, radio output soared to 386,523 (180,386 auto) week ended Oct. 28, compared to 374,708 preceding week and 350,351 units week before. For 10 months, radio output was 11,500,000 vs. 8,850,000 same 1954 period. Another RETMA report released this week placed official 9-month production of TVs at 5,760,506, radios at 10,027,362. Detailed 9-month tabulation:

	PRODUCTION		RADIO PRODUCTION BY TYPES			
	Total TV	Total Radio	Home Sets	Portables	Clock	Auto
January.....	654,582	1,068,146	280,121	47,303	166,885	573,837
February.....	702,514	1,089,724	232,831	109,120	150,031	597,742
March (5 wks)	831,156	1,482,274	300,840	233,465	173,944	774,025
April.....	583,174	1,099,775	193,431	265,866	72,602	567,876
May.....	467,394	1,114,035	161,357	258,701	130,608	563,369
June (5 wks).	589,973	1,204,935	181,930	255,833	182,605	584,567
July.....	344,295	718,489	141,119	79,410	93,517	404,443
August.....	647,903	947,634	300,513	106,197	137,604	403,320
Sept. (5 wks)	939,515	1,302,350	417,802	139,164	234,106	511,278
TOTAL.....	5,760,506	10,027,362	2,209,944	1,495,059	1,341,902	4,980,457

Olympic Radio's TV plans remain unchanged, said pres. Morris Sobin, despite purchase of controlling interest in firm this week by group of private investors headed by Wm. Husted, 250 Park Ave., N. Y., chairman of exec. committee of Siegler Corp., gas heater manufacturer now in electronics through subsidiary Hallamore Mfg. Co. (industrial TV equipment). Investment group purchased the 137,332 shares (about 30%) of Olympic held by Fox, Wells & Co. Settlement of transaction is scheduled for Nov. 15, when other members of syndicate will be revealed, said Sobin. He added: "Though Mr. Husted is chairman of the Siegler executive committee, he does not represent that company in any way in this purchase. This is totally a personal investment by a group of individuals who see in Olympic an excellent investment, now that our research arm, Olympic Development Co., has been separated from us. Our TV sales through Sept. 30 were 46% over last

year, and our 9-month statement will show a nice profit." Olympic's 6-month earnings were \$158,722 (35¢ per share) on sales of \$8,352,742 vs. profit of \$76,993 (17¢) on \$9,342,768 in first half of 1954 (Vol. 11:38).

"What? Another merger rumor?" That was Sentinel Radio pres. Ernest Alschuler's reply to query about reports that Magnavox and Sentinel were near agreement on merger. He commented: "There is absolutely nothing on the fire at the moment involving a merger of Sentinel. That doesn't mean there won't be something tomorrow or next week or next month. I have been approached by a number of manufacturers who, for one reason or another, have expressed an interest in a merger. I am a businessman and, like other businessmen, am interested in listening to bona fide business propositions. But right now there is nothing cooking."

Trade Personals: Charles P. Baxter, gen. mgr. of RCA Victor TV div., elected a v.p., succeeding Henry G. Baker, retired; James M. Toney elected v.p.-gen. mgr. of RCA Victor Radio & Victrola div.; Dr. Douglas H. Ewing elected v.p. in charge of RCA Labs . . . Antony Wright, CBS-Columbia v.p. in charge of engineering, who was one of the "fathers" of RCA's pioneer 630-TS while with that company in Camden, resigned this week, will be succeeded week of Nov. 14 by R. T. Capodanno, Emerson engineering v.p.; Wm. Vassar, Emerson chief engineer, also moves to similar post at CBS-Columbia . . . Seymour Mintz, expres. of CBS-Columbia and former Admiral adv. mgr., currently a consultant with Kudner adv. agency, handling National Co. account, has opened own merchandising-sales consultant firm, Manco Associates, 515 Madison Ave., N. Y. (Plaza 3-3855) . . . Dr. W. R. G. Baker, v.p.-gen. mgr. of GE electronics div., accompanied by electronics counsel Robert M. Estes and CR tube consulting engineer Dr. J. C. Nonnenkens, left Nov. 1 by plane for inspection of European electronics developments, will return Nov. 23 . . . George W. Keown, Tung-Sol gen. sales mgr., elected sales v.p., succeeding Raymond E. Carlson, who continues as a corporate v.p. & director . . . Merle F. Johnson named regional mgr. of distributor sales, GE tube dept., Chicago, succeeded as distributor sales administrator in Schenectady headquarters by Louis M. Robb, San Francisco district sales mgr. . . Ernest H. Vogel retired this week as mgr. of marketing, GE electronics div. . . Verne G. Rydberg promoted to mgr. of Westinghouse industrial tube sales, Clifton Potter to mgr. of new commercial engineering dept., Elmira tube div. . . Karl H. Carstens promoted to Magnavox adv. mgr., replacing Ellis H. Redden, resigned; Stewart Roberts, merchandising director & asst. sales mgr., adds duties of sales training director . . . R. Lee Waterman, gen. mgr. of consumer products, Corning Glass Works of Canada Ltd., elected a v.p., succeeding late Glen W. Cole . . . Henry Goldsmith resigns as U. S. sales director of Kingsway of London Ltd. (hi-fi), plans to represent several British manufacturers from Chicago headquarters . . . Harold Clare named Andrea Radio credit mgr. . . Ronald E. Vedder, Sylvania TV-radio sales training mgr., named district sales mgr., Kansas City . . . R. F. MacGillivray transferred from San Francisco to Los Angeles as district mgr. of Westinghouse major appliances . . . Donald J. Whittum appointed Sparton merchandiser for central Mich., headquartered in Jackson . . . Abraham A. Vogel, Emerson controller, elected v.p. . . . W. McConnachie named supt., production engineering, Canadian Westinghouse TV-radio div.; R. Fraser is supt., quality control; R. J. Robinson, service supervisor.

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DISTRIBUTOR NOTES: Gerald O. Kaye & Assoc., N. Y. (Crosley-Bendix) extends coverage to N. J., replacing Apollo Distributing Co., Newark, which becomes Zenith outlet, replacing own factory branch; Wm. J. O'Brien promoted to Kaye gen. sales mgr. . . CBS-Columbia appoints D'Elia Distributors Inc., 1330 Fairfield Ave., Bridgeport, Conn. (Charles A. D'Elia, pres.) . . . Muntz appoints newly-formed Pitt Stores Inc., 5523 Penn Ave., Pittsburgh (Arthur Gartman & Robert Benne, chief officers) . . . Moore Bros. Distributing Co., Houston (Motorola) appoints Ben Collins pres. & treas., replacing W. B. Moore, resigned . . . Westinghouse Electric Supply Co., N. Y., appoints Robert W. Stewart gen. mgr. of consumer products; Louis G. Berger named asst. to pres. Victor D. Kniss . . . Great Northern Distributing Co., South Bend (Crosley-Bendix) promotes Thomas M. Kiley to v.p.-gen. sales mgr. . . Hale Bros. Stores, San Francisco, appoints Robert Nave mgr. of TV-major appliances . . . George Rosen Co., Baltimore (Olympic) appoints Bernard D. Smith sales mgr.

Topics & Trends of TV Trade: Philco Service Co., the factory servicing branch set up recently in Chicago, Newark, Philadelphia & Pittsburgh (Vol. 11:35-36), will not become a national subsidiary a la RCA Service Co., it was explained this week by electronic service mgr. Frank D. Whitten.

"We strongly believe in service by dealers themselves, and we have no intention of competing with them," he said. "Dealer service is best for the manufacturer, distributor, dealer and consumer." He described Philco's 4 branches as supplementary facilities in areas where adequate service is not available.

"The consumer who buys a receiver without adequate service is inclined to blame the manufacturer for anything that goes wrong with the set thereafter," he said. "That just isn't fair to the manufacturer, and we want to do everything we can to protect our name."

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RETMA quarterly meeting Nov. 16-18 at Chicago's Palmer House will consider new appeal to Federal Trade Commission for reconsideration of trade practice rules (Vol. 11:27-28) and review plans for obtaining excise tax relief on all TV-radio sets (Vol. 11:40-41). In addition, board will receive report of its special frequency allocation study committee (Dr. W. R. G. Baker, GE, chairman), which recently recommended to FCC that RETMA organize all-industry committee to study technical factors in allocations controversy (Vol. 11:43).

Smallest speaker ever built for commercial use is RCA's claim for new unit developed for use in pocket-size transistorized radios. It's 2 1/8-in. in diameter, about 1/2-in. thick. RCA Labs' Dr. Harry F. Olson said size reduction was achieved by incorporating magnetic structure within shell surrounding cone—called this as radical a design departure as putting engine in rear of car.

Outer space dept.: Month-long TV-radio set promotion by Cincinnati Electrical Assn., Cincinnati Gas & Electric Co. & *Cincinnati Post* tells consumers new receivers are "out of this world," hence offers top prize of "a trip on the first commercial flight to the moon—good until used," for letter contest. If winner doesn't choose to wait, he can convert prize into \$1000 cash.

Four 21-in. caster-equipped consoles were introduced this week by Westinghouse, which said they are "aimed at filling the rapidly increasing consumer demand for mobile TV receivers." Prices are \$200, \$210, \$250 & \$260—casters \$20 extra. They have "Tip Top Front Tuning," aluminized tube and "Silver Safeguard" deep-etched printed circuits.

DuMont's new west coast headquarters at 11800 W. Olympic Blvd., Los Angeles, embracing 30,000-sq. ft. plant, was occupied this week with Ralph B. Austrian as mgr.; George Hakim, mgr. for TV receivers; George Jollie, warehouse & servicing mgr.

Assn. of Better Business Bureaus to distribute work kit on policing comparative price advertising, including check list for determining truthfulness of ads, suggested ad copy, rule card of "do's-&-don'ts" for copywriters. Copies will be available from local BBBs.

Raytheon adds 21-in. maple console at \$230, which it claims is industry's first such set under \$300. It has vertical chassis, top front tuning, 6-in. speaker, 90-degree aluminized tube.

Meetings of Motorola distributors, to discuss marketing and promotion plans in first quarter of 1956, are set for Phoenix Dec. 8-9 and Boca Raton, Fla., Dec. 15-16.

Crosley-Bendix national distributor convention scheduled at Miami Beach, Dec. 5-7.

Philco's next distributor convention will be held in several hotels in Miami Beach, Jan. 4-6.

Electronics Reports: Military spent \$1.206 billion on electronics-communications and guided missiles in fiscal year ended June 30, 1955. Defense Dept.'s newly released preliminary *Report on Status of Funds by Budget Category* shows this outlay down about 10% from 2 previous years — \$1.33 billion in fiscal 1954 & \$1.296 billion in fiscal 1953 — reflecting general reduction in military spending since Korean war.

Spending in both categories last year represented approximately 10% of \$12.997 billion in major procurement & production, with \$637,000,000 going for electronics-communications and \$569,000,000 for guided missiles. Largest single item in procurement was aircraft — \$8.038 billion (61%) — which also accounted for considerable electronic equipment not listed as "electronics" in Defense summary.

All 3 services were about equal in percentages of budgets allocated to electronics-communications & missiles together, but varied widely in total sums spent and shares for each category. Their outlays: Army, \$28,000,000 (2½%) for electronics-communications, \$88,000,000 (6½%) for guided missiles; Navy, \$159,000,000 (4%) and \$176,000,000 (5%); Air Force, \$450,000,000 (5.7%) and \$305,000,000 (4.3%).

As of June 30, 1955, military had total of \$1,645,438,000 obligated in unpaid electronics-communications contracts and \$1,355,490,000 in guided missiles, with total of \$3,645,852,000 in unspent funds to cover them. While Defense figures do not break down spending for research & development, the outlay of \$1.364 billion in that operation is known to include sizeable amount for electronics-missiles.

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"Datavision" is new industrial TV system developed by Dage TV div. of Thompson Products Inc. using telephone lines instead of coaxial cable. Datavision is designed for sending check signatures from main banks to branches, transmitting sales records, etc. over distances up to 15 mi. It sends still pictures, which stay on high-persistence screen long enough to be read before they fade off. Dage points out that rental of telephone wires costs far less than cable or microwave service. Camera and receiver cost about \$2250, extra receivers \$625.

Selenium shortage is being felt by electronics industry. Rectifier div. of Sarkes Tarzian Inc. this week advised defense mobilizer Arthur S. Flemming of growing shortage of the vital material together with black market which threatens to destroy small rectifier manufacturers. Company asked that large selenium producers be required to supply electronics industry's needs and that Govt. sponsor selenium scrap recovery program.

Canada's electronics industry, percentage-wise, may outstrip that of U. S. during next decade, said B. K. Westrum, Sylvania sales v.p. and director of Sylvania Electric (Canada) at Toronto news conference this week. Canadian subsidiary, founded in 1949, is making more and more of the products it sells, he said, and should enjoy 50% more net sales this year than last.

Acquisitions: Clevite Corp. acquires full ownership of Transistor Products Inc., Waltham, Mass., changing its name to Clevite Transistor Products; Clevite has owned majority interest since 1953. Texas Instruments Co., Dallas, now owns Rogers Exploration Service Ltd., Calgary, Alta. geophysical firm.

Another old-line consumer goods maker diversifies into electronics: 47-year-old Hoover Co. (vacuum cleaners) purchases Phebeo Inc., Baltimore engineering firm specializing in electronics and guided missiles, plans to begin construction of \$500,000 plant for new subsidiary soon.

Merger plan abandoned: Stewart-Warner and McGraw Electric Co. this week ended negotiations and announced that no merger was contemplated.

NEW LIST OF "TOP 100" prime defense contractors since beginning of Korean war has been compiled by Senate Preparedness Investigating subcommittee, which charged that the list released last spring by Defense Dept. (Vol. 11:23) was "misleading" and "inaccurate." Earlier list covered period from end of Korean war (mid-1953) through 1954, and because of contract terminations and cancellations did not include such large companies as General Motors (No. 1 on subcommittee's new list with \$6.6 billion in contracts) and Westinghouse (No. 16 on new list).

Defense Dept. has denied subcommittee's charges, saying its list was compiled at request of Sen. Fulbright (D-Ark.) who wanted tabulation covering the 18-month period. Some 45 companies appearing on subcommittee's new list didn't appear on 18-month list, it said, because "cancellations and terminations partially or wholly offset new business awarded them during this period."

New list includes 23 companies closely identified with electronics. General Electric with \$3.67 billion in contracts, is biggest of these, being No. 5 among all contractors, followed by General Dynamics (8th), AT&T (12th), Bendix Aviation (15th), Westinghouse (16th). Many electronic items, of course, are made or contracted by big "non-electronic" companies on the list, including aircraft manufacturers who occupy 7 of the first 10 positions. Likewise, most companies identified with electronics also make non-electronic military items.

These are the electronics and related companies on new list (mid-1950 through 1954) together with their ranking among the top 100, their total contracts, amount, of terminations & cancellations and net value of contracts (for comparison with Defense Dept. list, see Vol. 11:23):

Company (Including Subsidiaries)	Rank	Total Contracts	Terminations & Cancellations	Net Value
(in millions of dollars)				
General Electric	5	\$4,048.9	\$376.4	\$3,672.5
General Dynamics	8	2,869.4	119.4	2,670.0
AT&T	12	1,916.0	160.7	1,755.3
Bendix Aviation	15	1,185.5	30.3	1,155.2
Westinghouse	16	1,601.1	454.7	1,146.4
Sperry Corp.	17	1,137.9	47.3	1,090.6
Hughes Tool Co.	19	993.6	57.9	935.7
RCA	23	823.1	82.7	740.4
IT&T	29	611.5	85.5	526.0
Avco	30	544.4	22.0	522.4
Philco Corp.	38	450.8	46.5	404.3
IBM Corp.	39	430.3	38.6	391.7
Raytheon	42	376.0	6.7	369.3
Collins Radio Co.	44	361.2	13.6	341.6
Minn.-Honeywell	62	207.4	19.8	193.6
Hazeltine Corp.	63	213.9	22.8	191.1
Remington Rand	64	190.4	.2	190.2
Sylvania	65	198.9	13.7	185.2
American Bosch	66	190.0	5.6	184.4
Gillfillan Bros.	79	153.1	—	153.1
Motorola	80	161.0	8.0	153.0
Admiral Corp.	84	152.0	6.4	145.6
Stewart-Warner	91	128.7	4.1	124.6

Flour makes dough—but so does electronics. General Mills' electronics activities under printed circuits pioneer Cleo Brunetti, is described in Oct. issue of Television Shares Management Corp.'s monthly bulletin, *Keeping Up*. Among products from General Mills' engineering, research & development dept. in Minneapolis: 300-hour aircraft flight recorder; microhygrometer to measure moisture profile of small objects like wheat berries; and the widely publicized "Autofab," first complete automatic assembly machine for electronic circuits ever built by one firm and sold to another (IBM) for production line use.

Scatter propagation, reliable beyond-horizon vhf-uhf transmission (Vol. 11:32) is subject of huge Oct. special issue of *Proceedings of the IRE*. Issue was organized by MIT's Jerome B. Weisner and papers procured & selected by Bureau of Standards' Kenneth A. Norton—both important contributors to science of scatter propagation.

A Network President Analyzes

Television & Radio—Today and Tomorrow

Full Text of Report by Robert E. Kintner, President, American Broadcasting Co.

Speaking for TV-Radio Before Annual Meeting of Assn. of National Advertisers, New York City, Nov. 1, 1955

I FEEL SURE I need not devote time to proving that television and radio are the most dynamic, most forceful, and importantly, the most human of our media of communication. They are also the most immediate and the most intimate.

Television today focuses on 35,000,000 sets with 437 stations on the air. [EDITOR'S NOTE: On-air total was 454 as of Nov. 1, 1955.] In 1957 there will be over 38,500,000 sets and certainly before 10 years, nearly all of the 55,000,000 homes we should have by then will have TV. Television's dollar volume this year will pass the billion-dollar mark.

A simple indication of the growth of TV coverage, which is of the greatest interest to the TV advertiser, is the fact that 3 years ago the average evening program covered only 70% of TV homes, while the average evening program today covers over 83%—actually, because of the increase in sets, more than twice as many homes—in terms of delivered audience.

In considering TV from the advertiser's viewpoint, the first question that naturally suggests itself is what proportion of the advertising budget can be profitably allocated to this medium.

In 1948, every one of today's top 25 advertisers, excluding distillers, were in network radio, and to 11 of them it was their most important advertising medium. Today, for at least 19 of these 25 advertisers, TV is unquestionably their No. 1 medium. Counting only network TV, the typical advertiser in the top 25 invested 47% of his advertising dollars in TV and 56% in the broadcast medium.

The challenge of TV is not a challenge of whether the medium is effective, the challenge is how best to program it, how best to buy it, and how best to use it commercially—a challenge that is shared by the broadcasters and the advertisers. Since only 165 advertisers use network TV today, there is the added challenge of how the networks can make greater use of TV by smaller companies possible.

The Trend in Programming

What is the trend in programming?

Andrew Carnegie once said, "There is no harm in putting all your eggs in one basket—as long as you watch the basket." Mr. Carnegie was a wise man, but unlike Christopher Marlowe, writing 350 years ago, he probably did not envision "infinite riches in a little room," which I interpret to mean the present TV screen.

The trend in TV today by top advertisers and by small advertisers is unmistakably toward more and more shared sponsorship, rather than a complete sponsorship of programs. Three years ago, 51% of network TV advertisers were participating sponsors. Today, 76% are participating in some form of multiple sponsorship. This has come about for budgetary reasons; from a desire to spread the risk of a flop over several shows; and from a desire on the part of the larger advertisers to distribute their commercial minutes over different time periods and days of the week for different products.

Let me cite the advantages and disadvantages of this trend. The advantage is a simple one of the ability to participate in programs with bigger stars, bigger production budgets, and creative values that should attract larger audiences.

The disadvantage, in the minds of many agencies and advertisers, is that these programs are inevitably network-controlled. Also, the advertiser loses the greater identification, the greater audience gratitude, and the tailor-made merchandising possibilities.

We all should face the facts on this controversial question of network control of programming. There is no doubt that certain networks, at certain times, have worked almost desperately to replace advertiser-controlled programs with network programs which they believed would obtain greater public attention. Sometimes the networks were right; sometimes the networks were wrong.

Networks Handed More Responsibility

I, personally, believe that in order to program 3 strong networks from early morning until late at night, every creative force—whether it is from the networks, the advertisers, the agencies, or the packagers—is needed. The objective fact, however, seems to be that this issue is becoming more and more academic because of multiple sponsorship, with the result that the networks are being handed more and more responsibility of direct programming. This comes about, in great part, because of the tremendous commitments that must be made in programming, and the inability of multiple sponsors to get together on their own.

This entails a great responsibility on the networks' management, for in effect what is happening is as old shows are replaced with new, networks are being put in the position of calling the shots in the great preponderance of network time periods.

At the risk of taking a Rotarian approach, I believe that this calls for much closer liaison between the advertising agencies and the networks; a much better understanding by the networks of consumer motivation; and a great deal more research by all of us on what makes people buy.

I think the increasing emphasis on consumer motivation in brand selection and in the habit patterns of consumption itself, which seems sure to open new advertising vistas in the next 10 years, will show that selection of the right program frame is as important as the right kind of presentation technique for the commercial itself.

Trend Toward Film Programming

Television is such an intimate medium that I doubt if circulation and audience measures are at all adequate yardsticks from which to judge individual audience reaction or to infer a correlation with sales effectiveness. Proper research may, in truth, revive the desire to sponsor individual programs exclusively and may well reverse this present participation trend. In any event, I think it is a field where the advertiser, the agency, and the network must spend substantial sums.

Next to the trend towards participating sponsorship,

a striking development is the trend toward film programming. Today, the networks—all 3 of them—are programming between 40% & 50% of Class A nighttime hours with film. I think this will be substantially increased. The advantages are many: Lower costs due to use of re-runs, either by the same advertiser or by a sell-off to other national or regional sponsors; the possibility of overseas revenue; the ability to get performers and production forces that can be gotten in no other way; and the advantage in merchandising.

The disadvantages are principally twofold, but they are important: One is a misjudgment in putting the wrong type of show on film, such as may be the case of comedians; and, secondly, the terrific damage that can be done when things go wrong after the shows are in the can and flop.

Particularly with the advent of color, the percentage of film on networks will greatly increase, but I believe the advertisers and networks face a severe test of judgment in measuring the worth of the spontaneity of the live show.

I know that you have been bewitched and bewildered by the development of the spectaculars, about which I can speak freely since this has been a battle between NBC and CBS. Advertiser reaction has been very strong—ranging from complaints by advertisers of having lost their shirts to pride of “having captured the imagination of millions,” depending upon whether or not the spectacular produced the rating that its tremendous costs make necessary.

In order not to put myself in either corner, I will call these shows special programs. If you are talking of cost-per-thousand buying, you will be interested that all special shows on another network, rated by Nielsen over a 6-month period last season, resulted in \$4.42 cost-per-thousand per commercial minute, compared to \$2.99 cost-per-thousand of the average commercial nighttime program. In other words, the cost-per-thousand of the average special show was about 50% higher than the average nighttime show in addition to having far less reach over a 4-week period. On the basis of regular buying, I doubt if more than half of the special shows can achieve a good cost-per-thousand, but the special shows do have certain advantages in special promotion for the larger companies. It is one method whereby the smaller companies can afford to use the medium to bring special stars and programs to TV. I think the number of special shows should increase rather than decrease.

I think the real significance of special programs in the long run will be to expand normal programming length to 90 minutes and longer. There is nothing sacred about the half-hour and hour timing of programming, and since research seems to indicate that it is a better gamble in attracting audience and holding people to have a longer, rather than a shorter show, it is my guess that next season will see many 1½ and 2-hour programs in the daytime and nighttime on a regular basis. In effect, what the networks and producers will be attempting to do is to re-create in the home, on a regular basis, program vehicles very similar to the motion pictures and the full-length plays. To say that this is a gigantic creative job is a masterpiece of understatement, but one which I believe will be solved by marshaling the full forces of the creative community.

Is TV Pricing Itself Out of the Market?

I have attempted to highlight some of the possible TV program trends, and I should like now to turn to what I will call some “problem areas.”

The first is the oft-repeated charge that “TV is pricing itself out of the market.” We are in a scarcity market on creative talent, whether it be performers, writers, producers or directors, so that the advertisers, the agencies and the networks are at a disadvantage. We also, unfortunately because of prestige factors, are perhaps the victim of certain networks and certain advertisers trying to show each other that they can do anything better than the other fellow. This is a subject where I am not the

proper person, nor is this the proper forum, to make a comment.

Program costs over the last 3 years have risen substantially. Looking at 28 shows which have been on the air since 1951, we find that their production cost has gone up about 83% while during the same period time costs have doubled. However, these costs have been outdistanced by the growth in TV circulation. Compared with 4 years ago, the cost-per-thousand of the typical TV program has fallen. However, in the past year the cost-per-thousand index has shown a slight rise. This has resulted from greater competition among networks for the audience; the adding of new stations and smaller markets; and the fact that some new advertisers, principally smaller advertisers, are not buying TV with commensurate program expenditures.

It is certainly to the interest of the networks to keep costs down, and to pass on to the advertisers these savings. The networks are not receiving unconscionable profits. In 1954, when the network gross sales were \$306,000,000, profits were \$36,500,000 including the profits of 16 owned network stations which, of course, are more profitable than the network.

Color No Major Factor Until 1957

Putting aside costs, on which I doubt if the networks and the advertisers will ever agree, let me touch on another problem area—that of the development of color. Here again, I am in somewhat of a delicate position, since our company is not a manufacturer of TV sets, and since I know that I need not recall to this audience that the forecast on the progress of color has been substantially overstated. Color TV apparently will not be an important factor in the immediate future, as far as reaching large audiences is concerned. According to the best estimates we have been able to obtain in the trade, I am told that there are about 40,000 color sets compared to over 35,000,000 black-&-white sets in the country at the present time—a substantial part of which are in the hands of dealers. I am also told that the industry should produce about 150,000 sets this year. So, from a color circulation point of view, it would appear that we are now about at the stage we were in mid-1948 with black-&-white, and it looks to our research people as if color will go through the same 5-year circulation growth that black-&-white did, although at a slower rate, to achieve really national penetration.

However, perhaps I should hedge this prediction by saying that black-&-white set sales of 500,000 per month, and more, surprised even the industry, but it is my personal belief that color will not be a real major factor in network programming until at least 1957.

FCC Should Act Quickly on Allocations

The principal problem area, in my judgment, is the restricted markets challenge, which is of tremendous importance to advertisers as well as to the networks. Under the Federal Govt. allocation plan, there can never be truly competitive TV service in many of the top 100 markets covering the great bulk of the population, because of the inability of the UHF station to compete with the VHF stations. I can, perhaps, illustrate the point best by saying that of a total of 244 TV markets today, there are only 11 that have 4 or more TV stations; that is, only 5% of the present markets are truly free markets.

Without disrupting the present TV business, it is possible for the FCC to authorize the moving of VHF stations which have not been used in smaller communities; to create new VHF stations; to return to commercial broadcasting interests certain educational VHF channels not in use today; to deintermix and separate VHF's from UHF's in certain markets; and through other means to create at least 3, and I would hope 4 or 5, truly competitive TV stations in the great bulk of the top 100 markets.

If you and the 3 networks, supplemented by the 4th or 5th network, are to do business on equal footing with your competitors, this FCC action must be taken and taken quickly.

At first blush, this may appear to be an intrusion of this meeting of the private business of the networks, but

actually it is your business, because if your programs cannot be heard in many of the top 100 markets, except in bad time periods, you are not getting an equal share of the potential with your competitors.

Another problem relates to protecting your program franchise. With 3 strong networks operating in competition, the advantages to certain advertisers with important programs on one or 2 networks will be diminished as TV advances. As TV reaches practically the 100% saturation of radio, the individual program broadcast ratings and broadcast audience will probably go down per market, and even per dollar invested. This increased competition means that the small trend of rating decline—about 10%—experienced by most programs during the 1954-55 season may become accelerated. To put it in its simplest terms, *Lucy* and *Dragnet* will still be good, but they won't have a 70% share of audience as they did in 1953, or even a 50% share as they do now. Even newcomers like *Disneyland* with a current 60% share of audience will feel the effect of more and more freedom of program choice.

It may seem strange to you to have a network president point out the possibility of share of audiences declining, but to me it represents a challenge in programming to offset this by getting more people to tune in more often. The program you buy today for tomorrow has to be 3 or 4 times as strong in inherent popularity and audience recruiting power than the program you bought last year or this year, to deliver for your company the same relative sales effectiveness and advertising value.

Time franchises, as contrasted with program franchises, are the key to successful TV advertising, just as they have been in radio, because of the limitation of the hours in the day. I am not talking of the possibility of your franchise suddenly being hit by something like the *\$64,000 Question*. I am talking about your franchise being faced with newer, better researched, more-likely-to-succeed programming than the old durables on which you may be riding.

Urges Re-evaluation of TV Potential

Now as to commercial use, TV has been so effective in terms of previous advertising standards that relatively little research has gone into testing TV commercials as compared, say, with copy testing, readership studies, and the like for your printed advertising. To meet the challenges of America, to increase the sales effectiveness of TV, I believe it behooves all of us to re-examine our most cherished beliefs, and even our proudest accomplishments to date, to permit pure research to analyze more completely than ever before the emotional and persuasive potential of TV commercial presentation.

I do not believe—and I can say this because I am in a neutral frontier as between advertiser and agency—that the average TV commercial is as well done as the average print ad, but this fact is obscured by the tremendous impact advantages of the bare method of presentation—the sight-&-sound medium of all TV itself. In other words, I believe the effectiveness of TV advertising can be increased *geometrically* while TV's circulation, now that 70% of the homes are TV equipped, can only be increased arithmetically. I think we in the TV business also have to know a great deal more about the habits and inclinations of the people who control the TV set and who sit by it. Very recently our company financed a pilot study in the Detroit area to try to pinpoint some of the characteristics of viewing control and viewing inclination. Admittedly, it only suggests clues, but since we prepared it with the idea of supplying information to this group, I believe you will be interested in some of the highlights, particularly those which may be different from what you have suspected:

Survey Findings Among Detroit Viewers

(1) We found the dominance of the housewife in nighttime TV viewing is considerably greater than the male; 28% greater with regard to over-all activity and 46% with regard to general interest. Peculiarly enough, this was not necessarily traced to our living in a matriarchal

society, but rather to the absence of the spouse. I can only presume that in Detroit the boys either work harder or play harder.

(2) There is frequently more unanimity of appeal within the household of lower-rated programs than for most programs appearing in the top 10 in terms of total homes delivered. I suppose that this may be traced to the fact that the leading programs become more controversial, presumably developing strong dislikes as well as likes which tend to fragmentize the audience within the household.

(3) It appears that the housewife asserts herself to a greater extent in the selection of a TV program when there is general drama or a situation comedy available. As for mysteries, the housewife appear to have about the same interest level as her husband. Naturally, as you would expect, when sports events are on, the husband asserts his dominance, but what surprised me is that he exercises it also for certain types of motion pictures. I can only guess that the same factors which keep men away from home in Detroit must affect their choice of feature films on TV. Incidentally, the husband frequently reports, especially on week-nights, that he would like to watch programs other than those chosen by his family, so presumably the presence of a second TV set in the home will increase the male viewing activity.

(4) The most important point that this pilot survey showed was that there were approximately half as many family members not watching TV as were watching during prime evening hours. Of these non-viewers, almost as many were in the home as were out of the home. This indicates, of course, that there is still a sizeable reservoir of potential viewers at home in peak-viewing hours which better programming would attract to the set.

(5) The old axiom of radio that habit plays a strong role in listening activity is certainly indicated by this study. The study shows that good programs, regularly slotted, are very hard to beat. Consequently, if you are considering a special one-time show in TV it probably will get good results only in particularly soft-time periods in the regular program schedule. Moreover, it is evident that if special shows are scheduled during strong weekly programming time periods, they reduce to a considerable degree the unanimity of audience appeal in the household. This, of course, results in reducing viewers per set to the average special show.

Radio's Status in the TV Age

I will touch very briefly on network radio, not because I do not believe it is important, since any medium of information that can reach 96% of all homes in America is extremely important, but because I believe that I can highlight the problem as it affects network radio rather succinctly.

You remember the good old days when the first topic of conversation in the morning was "Did you hear Hope last night?"; when an embittered Fred Allen was offering to insure his listeners for \$5,000 against any loss of money by not being called by *Stop the Music*; and when "Miss Hush" instead of Hal Marsh was on the front pages. There have been many, and elaborate, studies of network radio. They net down to the fact that about the same number of people listen to radio today as they did before TV, but they do not listen as often or as long. These studies point out simple facts well known to you—that there is less radio listening in the living room, and more in other rooms and in cars; that radio is listened to by the individual and not by the family; that radio listeners look for both personal guidance and entertainment; that in the daytime radio listeners do other things while they listen, while 2 out of 3 nighttime listeners concentrate only on the program.

I think the problem of network radio and of local radio, for that matter, is not a problem relating to the public, although listening and revenues have dropped. It is primarily the failure on the part of the radio networks and of the local stations to back their research with substantial sums to return to radio the excitement that is necessary. This reluctance of the business to gamble, I think, is also

due in substantial part to the attitude taken by those advertising agencies who refuse to give it proper consideration; and by those advertisers who are most interested in satisfying distributors and salesmen with glamour buys in TV rather than good advertising buys.

We are greatly concerned by the general acceptance of the easy way out of the radio business by supplying long blocks of music and news. This concept, it seems to us, is dragging radio to the lower levels of monotony. We would be foolhardy to imagine that we could return to the days of the family gathered around the set to hear Amos 'n' Andy or Jack Benny. The radio listener now demands a freedom of choice where he can tune in and out of a program without being forced to listen hour on end.

Clue to Future of Network Radio

The clue to the future of network radio, our research indicates, is in dramatic stories in the daytime which satisfy the housewives' desire for a realistic approach by dealing with problems with which she can really identify herself and from whose dramatization she can profit; in programming that can be listened to on a day-to-day basis without carry over; and, in the nighttime, the broadcasting of real information, designed to answer emotional, spiritual and similar demands of the individual through techniques that are exciting, but also in program lengths that are short and can be tuned in and out.

I think it is to the discredit of the networks, the advertisers and the agencies that this instantaneous medium with such potential for good and with such advertising advantage in cost-per-thousand, has been permitted to become a stepchild in the communications business. However, I see signs among the networks of program vitality. I hope their efforts in network radio will receive greater support from the agencies and advertisers. Thus a revitalization of radio can quickly result.

Let me just touch briefly on future electronic developments, for they will affect your advertising. Taking 2 years from now as a first forecast, TV will be little different from what it is today as far as the general public is concerned. Of course, there will be an increase in the number of color TV sets, but a trend towards larger screens will be delayed because of this color development. The method of transmission will improve, and by 2 years from now we shall see the entrance into commercial TV of tape operations which will substantially improve the kinescope methods of today.

It is more interesting to guess about the electronic world 10 years from now, in 1965. In our judgment, color TV will be commonplace, with receivers accepting equally good black-&-white or color. The home receivers will bear little resemblance to those in common use today. Screens will be flat and large size—to be hung on walls, put on patios, built into fireplaces, and used wherever picture frames or mirrors are used today. These screens will be measured in feet, not inches, and we may even expect 5x7½-ft. picture sizes. The electronic feeds will come from miniature cabinets. Home maintenance problems will be greatly lessened, and since no tubes will be used, the life of a TV receiver may be expected to extend over long periods of time.

World-Wide TV Will Be Commonplace

By 1965, there should be small TV cameras for closed circuit TV in every home. These cameras will allow the busy housewife to observe the children at play, acting as nurses and giving her additional eyes all over the house.

TV telephones should be available for both business and home installations, offering both parties the dubious advantage of seeing each other.

Trans-world TV will be as commonplace as transcontinental TV is today so that our program fare will regu-

larly include trans-oceanic and trans-world TV programs. And lest you think all the new developments will be in TV, radio receivers will have been drastically altered by 1965.

I am sure you are all familiar with the newest marvel in the electronic world—the transistor. This extraordinary device, no larger than a pea, will make possible the "Dick Tracy" wrist-watch transmitter and receiver. There will be thousands of conversations of mothers calling their youngsters home, motorists (God forbid) chatting between cars on the highways, housewives at bridge parties giving instructions to their maids over their personal miniature 2-way radio telephones. Radios will be of watch-size, and everyone will carry one with him or her.

I will not even attempt to judge how well we shall be able to know, and motivate, the consumer in 1965. All I will prophesy is that most of you gentlemen will be chairmen of the board, and you will be watching your children or grandchildren become shop stewards, arbitration delegates, or officers of IOU or some other tax exempt institution.

We are on the edge of an era of automation. Automation as a concept is not new, but its extent and future development is. Automation, if coupled with increased consumption, can mean many wonderful things for the future—higher salaries and more leisure time which will result in the sale of more consumer goods. Automation, coupled with increased production, can mean new unlimited horizons for Americans. The basic principle of automation is the feedback—a fascinating phenomenon—which electrically and mechanically corrects mistakes. Feedback makes possible the magic of the self-regulating and self-correcting mechanism.

TV Will Be Major Selling Machine

We cannot, nor would we want to, apply automation to the individual's conduct, but basically in consumer selling the feedback principle can be in new types of qualitative research that are so necessary in the communications business. In effect, all research is a feedback since it completes the circuit from sales message to the consumer and back to the advertiser who in the future should be able to tell much more scientifically how he should regulate the signal; how he can improve his message.

I believe TV will be the major selling machine that will enable us to meet the challenge posed by the production machine of the future. TV is to the problem of consumption what automation is proving to be to the problem of production.

The more production is based on automation, the more selling, advertising and marketing need humanization. One of the reasons the broadcast media are so successful has nothing to do with their wide coverage and circulation. They are as successful as they are because they are the most human of all methods of communication—the most immediate, the most personal, the most intimate. They not only reach people, they communicate ideas and desires to them on the human level. Here at once, through broadcasting, is a mass medium that is a personal medium.

We only imperfectly understand the personal impact of radio and TV although we have sold the media for years on the basis of its measured mass reach. This is the area where research will be most helpful in the future, for just as you turn your attention from production and distribution problems to consumption problems and are increasingly studying the consumer himself, so in the future you will be buying by an impact yardstick rather than a purely circulation yardstick. When both the circulation and impact dimensions of radio and TV are measurable, your use of the broadcast media will be even more effective than it is now—as it will have to be to meet the Challenge of America.

NEWLY ELECTED IRE president for 1956 is Arthur V. Loughren, 53, Hazeltine research v.p., who was a vice chairman of NTSC, which formulated color standards, and winner of the 1955 Morris Liebmann Memorial Prize for his work on compatible color. He succeeds John D. Ryder, dean of engineering, Michigan State U. New v.p. is Herre Rinia, research chief of Philips of Eindhoven, who succeeds Prof. Franz Tank, of Swiss Institute of Technology. Newly elected 1956-58 directors are E. W. Herold, RCA Princeton Labs, and Prof. J. R. Whinnery, U of California.

Regional directors for 1956-57 were elected as follows: Region 1, C. R. Burrows, Cornell U; 3, J. G. Brainerd, U of Pennsylvania; 5, J. J. Gershon, DeVry Technical Institute, Chicago; 7, C. F. Wolcott, Gilfillan Bros., Los Angeles.

Philco's Frank J. Bingley, color research engineer, was winner of Vladimir K. Zworykin TV Prize Award for 1956. Zenith's Jack E. Bridges won the Browder J. Thompson Memorial Prize for his *Proceedings of the IRE* paper on "Detection of TV Signals in Thermal Noise."

Among the 75 new fellows named by the IRE board at Nov. 2 meeting were: Bell Labs' Wm. R. Bennett, Horace T. Budenbom, Alva B. Clark, Clifford E. Fay, A. Gardner Fox, Russell C. Newhouse, Robt. L. Wallace Jr.; RCA's Loy E. Barton, Alan M. Glover, N. I. Korman, Humboldt W. Leverenz, Waldemar J. Foch, Edwin E. Spitzer, Wm. A. Tolson; Philips Labs' Ora S. Duffendack & George A. Espersen; Stanford Research's J. V. N. Granger & Jesse E. Hobson; GE's James E. Beggs, Harry F. Mayer, Chauncey G. Suits; Federal Labs' Harold A. Snow and Avery G. Richardson.

Also elected fellows: Leslie C. Jesty, Marconi's; Wm. S. Bachman, Columbia Records; George E. Bailey, IRE exec. secy; Capt. W. G. H. Finch & Capt. Willis H. Beltz, USN (ret.); Wilson P. Boothroyd, Philco; Rudolf C. Hergenrother, Raytheon; Kurt Lehovc, Sprague Electric; George McElrath, NBC; Wayne B. Nottingham, Electronics Corp. of America; Gordon K. Teal, Texas Instruments Inc.; A. Melvin Skellett, Tung-Sol; John M. Sheldon, Corning Glass; Wm. J. Barkley, Rust Industrial Co.

Spencer-Kennedy Labs Inc., Cambridge, Mass., electronics and community antenna equipment firm, announces "enlargement of management," with this alignment of top administrators: Founder Fitzroy Kennedy assumes senior management post of board chairman; Donald Spencer, of investment brokers Scudder, Stevens & Clark, Cambridge, Mass., becomes pres.; George W. W. Brewster becomes chairman of exec. committee.

Electronic home kitchen range, retailing at about \$1000, will be placed on market this month by Tappan Stove Co., using radar-type heating unit developed by Raytheon. Tappan unit employs "browning" device to improve food's appearance and operates at 2450 mc. GE announced similar stove, due on market late next year, and Frigidaire and Westinghouse indicate they will market a unit soon.

"Scatter" technique of long-distance vhf & uhf communications (Vol. 11:32) will be topic of address by Dr. Allen B. DuMont at Washington IRE meeting in Lisner Auditorium Nov. 14.

Spring TV Conference sponsored by IRE Cincinnati Section will be held April 13-14, with Suburban Bell's Arthur B. Ashman in charge of adv. & exhibits; Crosley's Reuben Nathan in charge of hotel registrations.

"Single Sideband" is 24-p. brochure issued by Eitel-McCullough, San Bruno, Cal., giving characteristics of tubes used with single sideband.

Transistor production data may soon be tallied on regular basis by RETMA, which is currently surveying industry to determine if it can get production figures.

New section chiefs in Central Radio Propagation Labs of National Bureau of Standards' Boulder, Colo. labs: Thomas N. Gautier Jr., upper atmosphere research; Richard C. Kirby, ionospheric research; Wm. Q. Crichlow, frequency utilization research; Myron C. Selby, high frequency electrical standards; Alvin H. Morgan, radio broadcast service; Dr. David M. Kerns, extreme high frequency & noise; George Birnbaum, microwave frequency & spectroscopy; Robt. Beatty, microwave circuit standards.

DuMont technical products div. (instruments & parts), under Dr. P. S. Christaldi, promotes F. Wm. Scharpwinkel to technical sales dept. service mgr. and Rudolph H. Arp to mgr. of parts sales in expansion of national service facilities.

Rear Adm. Ernest St. C. von Kleeck, retired chief of staff of 4th Naval District, joins El-Tronics, Philadelphia, as asst. to pres.; Arnold A. Zachow, operations mgr., elected operations v.p.; Joe N. Lopes, ex-Crosley, named sales mgr.

William N. Norris, v.p. of Remington Rand div., Sperry Rand Corp., appointed gen. mgr. of new Univac div., consolidation of all electronic computer and tabulating machine operations.

Dr. Heinz K. Henisch, transistor authority on leave from U of Reading, England, appointed visiting scientist at Sylvania physics lab, Bayside, N. Y.

Dr. Elmer W. Engstrom, RCA senior exec. v.p., speaks on automation Nov. 11 at U of Pennsylvania Centennial Symposium on Modern engineering.

J. L. De Cubas, ex-gen. areas sales mgr., elected operations v.p., Westinghouse International Co., succeeding George L. Wilcox, now pres. of Canadian Westinghouse.

James H. Foster, chief of electronic research, Erie Resistor, promoted to gen. mgr. of electro-mechanical div.

Raymond D. Griffiths, ex-Sylvania field sales mgr., appointed director of govt. contracts dept., National Co.

Edwin M. Martin, ex-v.p. of Farnsworth TV & Radio Corp., named patent attorney for Hughes Aircraft Co.

J. Kneeland Nunan, ex-pres. of Consolidated Vacuum Co., named v.p. & gen. mgr. of Clevite Research Center.

Col. Earle S. Cooke, commander, Signal Corps engineering labs, Ft. Monmouth, promoted to brig. gen.

Solar-powered all-transistor radio which might "last lifetime without repair" has been produced experimentally by Admiral. Using 7 solar battery cells (\$25 each) and 8 transistors, set is about size of ordinary table model radio, may be in production by 1958.

"Safety & Special Radio Services Primer," issued by FCC, is 14-p. guide to mushrooming non-broadcasting stations, groups services into 4 broad categories, explains function of each.

Varian Associates of Canada, wholly owned by Varian Associates, Palo Alto, Cal., has opened 10,000-sq. ft. microwave tube plant at Georgetown, Ont.

Consolidated Engineering Corp., Pasadena, Cal., has asked stockholders to approve change of name to Consolidated Electrodynamics Corp. at Nov. 7 meeting.

Webster-Chicago has bought, for about \$1,000,000, the White Cap div. of White Cap Co., Chicago, major supplier of electrical steel laminations for TV transformers.

Jerrold Electronics Corp., Philadelphia, recently opened new 9800-sq. ft. engineering labs at Byberry Rd. & Pennsylvania Turnpike.

Eitel-McCullough building 17,000-sq. ft. addition to main plant in San Bruno, Cal., to be used for production of super klystron amplifier tubes.

Financial & Trade Notes: Motorola pres. Paul V. Galvin disclosed this week that his firm—in radical departure from TV-radio-electronics—had entered an entirely new manufacturing phase in becoming principal supplier of new all-mechanical push-button gear-shift mechanisms for all Chrysler Corp. automobiles. Motorola has long been a prime supplier of auto radios.

In report to stockholders, Galvin announced that third quarter sales of \$60,685,113 set record for that period and earnings of \$1,940,847 (\$1 per share) almost eclipsed previous high mark, comparing with \$47,038,843 sales and \$1,731,766 (90¢) earnings in same 1954 period. For 9 months of 1955, earnings were \$4,885,848 (\$2.52) on \$153,978,232, up 6% from \$4,590,067 (\$2.37) on \$139,504,053 in same 1954 period. Predicted sales of \$225,000,000 for year (Vol. 11:30, 41) still are expected, he said.

On color TV, Galvin said big-volume market still was 2-3 years away, still a luxury item though firm is selling sets in limited quantity. Galvin stated: Microwave sales are booming, industrial electronics applications are expanding, portable radio sales are excellent, and auto radio deliveries to car builders—principally Ford, Chrysler & American Motors—continue to follow curve of auto output.

* * * *

Philco sales in first 9 months of 1955 pulled up to \$269,218,000 and net income to \$4,854,000 (\$1.21 per share) from \$249,726,000 & \$2,275,000 (53¢) in same 1954 period which included 7-week strike in its electronic plants. Third quarter sales were \$91,177,000, net income \$1,279,000 (31¢) vs. \$75,050,000 & \$540,000 (12¢). In Nov. 4 report to stockholders, pres. James H. Carmine said demand for 1956 TV line is greater than ever, that refrigerator and other appliance sales are substantially ahead of last year, but that “unusually keen competitive conditions again resulted in considerably reduced earnings in air conditioning.”

Carmine announced that Philco has just received one of its largest govt. contracts, providing for volume production of guided missiles. He predicted:

“Looking to the future, Philco is continuing its large development programs and incurring pre-production expenses on color TV, transistors, automatic production equipment, and an entire line of automatic washers and driers. We believe that each of these fields will contribute substantially to our sales and earnings in coming years, but we are currently in the make-ready stage and are absorbing the heavy cost of all these projects on a pay-as-you-go basis.

“With demand for our TVs, home & automobile radios, and refrigerators continuing at a high level, and the tempo of our govt. work increasing, we expect a gratifying volume of sales and earnings in the fourth quarter this year and are also budgeting for increases in almost all product lines in 1956.”

* * * *

IT&T has no intention of spinning off or divesting itself of any of its electronics or telecommunications operations, nor is it involved in any merger plans, said v.p. Leonard Jacobs II at recent meeting of Financial Analysts of Philadelphia. This was in response to question undoubtedly evoked by recurring rumors that its Capehart-Fansworth subsidiary may be sold or merged. Comptroller Paul F. Swantee said 1955 sales are running 10-12% ahead of 1954 and earnings of parent company should exceed \$2 a share vs. \$1.35 last year.

Tung-Sol earned \$2,286,511 (\$3.29 per share) on record sales of \$36,051,818 during first 9 months of 1955 vs. \$1,478,493 (\$2.51) on \$28,103,964 in same 1954 period. Outstanding common shares in 1955 period totaled 644,587 vs. 565,328 in same 1954 period.

Among officers' & directors' stock transactions reported to SEC during Oct.: Owen D. Young sold 700 shares of ABC-Paramount 5% pfd., holds 625; Parker H. Erickson sold 200 Avco, holds 200; Arnold O. Beckman sold 25,000 Beckman Instruments, holds 466,933; Pat Leone bought 2200 Gabriel Co., holds 2200; Harry S. Samuels & wife bought 800 Gabriel, hold 10,900; John W. Belanger transferred 100 GE to Mrs. Anna Belanger, bought 2625 GE, holds 7557; L. R. Boulware bought 4500 GE, holds 4500; Orville F. Haas bought 987 GE, holds 2295; H. A. McKinnon bought 300 GE, holds 4227; Gerald L. Phillippe bought 2150 GE, holds 3772; Arthur F. Vinson bought 690 GE, holds 3709; Clarence C. Walker bought 1125 GE, holds 2853; J. Geoffrey Notman sold 1410 General Dynamics, holds 1000; Laurence B. Dodds bought 100 Hazeltine, holds 200; John A. Rankin sold 105 Magnavox, holds none; Thomas A. Kennally sold 2900 Philco, holds 9064; Leslie J. Woods sold 100 Philco, holds 7593; Paul F. Hannah sold 1000 Raytheon, holds 1348; Harold C. Mattes sold 532 Raytheon, holds 7427; Norman Waite bought 100 Sangamo Electric, holds 100; Curtis A. Haines bought 260 Sylvania, holds 766; P. E. Haggerty bought 669 Texas Instruments in trust, holds 149,859 personally; John M. Schliff bought 500 Westinghouse, holds 10,500; Frank M. Folsom bought 100 Whirlpool Corp., holds 100.

WJR, The Goodwill Station, big Detroit AM outlet and one of few whose stock is publicly held, reports sales of \$1,961,524 and net income of \$169,863 (33¢ per share) for 9 months ended Sept. 30. This compares with \$2,214,243 & \$274,997 (53¢) in same 1954 period. Third quarter sales were \$636,952, net income \$38,774 (8¢) vs. \$679,710 & \$58,320 (11¢) in 1954 period.

Storer Broadcasting Co. reports net income rose to \$2,864,269 (\$1.13 per share) in first 9 months of 1955 from \$2,355,947 (92¢) in same 1954 period. For Sept. quarter, Storer profit was \$1,012,360 (41¢) vs. \$738,638 (29¢). For month of Sept. alone, profit was \$409,439, which is 91% ahead of the \$214,913 of Sept. 1954.

Reeves Soundcraft Corp.'s consolidated net income for 6 months ended June 30 was \$92,910 vs. \$54,533 in 1954 period. Sales were \$1,923,481 vs. \$1,482,568, up largely because of increasing consumer & industrial demand for magnetic products, according to pres. Hazard E. Reeves. New Microlac recording disc has been well received, he states in Oct. 14 report, and sales of wholly-owned Bergen Wire Rope Co. have increased.

Globe-Union (Centralab) earned \$364,824 (51¢ per share) on sales of \$15,388,836 in quarter ended Sept. 30 vs. \$180,783 (25¢) on \$13,539,269 in same 1954 period. Earnings for first 9 months of 1955 are \$853,925 (\$1.19) on \$35,053,158 vs. \$338,903 (54¢) on \$30,636,439 in corresponding 1954 period.

Gabriel Co. earned \$68,251 (12¢ per share) on sales of \$3,545,070 in quarter ended Sept. 30 vs. loss of \$61,483 on \$4,420,916 in same period of 1954. Earnings for first 9 months of 1955 were \$69,905 (9¢) on sales of \$10,304,862 vs. \$89,302 (13¢) on \$14,453,856 in 1954 period.

Raytheon earned \$764,000 (28¢ per share) on sales of \$39,184,000 in quarter ended Aug. 31 vs. \$1,102,000 (44¢) on \$44,698,000 in same 1954 period.

Jerrold Electronics Corp., in first report since its public stock issue, reports sales of \$1,559,779 and net profit of \$51,249 (6¢ a share) in 6 months ended Aug. 31.

Dividends: Tung-Sol, 60¢ extra and 25¢ regular quarterly, payable Dec. 2 to stockholders of record Nov. 18; DuMont, one share of new DuMont Broadcasting Corp. for each 2½ shares of Allen B. DuMont Labs, record Nov. 14.

Herman H. Kahn, partner in N. Y. investment banking firm of Lehman Brothers, elected to Avco board.

Color Trends & Briefs: Most dramatic portion of NBC's \$12,000,000 color expansion program (p. 3)—conversion of Chicago's WNBQ completely to color by next April 15—was announced Nov. 3 in unique color closed-circuit split-screen N.Y.-Chicago press conference. Balance of program, covering N.Y. & Los Angeles, was disclosed after NBC board meeting next day—covering plans to spend \$6,000,000 on Burbank, Cal. facilities, \$4,750,000 on N. Y.

Participating in closed-circuit conference were RCA-NBC chairman Brig. Gen. David Sarnoff, NBC pres. Sylvester L. Weaver, NBC exec. v.p. Robert W. Sarnoff, owned-station v.p. Charles R. Denny, WNBQ mgr. Jules Herbubeaux.

Gen. Sarnoff said WNBQ was chosen to be first all-color station "because Chicago has always been a key city in the operations of NBC and the radio & TV industry generally." Chicago is big; it's home of many set makers; it's centrally located and undoubtedly will be good showcase for displaying color station equipment in action.

Describing plans for \$1,250,000 Chicago project, Denny said 50,400 sq. ft. have been leased on roof of Merchandise Mart in addition to space housing present black-&-white facilities—latter to be completely replaced by color gear. Station will have 5 live color cameras, 2 film. In addition, exhibition room containing color sets and other displays will be built. Denny said average station can convert to color for about \$500,000, compared with \$1,250,000 needed for WNBQ.

Weaver, just back from 5-week round-world trip, said he was glad to see that color shows have been "tremendously successful" in size of audience and critical approval, stated that "color is really going to explode." Robert Sarnoff rounded up color status, reporting that 90% of TV homes are in range of NBC color signals; that 104 NBC affiliates can rebroadcast color; that "dealers are selling color receivers as fast as they are turned out."

NBC outlined several projects for expanding N. Y. & Los Angeles (Burbank) facilities. In N. Y., a second color studio will be built in Brooklyn and Ziegfeld Theatre will be converted into a color studio. In Burbank, NBC will add another color studio, construct an office building, triple technical workspace, install color recording equipment and master control. Four new color film chains will be acquired.

"This investment," said Robert Sarnoff, "is another firm indication of our faith in the future of color TV. Even if others in the broadcasting and receiver-manufacturing industries continue to mark time, RCA & NBC intend moving ahead with a program that adds substantially to the more than \$65,000,000 we have spent in pioneering and developing compatible color TV and in creating a substantial color broadcasting service."

Sarnoff noted, incidentally, that Eastman's lenticular film (Vol. 11:44) shows greatest promise for hot kines—can be processed in 3 hours—but stated that magnetic tape is "ultimate solution."

* * * *

Westinghouse's seriousness about color tube production is indicated by announcement this week by tube div. v.p. Richard T. Orth that more than \$1,000,000 is being spent on facilities, with aim of regular commercial production by early 1956. Westinghouse has fixed on a 22-in. all-glass rectangular shadow-mask tube (Vol. 11:40) and says its design "dispenses with costly metal flanges previously used to join the faceplate and funnel of earlier color picture tubes." New production process also "eliminates the expensive and unwieldy insulation required in TV receivers which employ metal flange tubes."

Now rolling on color film scanner production, GE reports Nov. 2 shipment to WJIM-TV, Lansing, Mich. plus sale this week to KRLD-TV, Dallas.

Network Color Schedules

(Nov. 7-21, 1955)

- Nov. 7-11—*Howdy Doody* (NBC), 5:30-6 p.m.
 Nov. 8—*Home segments* (NBC), 11 a.m.-noon; *Milton Berle Show* (NBC), featuring Gloria De Haven, Sammy Davis Jr., Will Mastin Trio, Gogi Grant, 8-9 p.m.; *Red Skelton Show* (CBS), 9:30-10 p.m.
 Nov. 9—*Today segments*, 7-10 a.m.; *Home segments*, 11 a.m.-noon (both NBC).
 Nov. 10—*NBC Matinee Theatre* with John Conte presenting "An Apple for Miss Myrtle," starring Geraldine Page, 3-4 p.m.; *Climax* (CBS), "A Scheme to Defraud," starring Dennis O'Keefe, Phyllis Thaxter, Marilyn Erskine, 8:30-9:30 p.m.
 Nov. 11—*NBC Matinee Theatre* with John Conte presenting "Man Without a Country," starring James Daly, 3-4 p.m.
 Nov. 12—*Gene Autry Show* (CBS), 7-7:30 p.m.
 Nov. 13—*Wide, Wide World segments* (NBC), 4-5:30 p.m.; *Omnibus segments* (CBS), 5-6:30 p.m.
 Nov. 14-18—*Howdy Doody* (NBC), 5:30-6 p.m.
 Nov. 14—*Producers' Showcase* (NBC), "Dateline 2," story on freedom of the press by Robert E. Sherwood, John Steinbeck, Irving Berlin, starring Milton Berle, Greer Garson, Wm. Holden, Martha Raye, John Wayne, 8-9:30 p.m.
 Nov. 15—*Home segments* (NBC), 11 a.m.-noon; *Red Skelton Show* (CBS), 9:30-10 p.m.
 Nov. 16—*NBC Matinee Theatre* with John Conte (also Nov. 17-18), 3-4 p.m.; *Arthur Godfrey Show* (CBS), 8-9 p.m.
 Nov. 19—*Gene Autry Show* (CBS), 7-7:30 p.m.; *Ford Star Jubilee* (CBS), "The Caine Mutiny Court Martial," starring Lloyd Nolan, Barry Sullivan, Frank Lovejoy, 9:30-11 p.m.
 Nov. 20—*Hallmark Hall of Fame* (NBC), "The Devil's Disciple," with Maurice Evans, Ralph Bellamy, Dennis King, 4-5:30 p.m.
 Nov. 21—*NBC Matinee Theatre* with John Conte (also Nov. 22, 23, 25), 3-4 p.m.; *Howdy Doody* (NBC thru Nov. 25), 5:30-6 p.m.

British color should start on European 625-line standards, dropping 405-line system, in opinion of C. O. Stanley, head of powerful Pye Ltd. Quoted in Oct. 15 *Wireless & Electrical Trader*, of London, he called 405-line system "inferior to standards of the rest of the world"—despite agreement of many that British transmission-reception is frequently superior to that of many U. S. stations (Vol. 11:36, 38, 40-44). He said use of 405 lines in color to keep transmissions compatible would degrade picture and threaten export trade which he said was "already lost in the black-&-white market." He said color is a "flop" in U. S. so far, urged British to go slow meanwhile. British trade magazine also reports observations on U. S. color by BBC supt. engineer D. C. Birkinshaw, who stated color-casting began before good low-cost sets were available.

N. Y. newspapers have picked up rumors that Paramount Pictures' subsidiary Chromatic TV Labs is planning production of color sets to sell for less than \$400, using Lawrence tube (Vol. 11:43). All that's confirmed is that Telechrome Inc. is building samples for Chromatic, which is seeking a manufacturer to build tubes and sets. RCA Chairman Sarnoff, queried about such reports during Nov. 3 press conference (see p. 3), stated: "All I know is what I read in the newspapers—and I don't believe everything I read."

Analyzing color movies, *Variety* reports 152 of this year's 264 major features were shot in color—but notes beginning of trend to smaller color percentage. One reason given: "There's a theory that, with Hollywood keeping such close tab on TV material, and buying a good deal of it, black-&-white may become more the fashion than ever. The TV stories, as a rule, are intimate subjects that could lose via the tinting process."

Little Canadian color, except for "spill-over" from U. S., is expected until about 1958, according to Ricardo Muniz, mgr. of Canadian Westinghouse TV-radio div. Addressing International Assn. of Electrical Leagues in Montreal, he predicted black-&-white would be an oddity in Canada in 10-15 years.

Technical papers on color included in Oct. *Journal of the SMPTE*: "Integration of Color Equipment in a TV Station," by Phillip B. Laeser, WTMJ-TV, Milwaukee; "CBS Television Color Studio 72," by R. B. Monroe, CBS.

End of testimony in "16mm anti-trust suit" against 5 major movie producers came this week in Los Angeles Federal Court, with final arguments by both sides Nov. 10-11. Govt. charges the movie studios illegally conspired to keep 16mm films from TV and other outlets. These defense witnesses testified this week: (1) Warner Bros. production v.p. Jack L. Warner, who said the studio in 1948 adopted policy of refusing to release any films to TV "irrespective of price," and in 1950 the studio replaced that policy with a "wait-&-see" attitude, now "will entertain any offers for selling to TV." He said TV showing destroys "re-make value" of good old films. (2) Universal-International v.p. Charles J. Feldman, who testified that sale of features to TV would hurt business, but said his company, too, has adopted "watchful waiting" policy. (3) Ralph Cohn, pres. of Columbia Pictures TV subsidiary Screen Gems, who said his company had turned out 600-750 filmed TV programs since 1951, but has withheld its old features from TV because of legal and union problems—in addition to the possibility that their value may be enhanced later if FCC authorizes fee TV.

Dormant subscription-TV argument warmed up slightly this week, with these developments: (1) NARTB pres. Harold E. Fellows insisted board spoke for all telecasters when it resolved against toll TV; this was in answer to Zenith's charges network representatives on board "coerced" other members. Fellows stated: "I doubt if the members of this Assn. ever will endorse a system of broadcasting which requires the audience to buy its entertainment, its news and its educational product and its advertising on a subscription basis." (2) In debate before N.Y. IRE Nov. 2, Skiatron engineers Wm. J. Shanahan & J. H. Laub termed "ridiculous" Jerrold's claims that wired pay-TV would be cheaper than telecast system and that scrambled systems can be broken and bootlegged. Jerrold's Donald Kirk Jr. again challenged pay-TV proponents to a test of coded signals' inviolability. (3) An early toll-TV adherent, comedian Jackie Gleason, reiterated his belief in pay concept, said it would bring vaudeville back to movie house—but didn't say how.

Sale of off-air WLBR-TV, Lebanon, Pa. (Ch. 15) to Walter Annenberg's Triangle Publications Inc., publisher of *Philadelphia Inquirer* (WFIL-TV & WFIL), was approved this week—FCC overriding objections of WHUM-TV, Reading (Ch. 61) and Harrisburg's 3 uhf outlets (Vol. 11:38). Annenberg plans to get WLBR-TV on air in 45 days. Sellers are radio WLBR (52%) and *Lebanon News* (36%) which get \$115,000, purchaser also assuming \$125,000 in obligations (Vol. 11:27). Earlier this year, Triangle bought WBNF-TV, Binghamton (Ch. 12) with WBNF for \$2,700,000 (Vol. 11:11, 19), now is applicant for Ch. 18 satellite in Elmira. It's also buying Altoona's WFBG-TV (Ch. 10) with WFBG for \$3,500,000 (Vol. 11:32, 39).

A mouse threw Milwaukee's WISN-TV off air for 24 hours when it crawled into transmitter, causing short-circuit. Station says it received over 30,000 phone calls. Highest incidence of calls occurred during and after 8 p.m. *Boxing from St. Nick's* program; second highest was for 5 p.m. *Mickey Mouse Club*.

Phenomenon of the times: Walter Annenberg's *TV Guide* leads all Audit Bureau of Circulations newsstand sales for first half of 1955 with average per issue of 2,296,071; nearest runners-up were *Ladies Home Journal*, 1,625,160, and *Saturday Evening Post*, 1,456,720.

Attacking illegal boosters, particularly to offset FCC examiner J. D. Bond's initial decision in favor of them (Vol. 11:43), community antenna equipment makers Jerrold, Spencer-Kennedy and Entron have retained retired FCC Comr. George E. Sterling as consultant.

"Auto-Zoom" lens for vidicon cameras is offered by Perkin-Elmer Corp., Norwalk, Conn.

Available on Request

WE STILL HAVE on hand some extra prints of the following recent Supplements and other reference items, which can be supplied to our subscribers at no cost for single copies: *Television Set Count and Market Data by County and State*, brochure tabulating county-by-county figures on total families, TV homes, population & retail sales, as published Nov. 1 by Edward Petry & Co.; *Electromagnetic Spectrum and 1955 Frequency Allocations*, 15½ x 21½-in. colored wall chart published by *Tele-Tech* and distributed with the *Digest* of last July 2; "Real Role of the TV-Appliance Distributor," Supplement containing full text of notable Aug. 15 speech by Thomas F. Joyce, pres., Raymond Rosen & Co.; "TV Offers a New Renaissance," reprint of important speech in London Sept. 27 by Sylvester Weaver, NBC pres. (Vol. 11:43); and of course the ANA speech on "Television & Radio—Today and Tomorrow" by ABC pres. Robert Kintner, distributed with this issue. These are available free on request as long as the supply lasts—but please don't ask for more than one copy.

"The Microwave Picture—1955" titles special loose-leaf section of Nov. *Tele-Tech*, containing maps of routes of 116 long-haul systems (more than 50 mi. in length) and lists of companies operating both long and short-haul systems. The lists are divided into 3 main categories: Industrial & Commercial, Common Carrier, TV Broadcasting. There are 28 stations with individual microwave interconnections, it discloses. Supplement contains ads of Motorola, specialist in radio communications systems; it's available on request from Caldwell-Clements Inc., 480 Lexington Ave., N. Y., or we'll get one for you.

License renewals of NBC's WNBQ, Chicago, CBS's WBBM-TV, Chicago, and *Milwaukee Journal's* WTMJ-TV came up for scrutiny in FCC meeting Nov. 2—question being whether Commission should ask stations why they're solidly commercial 6-11 p.m.—but FCC voted regular renewals. Comr. Doerfer, who has shown high regard for FCC's old "Blue Book" on stations' public service responsibilities, is strong for making licensees toe the line. Comr. Hyde, on other hand, is all for dropping present 3-year license and granting licenses for indefinite period. Other members are ranged between, though Comr. Lee has been particularly outspoken about some commercial practices (Vol. 11:17).

Republican National Committee has disclosed that, though national elections are still year off, it has completed negotiations with the major TV-radio networks for \$2,000,000 worth of time for the 1956 campaign—with dates and hours for about 90% of the speeches (though not the speakers) actually reserved. Advance bookings, they reckon, will save them \$300,000 in pre-emption and talent-fee costs. Networks, it's revealed, have revised commercial contracts to allow for lapses in regular-sponsor contracts in order to make way for the political time. Democrats have not yet revealed all details of TV-radio plans.

ABC offered free time this week to any bona fide member of a major political party who wishes to announce his candidacy for President over TV & radio. Other networks presumably will make same offer.

NARTB's 1956 Convention Committee schedules first meeting Nov. 10 at Chicago's Conrad Hilton Hotel. Co-chairmen are Campbell Arnoux, WTAR-TV, Norfolk, and E. K. Hartenbower, KCMO-TV, Kansas City.

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Television Digest

NOV 14 1955 with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — November 12, 1955

DEINTERMIXTURE DENIED in official FCC 5-2 vote; overall rule-making starts with deadline Dec. 15; final vhf decisions coming soon (pp. 1, 6 & Special Report).

WESTINGHOUSE'S CHRIS WITTING heads vast consumer products operations, including TV-radio, appliance, lamp, tube divs.; Don McGannon new WBC pres. (p. 3).

EVERY MOVIE MAKER now involved in TV, as new developments unfold: NBC buys half-interest in movie firm; Columbia Pictures plans spectaculars (p. 4).

NEW STARTERS in Little Rock, Ark., Kirksville, Mo., Lethbridge, Alta. bring on-air total to 456 in U. S., 30 in Canada; 52 so far this year (pp. 5 & 16).

5-MILE RULE REJECTED by FCC; Ch. 13 granted in Twin Falls, Ida.; examiner reaffirms initial decision favoring Mountain City in Chattanooga (p. 5).

TV NEWS COVERAGE suppressed by many govt. officials, sometimes Congress, lone TV-radio spokesman tells House group probing alleged suppression (p. 6).

17-in. PRODUCTION DWINDLES TO 15% of industry output. Chicago color sales spurt foreseen. Battle of white goods titans moves to Capitol Hill (p. 11).

COIN-TV "SWINDLE" trial begins, as 2 plead guilty in alleged conspiracy connecting "American Institute of TV Manufacturers" to \$2,000,000 motel fraud (p. 13).

REPORT ON HAZELTINE tells why its stock declined some 20 points, is bullish on near-term future prospects of big patent & development firm (p. 15).

TWO STATION SALE DEALS announced this week—Honolulu's KULA-TV for \$600,000, Wichita Falls' KWFT-TV for \$800,000, including AM adjuncts (p. 7).

FARM TV SET CENSUS for Virginia, county-by-county, shows 32.8% penetration, while 27.6% of Georgia's farms are equipped with TV (p. 10).

ABC-TV's DRIVE toward real competitive status showing results in new-season program ratings (p. 9) and in peak Sept. billings reported by PIB (p. 16).

RULE-MAKING STARTS, DEINTERMIXTURE DENIED: FCC finally pried loose its allocations logjam -- acting as has been anticipated for some weeks (Vol. 11:43-45). Expressed in briefest terms, this is what Commission did: Denied deintermixture, approved one vhf drop-in and started study of whole allocations picture.

Commission turned down deintermixture not only in the 5 cases ready for decision -- Evansville, Hartford, Peoria, Madison, Albany-Schenectady -- but in all other pending cases. It also denied vhf drop-ins which would have required changes in basic standards -- mileage cuts, power-height drops, use of directionals, etc. It did not deny vhf drop-ins which comply with present standards. (For list of the 30 petitions denied, see p. 6.)

Most important immediate effect is to permit the Commission to make final vhf decisions in 14 cases, as fast as it can move, and to schedule oral arguments -- which clear the way for final decisions -- in 9 additional cases. First grants may come in 2-3 weeks. (For list of the 23 cities and channels involved, see p. 6.)

Several uhf operators are planning court appeals. Commission tried to write as carefully as possible, but there's no telling whether appeals will successfully block final decisions or prevent winners of decisions from building or going on air. Courts have been giving FCC rough time lately -- yet there's no way of determining whether they'll frown on this week's decision.

Commission put heavy pressure on industry, meanwhile, by giving it the extremely short deadline of Dec. 15 for filing all recommendations on how to improve the allocations-uhf situation; replies to Dec. 15 filings are due Jan. 6. More time will undoubtedly be sought, very possibly granted. (Full text of FCC notice of proposed rule-making is included herewith as Special Report. In addition, we have a supply of the Commission orders denying deintermixture petitions -- Public Notices 55-1125 and 55-1126 -- available on request.)

A significant aspect of decision, not anticipated, was that it was a 5-2 vote, with Comr. Webster changing his mind and joining majority in decisions denying

deintermixture in Evansville, Hartford, Peoria & Madison -- leaving only Comrs. Hyde & Bartley dissenting. However, Webster refused to go along with majority in dropping Ch. 10 into Vail Mills (Albany). Importance of 5-2 vote is that it leaves no doubt Commission can muster majority to act on final vhf decisions and grant CPs. Before Webster made switch, there was considerable doubt FCC could have mustered a quorum, many attorneys arguing that law would have prevented new Comr. Mack from voting on grants because he hadn't heard oral argument. That would have left only 3 commissioners ready to vote -- not a quorum.

* * * *

FCC's reasoning in its decision was simply this: Uhf-allocations problem is nationwide; deintermixture, if study of overall picture proves it to be wise policy, should not be undertaken on piecemeal basis; therefore, deintermixture should be evaluated along with other proposed panaceas in a single-package proceeding.

Key statement in the decision was: "In our opinion, if deintermixture, even on a partial basis, should finally be determined to be a useful method of resolving the overall problems, the particular communities for its application should not be selected merely because of the fortuitous circumstance of whether a vhf station has commenced operation in any particular community. Certainly there is nothing in the records before us which would lead us to conclude that the limited deintermixture here sought would provide any significant help in resolving the difficulties now confronting uhf broadcasters in other communities..."

"There is little, if any, reason to believe, for instance, that the reassignment of channels as requested in the instant petitions, and in the other pending petitions seeking similar relief, would significantly stimulate the conversion of vhf receivers, the increased sale of combination uhf-vhf receivers, the improvement of uhf transmitting and receiving equipment or the elimination of uhf and vhf equipment cost differentials."

To justify the Vail Mills vhf drop-in, Commission stated: "Refusing to make use of the valuable vhf frequency as contemplated by the present rules would, we believe, be a waste of valuable spectrum space for which active demand is indicated... We do not believe that we would be justified in withholding this service, which can be afforded under our present rules even though we are presently considering possible amendments to our allocations."

What is needed, Commission said, is a "thorough re-examination of the entire TV structure." Not that FCC thinks it has done too badly in expanding TV, however. As it stated in notice of rule-making, some of its objectives have been achieved. It said that more than 90% of population can get one station; some 75% can get 2. About 275 cities have at least one station; 112 have 2. But FCC did concede that "many of the smaller communities are without a first local outlet and the expansion of multiple, competing services in the larger economic and population centers of the country is lagging," and it agreed that uhf problems have been "significant factor."

* * * *

The new rule-making proceeding is wide open, quite general. The FCC invites everyone to come forward with every remedy he can devise. This includes those who have already submitted plans informally -- ABC, CBS, Crosley, individual lawyers and engineers, Uhf Industry Committee, etc. Incidentally, Commission's decision this week defended its right to receive informal plans and suggestions.

Commission asked those filing to stick to overall plans, not to submit solutions for single communities or limited areas. It requested that those proposing plans assigning channels to specific cities also submit full assignment plan for the cities in Zone I. It also stated that it would consider proposals suggesting the elimination of assignment plan altogether. Just this week, it received one such proposal -- filed by law firm of Scharfeld & Baron (see p. 6).

The usually mild-mannered Comr. Hyde wrote some of the strongest language he's ever used. His dissent said that majority action was "premature, ill-advised and wholly inconsistent." He continued:

"Until it has been shown that [nationwide service] can be achieved with the 12 present vhf channels (or that additional vhf channels are available with which to

achieve such result), I deem it imperative to preserve the uhf service. What the Commission has done today may deal a death blow to uhf TV service." He charged that denial of deintermixture petitions was "virtually bereft of specific findings to support the conclusions." He questioned wisdom of accepting informal plans and said that new rule-making proceeding is just a "semblance of due process." He went on:

"But the obvious reason for the sudden haste of the majority in taking the present action is to clear the decks for the immediate grant of vhf applications in a number of communities involved in the deintermixture cases, and in other communities in which deintermixture has been suggested and peremptorily turned down."

In speech at NARTB regional meeting in Des Moines earlier in week, Hyde made strong plea to save uhf: "Uhf is not dead. It is sick, and about that there is no question. But even though it is sick, it still remains as one of the basic foundations for the proper development of our TV industry." Furthermore, he said, many industry leaders say there's nothing fundamentally wrong with uhf -- and he pointed to RETMA's recent letter to FCC (Vol. 11:43) and GE's announcement of new ceramic tube showing promise of improving uhf receiver performance (Vol. 11:42).

Comr. Bartley's dissent was brief. He said that deintermixture cases should have been decided on individual merits, affording "stability and guidance for the TV service." He said uncertainty has been created, deterring applicants. Vail Mills "slug-in," he said, "will be the death knell of multiple uhf services in the area; consequently, less instead of more service to the public."

Comr. Webster said he changed his mind because he's satisfied that deintermixture proponents will have their say during general rule-making. But he couldn't buy the Vail Mills drop-in, he said, because it's "so obviously inconsistent with the general rule-making proceeding."

WITTING HEADS WESTINGHOUSE CONSUMER DIV.: Big Westinghouse Electric Corp. went to its highly successful subsidiary, Westinghouse Broadcasting Co., for a new executive to head up its vast consumer products operations -- pres. Gwilym A. Price announcing appointment of 40-year-old Chris J. Witting as gen. mgr. to succeed the affable and popular veteran John M. McKibben, who joins staff of the corporation's v.p.-gen. mgr. John K. Hodnette. Witting will be elected v.p. at upcoming board meeting.

Witting has already assumed his duties at Pittsburgh headquarters, succeeded as pres. of the TV-radio stations subsidiary by WBC v.p. Donald H. McGannon, who continues to report to WBC chairman and Westinghouse v.p. E.V. Huggins. Witting thus divorces himself entirely from the broadcasting operations.

These divisions now are in Witting's jurisdiction: Appliances (John Ashbaugh, v.p.-gen. mgr.) with plants at Mansfield, Columbus & Newark, O.; E. Springfield, Mass. Lamp (Fergus M. Sloane, gen. mgr.) with plants at Bloomfield, Belleville & Trenton, N.J.; Fairmont, W.Va.; Little Rock, Ark.; Owensboro & Richmond, Ky.; Reform, Ala.; Paris, Tex. TV-Radio (E.J. Kelly, gen. mgr.) with plant at Metuchen, N.J. Tubes (Richard T. Orth, v.p.-gen. mgr.) with plants at Elmira & Bath, N.Y.

Big distributor subsidiary Westinghouse Electric Supply Co., with 99 branches and headed by pres. Victor Kniss, also falls within Witting's purview -- but not the air conditioner div., with factory in Staunton, Va.

The new executive inherits an immediate problem in most of his plants -- the now 4-week-old strike of IUE-CIO & UE (independent) unions at 30 Westinghouse plants, including all in Witting's group except Elmira, Bath, Little Rock, Owensboro, Richmond, Reform, Paris. He must tackle that as his first big problem.

Don McGannon, 35, who came to WBC as Witting's aide last Jan., heads one of the few Westinghouse subsidiaries presenting no big headache to Pittsburgh headquarters; in fact, it claims to be biggest non-network entity in the broadcasting field from standpoint of gross business and profit, consisting of 4 TV, 5 radio stations. Like Witting, McGannon came to the Westinghouse subsidiary from DuMont Network. He's a graduate of Fordham '40, Fordham Law '47, had 5 years of Army service, 2 overseas.

Witting took over WBC in Jan. 1954, resigning as managing director of DuMont Network which he had joined in 1947. Since then, he has engineered the Westinghouse \$9,750,000 purchase of KDKA-TV, Pittsburgh (Ch. 2) and \$6,000,000 purchase of KPIX,

San Francisco (Ch. 5). He's a CPA, ex-Price Waterhouse, attended New York U, got law degree in night school, during war handled business affairs of USO Camp Shows, did 1½-year hitch in Maritime Service. Highly successful in every post he has occupied, it's assumed he's being groomed for even bigger things at Westinghouse.

Some years ago, another broadcasting executive was impressed into appliance field--WLW's James D. Shouse, named Avco v.p. detailed to Crosley's TV-radio-appliance operations; he recently returned to chairmanship of Crosley Broadcasting Corp.

MOVIES & TV--PARTNERSHIP NOW COMPLETE: It took 10 years to seal the contract, but the movie and TV industries, after a lot of foolish feuding, now fully realize that they're going to be partners for life -- and like it.

Every movie company -- major and minor -- now has a stake in TV. Conversely, TV networks, syndicators and others in the industry have begun to take an active interest in the theatrical motion picture art.

Highly significant new move is NBC's entry into movie production business. Though deal is still shrouded in secrecy, network has acquired 50% of an independent movie company of high standing -- ace producer-director-writer Joseph Mankiewicz's Figaro Holding Co., which last year turned out the profitable "Barefoot Contessa."

NBC will finance future Mankiewicz theatrical film production, it is understood -- and the pact has all sorts of implications with regard to use of Mankiewicz story properties and his services for live and filmed network productions.

Just as TV keeps hankering after good feature movies, it's now standard procedure for movie producers to monitor all original dramas on TV, snatching up film rights to every one that shows promise. In the last few months a new variation has emerged--movie companies buying rights to top TV plays before their video exposure. Independent producers are even planning to use TV as "tryout" for movie story material. It beats the "sneak preview" idea, since the test can be made before a single foot of movie film is exposed.

* * * *

Hollywood's production lines are humming with their greatest prosperity ever -- thanks to TV, which now employs more film personnel than movies. Every one of the major studios has now come around to heavy TV activity, with increases planned.

Year's most sensational movie-TV story, of course, was sale of RKO Pictures to General Teleradio for \$25,000,000 (Vol. 11:30) -- which put RKO in TV business and GT in movie production-distribution. GT's 6 TV stations will start showing features from RKO's 700-film backlog early next year. A score of other stations have been approached with RKO picture package in recent weeks, and the new features can be expected to start flowing through the industry shortly after Jan. 1.

Columbia Pictures, always active in TV through its Screen Gems subsidiary, will soon embark on TV production under its own name. It is currently negotiating with networks on plan to make special 90-min. TV features, is also offering them 2 high-budget features -- "The 5000 Fingers of Dr. T" (a theatrical flop of several years ago) and "The Prisoners," British-made film starring Alec Guinness and never released to theatres in this country.

Universal-International, which got its fingers burned when it went into TV early in the game through its United World Films subsidiary, is now back in the fold producing commercials. Its schedule for this month comprises 69 commercials, a new record (see p. 9). U-I plans wholehearted debut into TV program production soon.

Of the other majors, MGM, 20th Century-Fox and Warner Bros. produce their own byline shows for the networks, with 20th Century's TCF Productions also making half-hour TV film series. Paramount is in TV through its ownership of Los Angeles' KTLA and part ownership of DuMont Broadcasting as well as 50% partnership in York Productions which turns out NBC's Colgate Variety Hour (live). Republic makes more money from TV than movies, has released most of its old features to TV, has own TV film distributing subsidiary, and owns huge film processing labs, doing mostly TV work.

* * * *

TV has been called an offspring of radio and movies. Astute radio station owners early saw it as their rightful heritage and moved into it. Movie producers

and distributors see it too -- now that the telecasting business is grossing about \$1 billion a year. One segment of the movie industry has never realized it -- the large fraternity of theatre owners who have been left out in the cold. With only a couple of dozen exceptions, the exhibitors scorned the opportunity to become TV station impressarios when it was presented to them on a silver platter.

In our first issue 10 years ago, we pointed up the interrelationship of the movies, radio & TV in this widely quoted editorial declaration, which we believe is as applicable today as when we first printed it Sept. 1, 1945:

"What David Wark Griffith once referred to as 'the wedding of the whispers and the shadows' -- radio and the movies -- has now been consummated in a prideful progeny: Television. He is a lusty youngster, now in the stage of growing pains but bursting with health and energy. What he will show to his parents -- what he will accomplish in the realms of broadcasting, motion pictures, advertising, merchandising -- we'll soon see. That his parents must perforce keep up with him; that the radio companies, big and little, are aware of the fact; that major movie firms like Paramount, MGM, 20th Century-Fox, are eyeing him cautiously if not benevolently -- is evident. They all know they cannot afford to become fat and smug and complacent in the new world of entertainment, education and trade which he will command."

456 STATIONS NOW ON AIR, 30 IN CANADA: Another small-market station takes to the air commercially this week -- KTVO, Kirksville, Mo. (Ch. 3) which on Nov. 13 becomes CBS extended market plan affiliate. Town's population is only 11,110, and nearby Ottumwa, Ia. only 33,631, but it's in rich farm belt with nearest other outlet 65 mi. away. Also starting test patterns Nov. 14 is new KTHV, Little Rock, Ark. (Ch. 11), area's third outlet. And CJLH-TV, Lethbridge, Ont. (Ch. 7) opens Nov. 13.

These bring total on-air stations in U.S. to 456 (107 uhf), in Canada to 30 (22 privately owned). So far this year, there have been 52 U.S. starters and about a dozen more are due before next Jan. 1. Nineteen quit the air in 1955 to date, all save 2 being uhf; the 2 were mergers of vhf time-sharers in Minneapolis-St. Paul and Monterey-Salinas, Cal. [For details about this week's new starters, see p. 16.]

ANOTHER UHF HOPE, along with deintermixture, was dashed this week when FCC rejected proposed "5-mile rule." This would have required stations to put transmitters within 5-mi. of city to be served, unless they gave good reasons for waiver of rule. Such a rule, Commission said (Comr. Lee dissenting), "is neither desirable nor practicable, and could defeat the objectives of the assignment table by preventing the most efficient use of TV channels." UHF operators were hoping rule would be adopted and keep vhf stations out of their backyards.

Uhf operators are still hoping that FCC won't put into effect its newly adopted rule, several times postponed, to permit Zone I vhf stations to go to 1250-ft. This week, Frank Lyman Jr., pres. of WTAO-TV, Cambridge-Boston (Ch. 56) wrote FCC Chairman McConnaughey, stating: "Has the FCC become dedicated to increasing the monopoly position now held in the hands of a few vhf stations? The proposed Zone I increase solidifies their monopolistic position; it increases the already fantastic economic base of these high-tower, high-power vhf stations."

* * * *

FCC granted one CP, meanwhile—Ch. 13, Twin Falls, Ida. to Magic Valley TV Corp., owned by principals of KIDO-TV, Boise—Commission being satisfied with applicant's response to McFarland Letter questioning plans for programming (Vol. 11:42).

Mountain City TV Inc. was again favored for grant of Chattanooga's Ch. 3, over WDOE, when examiner J. D. Bond issued supplemental initial decision. Record had been reopened to receive testimony showing that 50%

owner Ramon G. Patterson now owns 20% of radio WAPO, instead of 100%, and that he and Mrs. Patterson will be able to devote fulltime to TV station.

FCC received sharp reply from *Omaha World-Herald* this week to charges by Nebraska Democratic State Central Committee and Omaha's Teamsters' Union (AFL) attempting to block grant of Ch. 7 to Herald Corp. (Vol. 11:45). Newspaper says that time to intervene expired long ago; that charges it suppresses news "are made recklessly, without any facts to support them, are completely false, and in the few cases where facts are asserted, it is apparent they have been made inaccurately, carelessly and in a distorted manner."

FCC took following additional actions: (1) Set Jan. 2 for start of hearing between WSYR-TV, Syracuse and WFIL-TV, Philadelphia for satellite Ch. 18 station in Elmira, N. Y. (2) Granted CP-holder WNBE-TV, New Bern, N. C. (Ch. 13) more time to build, dismissing petition of Norfolk's Commonwealth Bestg. Corp. which asked that CP be cancelled. (3) Told WSTV-TV, Steubenville, O., that hearing appears necessary on its application to buy CP for WBLK-TV & WBLK, Clarksburg, W. Va. and WPAR, Parkersburg. (4) Held up sale of Edward Lamb's WTOP, Toledo to Booth stations pending action on renewal of Lamb's license for WICU, Erie.

Opposition to theatre-TV World Series came this week from the second of the 2 national theatre owners' associations. Allied States Assn. of Motion Picture Exhibitors, which claims to represent 60% of nation's exhibitors, voted to oppose any plan to put Series on theatre TV. Several weeks ago, Theatre Owners of America took similar stand (Vol. 11:43).

DEINTERMIXTURE petitions of all kinds are piecemeal approaches to basic allocations problem, FCC stated in denying all those pending along with the "Big 5"—Evansville, Peoria, Madison, Hartford & Albany-Schenectady (p. 1). In addition, it said, petitions suggesting other departures from present standards shouldn't be considered on an individual basis. Therefore, it issued blanket order denying all. Listed below are those denied; if any petition for channel changes is not included, it's presumably still "alive" and susceptible to approval as was drop-in of Ch. 10 in Vail Mills (Albany)—which fulfilled all mileage requirements of existing standards. Following is the list of denials, tabulated by FCC according to date of filing:

- Louisville, Ky.—Mid-America Bcstg. Co. Assign Ch. 7, 9 & 13 to Louisville.
- Atlantic City, N. J.—Neptune Bcstg. Corp. Assign Ch. 8 to Atlantic City.
- Corpus Christi, Tex.—Coastal Bend TV Co. Delete Ch. 6 & 10 and assign Ch. 56 & 65 to Corpus Christi.
- Hutchinson, Kan.—Stanley H. Durwood. Assign Ch. 8 to Hutchinson and delete from Manhattan, Kan. & Woodward, Okla.
- New Orleans, La.—Supreme Bcstg. Co. Assign Ch. 2 to New Orleans and substitute Ch. 61 for Ch. 2 at Baton Rouge.
- Springfield, Ill.—Plains TV Corp. Shift educational reservation from Ch. 22 to Ch. 2 at Springfield or assign Ch. 2 to St. Louis and substitute Ch. 41.
- Raleigh, N. C.—Sir Walter TV Co. Shift educational reservation from Ch. 40 to Ch. 11 in Durham and from Ch. 22 to Ch. 5 in Raleigh.
- Fresno, Cal.—O'Neill Bcstg. Co. Shift educational reservation from Ch. 18 to Ch. 12 in Fresno.
- Jacksonville, Fla.—Jacksonville Journal Co. Shift educational reservation from Ch. 7 to Ch. 36.
- Sacramento, Cal.—Capital City Corp. Shift educational reservation from Ch. 6 to Ch. 40 or delete Ch. 3 & 7 from Sacramento.
- Anderson, S. C.—Wilton E. Hall. Delete Ch. 7 from Spartanburg and reassign to other cities.
- Miami-Ft. Lauderdale, Fla.—Storer Bcstg. Co. & Gerico Investment Co. Delete Ch. 7 & 10 from Miami.
- Newport News, Va.—Eastern Bcstg. Corp. Shift educational reservation from Ch. 21 to Ch. 10 at Norfolk-Portsmouth-Newport News.
- Toledo, O.—Woodward Bcstg. Co. Delete Ch. 11 at Toledo and assign to Detroit and reserve Ch. 13 for education.
- Canton, O.—Brush Moore Newspapers Inc. Assign Ch. 12 to Canton.
- Bakersfield, Cal.—Bakersfield Bcstg. Co. Assign Ch. 12 to Bakersfield and delete from Fresno.
- Bridgeport, Conn.—Southern Conn. & L. I. TV Co. Assign Ch. 6 to Bridgeport.
- Decatur, Ill.—Prairie TV Co. Delete Ch. 2 from Springfield.
- Santa Barbara, Cal.—James Monroe & Wm. E. Sullivan. Assign Ch. 2 to Santa Barbara.
- Jacksonville, Fla.—Southern Radio & Equipment Co. Reserve Ch. 12 for education in Jacksonville and assign Ch. 7 to Savannah, Ga.
- Jacksonville, Fla.—Duval County Board of Public Instruction. Shift educational reservation from Ch. 7 to Ch. 36.
- Leesburg, Fla.—WLBE Inc. Delete Ch. 7 from Jacksonville and assign it as commercial channel in Leesburg.

TV NEWS COVERAGE is suppressed and discriminated against by many govt. officials, and at times by Congress itself, according to TV-radio's sole spokesman at this week's much-publicized House subcommittee hearings probing alleged suppression and censorship of govt. news. Industry witness was Ted Koop, CBS Washington director of news & public affairs and ex-deputy director of war-time Office of Censorship, testifying along with number of newspaper executives before a subcommittee which banned TV coverage but permitted other media.

Koop singled out Secy. of State Dulles and Defense Secy. Wilson as examples of cooperation with TV, but said that many other govt. officials refuse or fail to recognize it; that it's difficult to understand why officials will talk freely for press, and sometimes radio, but clam up for TV. He said: "The biggest setback to radio and TV news coverage of the Federal Govt. this last year has come from the House of Representatives itself," and pointedly cited Speaker Rayburn's enforcement of old rule that only "pencil and paper reporters" can get into hearings.

Koop recalled old proverb, "Physician, heal thyself." That brought retort from Rep. Hoffman (R-Mich.): "We belong to a different segment"—obviously meaning he felt

- Philadelphia—Herbert Mayer d/b as Ajax Enterprises. Delete vhf channels in Philadelphia.
- Pensacola & Lake Charles, Fla.—Charles W. Lamar Jr. & KTAG-TV Inc. Delete Ch. 4 from Beaumont-Port Arthur, Tex. and New Orleans, La.
- Valdosta, Ga.—WGOV-TV Inc. Assign Ch. 8 to Valdosta.
- Jesup, Ga.—W. Glenn Thomas Sr. Assign Ch. 8 to Brunswick, Ga. and delete Ch. 7 from Jacksonville, Fla.
- Knoxville, Tenn.—South Central Bcstg. Corp. Delete Ch. 7 from Spartanburg, S. C. and assign to Knoxville and Columbia, S. C.
- Asheville, N. C.—WISE-TV Inc. Assign Ch. 2 to Asheville.
- Erie, Pa.—Great Lakes TV Co. Assign Ch. 6 to Erie.

Final vhf decisions should start issuing from FCC, starting within 2-3 weeks, now that deintermixture petitions have been turned down. Following is the complete list of cases which are "mature" and await only final Commission decision: Bristol, Va.-Tenn., Ch. 5; Corpus Christi, Ch. 10; Evansville, Ind., Ch. 7; Fresno, Ch. 12; Knoxville, Ch. 10; Madison, Ch. 3; Miami, Ch. 7 & 10; Norfolk-Portsmouth, Ch. 10; Omaha, Ch. 7; Peoria, Ch. 8; Richmond, Ch. 12; Seattle, Ch. 7; Springfield, Ill., Ch. 2. In addition, it's expected FCC will move rapidly to schedule oral argument, which is last procedural step before final decision, in following cases: Charlotte, N. C., Ch. 9; Hartford, Ch. 3; Indianapolis, Ch. 13; Jacksonville, Ch. 12; New Orleans, Ch. 4; Orlando, Ch. 9; Paducah, Ky., Ch. 6; Raleigh, Ch. 5; San Antonio, Ch. 12. Only one competitive uhf case awaits final decision—for Canton, O., Ch. 29. [For principals in all foregoing cases, see *TV Factbook No. 21* (blue section) with weekly Addenda thereto.]

Allocations plan has served its purpose and is now nothing but a clumsy device slowing TV's expansion, in opinion of Scharfeld & Baron, Washington law firm which this week submitted a proposal to FCC that allocations plan be discarded. Long opposed to any allocations plan, Scharfeld & Baron urged Commission to rid itself of the "planned economy" inherent in fixed assignment table. They suggest no change in technical standards but ask that prospective applicants seek stations wherever they can fit them technically. They concede allocation plan may have had justification when adopted in 1952—to speed grants and hold channels for smaller cities and educators. Now, they say, govt. shackles can be taken off and free-enterprise forces can be permitted to rule. They see TV expansion speeded—with one applicant stimulating applications by others who wouldn't want to lose chance of getting channel—duplicating AM experience. Same forces would stimulate educators, too, they stated.

Congress fell into a different category from other govt. agencies when it came to TV.

Koop proposed that govt. officials adopt the policy of releasing all news possible rather than "How little of this can I give out?" Subcommittee members are Chairman Moss (D-Cal.), Rep. Fascell (D-Fla.), Rep. Hoffman.

Subscription TV opponents aren't dismissing subject as dead by any means, though it's obviously dormant. This week, CBS v.p. Richard S. Salant told Minneapolis Ad Club that toll TV would have a depressing effect on nation's economy by limiting usefulness of TV as an advertising medium. "Since TV is so important and so useful as an advertising medium," he said, "the country's economic interests are less well served if advertisers are forced from a most efficient medium to less efficient media." At NARTB regional meeting in Des Moines, board member W. D. (Dub) Rogers, KDUB-TV, Lubbock, Tex., delivered a free-wheeling blast, calling pay-TV a "parasitic growth [which would] drain the life juices out of the roots of telecasting." He reported results of survey conducted for him in Lubbock by Texas Tech: 60% of interviewees had never heard of pay-TV and 81% were against it.

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Full Text of FCC's

Proposed Rule-Making on VHF-UHF Channel Allocations

Public Notice 55-1124 Inviting Suggestions for Changes in Sixth Report and Order

Issued Nov. 10, 1955 in Conjunction with Orders (Notices 55-1125 & 55-1126)
Denying All Pending UHF Deintermixture Petitions

Comments Due by Dec. 15, 1955; Reply Comments Due by Jan. 6, 1956 (see *Television Digest*, Vol. 11:46)

In the Matter of
Amendment of Part 3 of the
Commission's Rules and Regula-
tions Governing Television
Broadcast Stations } Docket No. 11532

NOTICE OF PROPOSED RULE MAKING

1. The Commission's present television assignment plan, promulgated in its Sixth Report and Order in 1952, was designed to lay the foundation for the development of a nationwide competitive television system which would meet a series of stated objectives. These objectives may be briefly summarized as follows:

- (a) At least one service to all areas.
- (b) At least one station in the largest possible number of communities.
- (c) Multiple services in as many communities as possible to provide program choice and to facilitate competition.

2. To some extent these objectives have been realized. Over 90% of the population can receive a degree of service from at least one television station. Approximately 75% can receive a degree of service from two or more stations. Almost 275 communities have at least one, and 112 of these have two or more, local television facilities in operation. Over 430 stations are now on the air, and the number of television sets in the hands of the public has increased to 35 million.

3. But despite this tremendous growth, it is evident from recent experience that a nationwide competitive television service has not been realized to the extent contemplated at the time the Commission issued its Sixth Report and Order. Many of the smaller communities are without a first local outlet and the expansion of multiple, competing services in the larger economic and population centers of the country is lagging. Difficulties encountered in achieving successful operation of stations in the UHF band have been a significant factor leading to this situation.

4. The familiar difficulties presently facing television broadcasters raise questions with respect to basic elements of the standards and principles established by the Commission in the Sixth Report and Order. And while these difficulties have varying impact on individual broadcasters and communities, they are manifestly nationwide in scope and may have far-reaching implications for the future of the television system as a whole. The Commission is therefore convinced that any approach to their solution must take cognizance of the overall, national scope of the problem.

5. The Commission recognizes that some of the present hindrances to the further expansion of television service in many communities are due to causes which lie beyond its control. To an appreciable extent these problems are basically economic and arise out of the limits beyond which it is not possible, at the present stage of the development of the television art, to obtain sufficient economic support to meet the high costs of construction, programming and operation of television stations. On other aspects of the problem, relating for example to the improvement of transmitting and receiving equipment, the industry itself can make valuable contributions. At the same time, the Commission wishes to insure that to the extent that any of the present difficulties may be alleviated by possible revision of the present allocation system, such possibilities will be fully explored.

6. The Commission has received a number of proposals from interested segments of the industry, which although they envisage fundamental departures from the present system adopted in the Sixth Report and Order and approach the problem on a nationwide basis, do not challenge the Commission's basic objectives. Some of the techniques suggested for alleviating the difficulties involve the use of additional VHF frequencies; the reduction of minimum separations to make additional VHF channel assignments possible, using either the present 12 VHF channels or new VHF channels, or both; deintermixture on a basis consistent with a nationwide solution; and other techniques. A number of the proposals include suggestions for modifications of the present standards which would permit the use of directional antennas, cross polarization, new limits on antenna heights and maximum powers for new channel assignments, and others; and some proposals contemplate combinations of the foregoing techniques. Some of the proposals envisage a revised nationwide table of fixed assignments; others look toward the adoption of new standards which would govern the addition of specific channel assignments on the basis of individual applications. In addition to these plans which have already been advanced, the Commission understands that a number of studies have been initiated by other groups in the industry.

7. In these circumstances, the Commission believes that the public interest would be served by the institution of a general rule making proceeding to consider possible overall solutions to the problem on a broad, nationwide basis. All interested parties, including those who have informally tendered proposals to the Commission, will have the opportunity of submitting their suggestions in this proceeding. This proceeding will, we believe, facilitate an orderly review of the proposals and will afford the Com-

mission a sound basis on which it may compare the advantages and disadvantages of the proposals, both among themselves and with respect to the present plan, and evaluate them in terms of the opportunities they may provide for fuller realization of a nationwide competitive television system.

8. As noted, there is considerable diversity among the various approaches that have been suggested. The multiplicity of the possible alternative plans suggests the desirability of establishing a basis on which it will be possible for the Commission to make a full and fair evaluation of the different proposals. This would be facilitated if those parties submitting proposals included data and comments relating to:

- (a) The nature and the extent of departures, if any, from the present standards as adopted in the Sixth Report and Order with respect to:
 - (1) Minimum separations.
 - (2) Minimum and maximum limitations on powers and antenna heights.
 - (3) Use of directional antennas.
 - (4) Cross polarization.
 - (5) Any other deviations from present standards.
- (b) The effect of the proposed revision on the assignments occupied by existing stations.
- (c) The extent to which the plan submitted provides for the future expansion of television service.
- (d) The impact of the plan on the problem of receiver incompatibility.
- (e) The effect of the plan on the educational reservations.

It would also be helpful to the Commission if parties submitting proposals which envisage a revised table of fixed channel assignments, would include an assignment

plan for Zone I indicating the specific assignments in each city. The Commission will also consider proposals which envisage revised standards for the addition of channel assignments on the basis of individual applications, rather than by incorporating new assignments in a revised fixed Table of Assignments.

9. In this initial stage, the Commission believes it would not be desirable to consider proposals whose scope is limited to action affecting only individual communities or a limited area. Premature involvement with questions relating exclusively to individual city assignments or to limited areas, without reference to a nationwide system, would unduly impede our progress in determining the basic course which it would be desirable to follow in considering possible revisions to the nationwide television allocation plan. At a later date, when the Commission has determined the general nature of any revisions to the present allocation scheme which it would be desirable to adopt, it will then be in a better position to consider comments relating to specific channel assignments proposed for individual communities.

10. All interested parties are invited to file written comments in accordance with this Notice. In light of the many considerations which favor minimizing delay, the Commission has decided to require the filing of comments no later than December 15, 1955, and the filing of reply comments by January 6, 1956. An original and 14 copies of comments should be filed.

11. Authority for the institution of this proceeding is contained in Sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h) and (r), and 307 (b) of the Communications Act of 1934, as amended, and Section 4 of the administrative Procedure Act.

FEDERAL COMMUNICATIONS COMMISSION

MARY JANE MORRIS,
Secretary.

Adopted: November 10, 1955

Personal Notes: Wm. Dozier resigns as director of CBS-TV network programs, Hollywood, to become production v.p. of General Teleradio's RKO-Radio Pictures under pres. Daniel T. O'Shea, also ex-CBS; Dozier served at RKO in 1944-46 as exec. asst. to the late Charles Koerner, then production v.p. . . . Al Di Giovanni, ex-CBS-TV Spot Sales, joins NBC-TV as sales development mgr. for *Today*, *Home & Tonight*, reporting to Robert McFayden, network director of sales development . . . Norman (Pete) Cash, Television Bureau of Advertising's director of station relations, elected v.p., Virginia Hensler asst. secy.-treas., at Chicago board meeting Nov. 10 . . . Kevin Sweeney has signed new 5-year contract to remain as pres. of Radio Advertising Bureau . . . Franklin A. Tooke, ex-gen. mgr. of Westinghouse's radio KYW, Philadelphia, on Nov. 14 becomes gen. mgr. of its WBZ-TV, Boston, succeeding W. C. Swartley, now v.p. in charge of all Boston operations . . . Alfred E. Towne, recently resigned chief engineer of KPIX, San Francisco, has formed A. E. Towne Assoc., TV-radio consulting engineers, with offices in NBC Bldg., 420 Taylor St., San Francisco (phone Prospect 5-3100) . . . Wm. Seaman promoted to operations mgr., WABD, N. Y., replacing Al Hollander, resigned . . . James A. Gates, ex-TPA & Ziv, named merchandising director of Yankee Network, Boston . . . Al Constant, gen. mgr. of KBAK-TV, Bakersfield, Cal., elected v.p. & director . . . Robert A. O'Connor, ex-MBS, joins CBS-TV engineering dept.'s radio frequency div. . . . Louis Kemper promoted to production supervisor, KMBC-TV, Kansas City . . . Everett Jarrett named Screen Gems' central div. mgr., Cleveland . . . Maurice Gresham, ex-KCOP, Los Angeles, appointed gen. sales mgr., McCadden Productions, Hollywood . . . Stanton D. Bennett, chief engineer, KOVR, Stockton, Cal., has resigned to become asst. director, Linfield Research Institute, McMinnville, Ore. . . . Leonard H. Goldenson, AB-PT chairman, re-elected chairman of board, United Cerebral Palsy Inc., which he helped found . . . Charles Moos, NBC mgr. of labor relations, named mgr. of talent & contract operations.

* * * *

ADVERTISING AGENCIES: John C. Legler, recently adv. director of Electronics Corp. of America, Cambridge, Mass., ex-v.p. of old Cecil & Presbrey Inc., becomes v.p. of St. Georges & Keyes Inc., N. Y. and supervisor of H. K. Porter Co. account . . . Robert Murray Haig, ex-v.p. & TV copy director of J. Walter Thompson, joins Kudner as supervisor of TV copy . . . Vic Maitland, ex-Walker & Downing, Pittsburgh, handling Duquesne beer account, recently with Duquesne as adv. mgr., is forming own agency and will handle the account . . . Thomas A. Wright Jr., ex-NBC, joins Leo Burnett as group supervisor, media dept.

Television Bureau of Advertising (TvB), at first annual meeting in Chicago Nov. 11, elected these new directors: H. Preston (Pete) Peters, Free & Peters, replacing George Brett, Katz Agency; Robert Lemon, WTTV, Bloomington, Ind.; Gordon Gray, WOR-TV, N. Y.; Robert Tinker, KVTU, Sioux City, Ia.; Otto Brandt, KING-TV, Seattle. All other directors were re-elected, except Clair McCollough, WGAL-TV, Lancaster, resigned.

Carlos Lazo, 40, Mexico's Secretary of Communications and noted architect who designed and directed the building of Mexico City's great University City, was killed Nov. 5 with his son and 5 others in Communications Dept. airplane which crashed shortly after takeoff from Mexico City. He is survived by wife and 4 children.

Wm. Howard Vilas, 52, director of commercial film production, J. M. Mathes Inc., previously with Gold Medal and Pillsbury in Minneapolis, died Nov. 5 in Norwalk, Conn. Surviving are his wife & daughter.

Wichita Falls' KWFT-TV (Ch. 6), with radio KWFT (5-kw, 620 kc, CBS), has been sold by the controlling Rowley theatre chain family (E. H. Rowley, pres.) and one-third owner Kenyon Brown for slightly in excess of \$800,000—with a proviso whereby Brown repurchases the radio station for about \$100,000. Purchaser of the CBS-TV affiliate is Grayson Enterprises, operating radio KSYD, Wichita Falls (10-kw D, 1-kw N, 990 kc, ABC), headed by Sydney Grayson, which formerly was called KFDX and was purchased from old owner Darrold A. Cannan. Cannan now operates KFDX-TV, Wichita Falls (Ch. 3), affiliated with NBC & ABC but now without any AM affiliation. The Rowleys thus get out of TV field, which they entered in 1953 as partners with Brown, who also owns part-interest in radios KBYE, Oklahoma City, and KGLC, Miami, Okla. Brown recently also sold his interest in the old share-time KMBY-TV, Monterey, Cal.; last week purchased radio KANS, Wichita, Kan. (5-kw D, 1-kw N, 1480 kc, NBC) in association with Frank Lynch for \$225,000 from O. L. Taylor (Vol. 11:45); is one of group proposing to buy KFEQ-TV, St. Joseph, Mo. (Ch. 2) with KFEQ (5-kw, 860 kc, MBS) from Barton Pitts for \$550,000 plus assumption of about \$235,000 in liabilities—holding 25% interest in association with Bing Crosby, 25%; George Coleman, 25%; John E. Fetzer, WKZO-TV, Kalamazoo, 12½%; Paul O'Bryan, Washington attorney, 12½% (Vol. 11:34).

Honolulu's KULA-TV (Ch. 4) with KULA (10-kw, 690 kc, ABC) has been purchased for \$600,000, payable \$150,000 cash and remainder over 5 years, in deal closed this week with Television Corp. of America, co-equally owned by gen. mgr. Jack Burnett; Albert Zugsmith, TV-radio station broker; Arthur B. Hogan, pres. of Albert Zugsmith Corp., Los Angeles; Richard C. Simonton, wired music operator of Los Angeles & Las Vegas. Hogan and Simonton also were principals in recently approved \$417,500 purchase of radio KRKD, Los Angeles (Vol. 11:35, 45) by Continental Telecasting Corp., newly formed for purpose of acquiring TV-radio properties. Sellers of the Honolulu stations include American Broadcasting Stations Inc., owning 41% (licensee of WMT-TV & WMT, Cedar Rapids, Ia. and Dolph-Petty Bestg. Co., 42.5%. Among principals in the selling entities are Helen S. Mark, Herbert L. Petty, Wm. B. Dolph, Wm. B. Quarton. Note: Frank Oxarart, of KFWB, Hollywood, with John D. Feldman Jr., applied to FCC this week to buy KDON, Salinas, Cal. (5-kw, 1460 kc) for \$115,000 from Charles B. Grant; Oxarart recently became 26% owner of radio KRKD in association with Zugsmith group, earlier had acquired 20% of Tucson's KVOA-TV & KVOA (Vol. 11:27).

Radio station sales, involving TV principals, approved by FCC this week: (1) KXL, Portland, Ore., sold for \$450,000 by group headed by E. B. Craney (pres.-gen. mgr. of KXLF-TV, Butte) to Lester M. Smith & Lincoln Dellar, owners of KJR, Seattle (Vol. 11:41)—Smith & Dellar also getting approval to acquire KHMO, Hannibal, Mo. for \$40,000. (2) WSGN & WSGN-FM, Birmingham, by John S. Jemison Jr. group to owners of WTOV-TV, Winston-Salem, for \$123,250 after 5 years of operation under lease (Vol. 11:42). (3) KVNI, Coeur d'Alene, Ida., for \$85,000 by Scripps Newspapers and Burl C. Hagadone to Alan Pollock, who also owns 5% of KBET-TV, Sacramento (Vol. 11:41). (4) Transfer of 40% of WABR, Winter Park, Fla., which holds CP for WEAL-TV, Orlando (Ch. 18), by Carmen (Jim) Macri to R. H. Gunckel Jr. & James H. Sawyer, who increase holdings to 60% & 40%, respectively. Macri, who gets \$29,000 for stock, recently became majority owner of Jacksonville's WOBS and Ch. 30 grantee WOBS-TV (Vol. 11:31).

Britain's famed Ealing Studios, one of few not yet devoted to TV film production, has been purchased by BBC.

Station Accounts: Toy industry, anticipating biggest Xmas season in its history, with average family expected to spend \$28 on toys, to step up pace of TV advertising substantially, independently and through Toy Guidance Council, 1124 Broadway, N. Y. (Friend-Reiss Adv., N. Y.); Opinion Research Corp. recently reported that most toys are bought for 2-6 age group, who are most susceptible to TV ads . . . Drewrys Ltd. (beer) to sponsor TPA's *Susie* in 13 midwestern markets starting Jan. 23, replacing *Eddie Cantor Comedy Theatre*, and will build merchandising program around cartoon character "Susie," thru MacFarland, Aveyard & Co., Chicago; starring Ann Sothorn, *Susie* is new title of current CBS-TV series, *Private Secretary* . . . Bowling bonanza: Prizes of \$25,000 in cash and merchandise, including grand award of new car and house full of furniture, are offered in multi-sponsored, highly-popular *Let's Go Bowling* on WISN-TV, Milwaukee, Sun. 1-2 p.m. . . . Wilson & Co. (meat packing) buys Guild Films' *I Spy* in 10 markets, thru Needham, Louis & Brorby, Chicago; it's now sold in 42 markets . . . Quaker City Chocolate & Confectionery Co., Philadelphia, to sponsor *Ramar of the Jungle* in 9 markets initially, with more to be added next year, thru Adrian Bauer Adv., Philadelphia . . . Among other advertisers currently reported using or preparing to use TV station time: Bonnie Jonnie Div., Ball Bros. Co., Muncie, Ind. (toilet bowl cleaner), thru Applegate Adv., Muncie; Max Factor & Co., Pharmaceutical Div., Hollywood (SEBB scientific formula), thru Doyle, Dane Bernbach, N. Y.; Foremost Packing Co., East Moline, Ill. (Fore-Pac cheesefurters), thru Warren & Litzenger, Davenport, Ia.; Parks Sausage Co., Baltimore (meat products), thru Applestein, Levenstein & Golnick, Baltimore; Electric Auto-Lite Co., Toledo (auto electrical systems), thru Grant Adv., N. Y.; Solarine Co., Baltimore (waxes & polishes), thru Courtland D. Ferguson, Washington; Brondow Inc., Mt. Vernon, N. Y. (Breath-O-Pine deodorant & cleanser), thru Abbott Kimball Co., N. Y.; Carnation Co., Los Angeles (Friskies dog food), thru Erwin, Wasey & Co., L. A.; Alliance Mfg. Co., Alliance, O. (Lift-A-Door garage door operator), thru Huffman & Broadwater, Canton; Siegler Corp., Centralia, Ill. (oil & gas-fired space heaters), thru Marvin Gordon & Assoc., Chicago; Studebaker-Packard Corp., Detroit (Packard Clipper torsion-level suspension system), thru Ruthrauff & Ryan, Detroit; Nestle Co. Inc., White Plains, N. Y. (Nescafe), thru Bryan Houston, N. Y.; Brach Mfg. Corp., div. of General Bronze Corp., Newark (Magne-Tenna indoor antenna), thru Blaine-Thompson Co., N. Y.; Lima Bean Advisory Board, L.A., thru J. Walter Thompson, L.A.

TV is most-preferred advertising medium of food and drug retailers, reports NBC research mgr. Dr. Thomas E. Coffin, in second part of network's intensive research project in Ft. Wayne, *Strangers Into Customers*. First part, dealing with what happens to consumers when TV comes to town, was reported in May at NARTB convention (Vol. 11:22). Second part, *Dealers Sound Off on Advertising*, made these points: 7 out of 10 dealers notice TV advertising for products they carry; 2 out of 5 stocked new brands because of TV advertising; 3 out of 4 urged manufacturers of lines they handle to use TV advertising; TV causes 5 times as much comment as newspapers, radio & magazines combined.

Chicago area sponsors will spend \$50,000,000 in NBC-TV billings this year, which Nov. 9 *Variety* suggests may be one reason why network chose WNBQ for its all-color "model" station (Vol. 11:45). Leading NBC-TV sponsors from Chicago area, many of them buying into color shows: Sunbeam, Maybelline, Motorola, Hazel Bishop, Hallmark, Armour, Toni, Kleenex, Dormeyer, Kraft, S. C. Johnson.

Network Accounts: General Motors has picked up full sponsorship of 90-min. *Wide Wide World* on NBC-TV, alt. Sun. 4-5:30 p.m. It had been sponsoring 60 min. of show for its Delco, A-C Spark Plug and Guide Light divs., thru D. P. Brother & Co., Detroit . . . Oldsmobile to make clean sweep of movie & TV awards telecasts on NBC-TV, sponsoring Academy Awards nominations Feb. 18, Sat. 9-10:30 p.m. and presentations March 21, Wed. 10:30 p.m.-12:15 a.m., and TV's "Emmy" awards March 17, Sat. 9-10:30 p.m. . . . CBS-TV, with public affairs sustaining schedule each Sun. 2:30-5 p.m., will offer to sponsors 60 or 90-min. "public affairs drama program" shortly, in effort to compete with NBC-TV's *Wide Wide World* (GM-sponsored) and Hallmark's Maurice Evans' *Hall of Fame* dramas . . . Roto-Broil to sponsor 30-min. of *Super Circus* on ABC-TV starting Nov. 13, Sun. 5-6 p.m., thru Product Services Inc. . . . Charles Antell (Lanolin hair preparation) to sponsor 30-min. of *Ozark Jubilee* on ABC-TV starting Nov. 12, Sat. 7:30-9 p.m., thru Product Services Inc. . . . Lever Bros. to sponsor Wed. 10-10:15 a.m. segment of *Garry Moore Show* on CBS-TV starting Nov. 16, thru J. Walter Thompson . . . Curtis Candy to sponsor *Tales of the Texas Rangers* on CBS-TV alt. Sat. 11:30 a.m.-noon, thru C. L. Miller Inc., Chicago . . . Ralston Purina (Ry-Krisp) to sponsor Thu. 2-2:15 p.m. alt. week segment of *Robert Q. Lewis Show* on CBS-TV starting Nov. 10, thru Guild, Bascom & Bonfigli, San Francisco . . . General Tire to sponsor Detroit-Green Bay pro football game on ABC-TV Thanksgiving Day starting at noon, thru D'Arcy . . . Frigidaire to cancel *My Favorite Husband* on CBS-TV Dec. 27, Tue. 10:30-11 p.m. . . . CBS-TV's partic-sponsored west coast *Panorama Pacific* (Mon.-thru-Fri. 7-9 a.m.) on Nov. 14 extends to KTNT-TV, Seattle & KOIN-TV, Portland . . . Steve Allen's *Tonight* on NBC-TV will start long-rumored West Coast origination in

"Close resemblance between a sponsor and the type of show he presents" is often established by TV viewers who judge him accordingly, says Admiral-sponsored Bishop Fulton J. Sheen (ABC-TV & radio). The noted prelate of *Life Is Worth Living* warned Radio & TV Executives Society luncheon in N. Y. this week that shows loaded with crime and criminals may make family audiences ask, "How do we know the sponsor is not a racketeer, too?" After luncheon, he was asked to expand on remark and replied: "Take a wrestling program. Wrestling is a fake. If Tiffany sponsored such a program the family would ask, 'What is Tiffany selling—zircons?' The family establishes a moral relationship between the sponsor and program." Principal theme of the Bishop's speech was call for more programs that enlighten and inform—a lecture series on languages, for example. He also deplored fact that when one network starts a program and finds it popular, other networks rush in with same kind of show at same time.

BBDO's own David Gerber, TV producer, is expediting its production of *DuPont Cavalcade Theatre's* "Barbed Wire Christmas" on ABC-TV Dec. 20. Story by Larry Marcus relates how a group of GIs successfully defied German ban on prisoner Xmas celebration in Stalag 17. Gerber was a prisoner in that camp after being shot down while an Air Force sergeant. His story was previously produced on the *Cavalcade* radio show.

Judith Waller, NBC director of public affairs & education, appointed network's public affairs representative under v.p. Davidson Taylor, with traveling assignment as liaison between network and organizations; she was recently awarded honorary degree by Northwestern U.

N. Y. State Civil Defense Commission appoints Kastor, Farrell, Chesley & Clifford Inc. as TV-radio consultants for public education drive in connection with Conelrad.

Telecasting Notes: ABC-TV has reached "first plateau" in its widely heralded climb toward "major network" status. Not only are its billings up (see p. 16), but new-season ratings show it becoming more competitive with the other networks in certain time segments. ABC-TV this week claimed it has "moved into first place in network ratings from 7:30-8:30 p.m. Mon.-thru-Fri.," based on average Oct. ARB tabulations. Its average ARB rating for that weekday hour was 20.1 in Oct. 1955 vs. 10.2 in Oct. 1954. Its top shows during that period are *Disneyland* (still the only ABC-TV show to make "top 10"), *Rin Tin Tin*, *Warner Bros. Presents . . . Walt Disney's Mickey Mouse Club* has given ABC-TV a position of strength in 5-6 p.m. weekday period, the network calling it the highest-rated daytime program. Next Feb., ABC-TV moves deeper into daytime programming, scheduling feature films in 3-5 p.m. period preceding *Mickey Mouse . . .* ABC-TV is still a low third in over-all network competition despite the improvement, and it's now firming up plans for a strengthened 1956-57 lineup. Involved are a dozen 90-min. live spectaculars plus some 60-min. drama & variety shows and 11 new 30-to-90-min. film shows. Rather than invest heavily in talent, network has novel "co-production" plan, as exemplified by its new partnership with TPA whereby it will help finance about half of that independent distributor's output for next season. Partnership deals have also been made with other top independent producers . . . "Mr. Television" came out second-best Nov. 8 for first time in history as CBS-TV's Tue. 8-8:30 p.m. *Phil Silvers Show* out-trended Milton Berle's first half-hour by 25.2 to 17.6. Berle's second half-hour drew 21.9 vs. 18.5 for CBS-TV's *Navy Log . . .* Re-runs of network film shows are finding their way to daytime TV through syndication, and pres. Hal Hackett of Official Films sees new pattern emerging whereby re-runs will be largely confined to daytime—giving stations top quality shows at less-than-local-show cost and leaving more night hours free for first-run syndication . . . TV is ideal showcase for legitimate theatre attractions, says producer Paul Gregory, who is putting 2 of his plays on TV before their theatrical openings. His forthcoming CBS-TV spectaculars, *The Big Banjo* and *The Day Lincoln Was Shot*, will be launched as theatrical roadshows after their TV runs.

Two hot disputes over football TV developed this week between telecasters and collegiate authorities: (1) CBS announced it would defy an NCAA-imposed black-out of Iowa for Nov. 12 Illinois-Wisconsin game. NCAA imposed the ban because an alleged "unauthorized telecast" of the Iowa-Minnesota game the preceding Saturday on KRNT-TV, Des Moines. Network replied: "We cannot accede to your request to 'black out' Iowa in violation of our contracts with the sponsor of the broadcasts and our affiliated station." (2) Washington's WTOP-TV, in an on-the-air editorial Nov. 11, accused U of Maryland coach Jim Tatum of confusing "his obligation as athletic director of a state university with his status as a TV performer." Station explained Tatum had refused it permission to film Nov. 12 Maryland-Clemson game for TV showing the following day (Sunday), and said: "He [Tatum] stated that his principal reason was that he himself has a TV program on Monday night" on WMAL-TV, presenting filmed highlights of game. Tatum later denied the charge, saying that the university's contract gives his sponsor—a local bank—first rights on use of all films of Maryland games.

NBC-TV's talent search started last May and directed by Leonard Hole, director of program development, has resulted in selection of 9 young script writers being placed under 7-year contracts, selected out of 12,000 contest entries. Four comedians were also chosen for final tryouts.

"We have already worked out a format for these shows which will result in good shows for home consumption," Gregory told *Variety*. "But we won't be giving away the entire property. In fact, we're convinced that what will be telecast will stimulate ticket buyers so that when the shows come to their respective towns they will want to see them" . . . As did Sam Goldwyn Jr., Frank Capra Jr. is starting his career in TV, having signed as asst. director of *Gunsmoke* TV film series (CBS); his father has worked fulltime for last 3 years directing 4 experimental full-hour science TV films for AT&T . . . Navy Antarctic expedition will be recorded by Walt Disney cameramen, who will spend 17 months with Rear Adm. Byrd's men, their filmed progress reports to be shown on ABC-TV's *Disneyland* and *Mickey Mouse Club . . .* Tele-Casting: Hollywood producer Henry Ginsberg told press conference he spent as much time before TV screens as he did scanning player lists of major studios in casting new Warner Bros. epic, *Giant*. He compared TV today with the "short subject" of yesterday as a primary source of new feature-picture talent . . . Newspaper-TV cooperation: Denver's KBTW and *Denver Post* producing new cooperative *Denver Post TV News*, 5-min. filmed newscast, for airing at 3:55 p.m. daily, same time first edition of *Post* hits streets. Newscasts will feature national, international & local news, features, sports & social items, using photographs of current issue of newspaper, with narration by reporters who covered the stories and scenes shot in newsroom . . . Public service film series, *Focus on Delinquency*, produced by KNXT, Los Angeles, will be shown to meeting of Institute of Juvenile Court Judges in Pittsburgh Nov. 27-30 as exemplifying TV's role in disseminating information about social problems.

Universal Pictures' subsidiary United World Films v.p. George Bole reports that 20% of commercials being produced during Nov. are in color (see p. 4). Advertisers currently using UWF for TV film production are Conoco Oil & Studebaker, thru Benton & Bowles; DeSoto & GE, thru BBDO; Scott Tissue & Lux Soap, thru J. Walter Thompson; Olin Industries, thru D'Arcy Adv.; Campbell Soup, thru Leo Burnett. In addition, it's making half-hour industrial film for American Stock Exchange.

Unique cold war weapon—a rugged, hand-operated plastic phonograph that can be made for about 50¢—was revealed by RCA Nov. 9 in demonstration by RCA technical director Arthur Van Dyck, its creator, during speech by Gen. Sarnoff before Overseas Press Club in N. Y. Thereafter, Dr. Van Dyck went on NBC-TV to describe it, and it was also described on radio. Unit "about size of loaf of bread" is of almost primitive design, shatterproof and made to be dropped by planes behind Iron and Bamboo curtains to deliver American messages "that can't be jammed." Possessing amazing volume and clarity, machine is adaptation of earliest phonographs which were similarly hand-cranked and used same principle of direct connection between needle and cone amplifier. Entire device comes packaged in corrugated cardboard carton about 4x4x10-in. Unit was mentioned in Gen. Sarnoff's "Program for a Political Offensive Against World Communism" submitted to Pres. Eisenhower early this year (Vol. 11:20) and was more or less "off the record" until demonstrated this week. Gen. Sarnoff revealed that several of the machines were under test by Voice of America; that RCA had no commercial interest in it, will turn over design to anyone; that it might be produced for as little as 20¢ by toy makers.

John J. Nordberg promoted to chief of telephone div., FCC Common Carrier Bureau, succeeding Robert E. Stromberg who becomes chief of new Office of Accounting Systems.

FARM TV CENSUS for 2 southern states, totaled this week in U. S. Census Bureau's 1954 Census of Agriculture, shows TV penetration of 32.8% (43,693 out of 136,416 farms) in Virginia, and 27.6% (45,720 of 165,524) in Georgia. Actual count was made in Oct.-Nov. 1954, covers farm homes only. Latest county-by-county figures:

VIRGINIA

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Accomack	1,069	461	Montgomery	1,447	635
Albemarle	1,818	609	Nansemond	1,306	537
Alleghany	487	158	Nelson	1,277	343
Amelia	963	324	New Kent	279	125
Amherst	1,157	326	Norfolk	791	469
Appomattox	999	245	Northampton	481	342
Arlington	16	5	Northumber-		
Augusta	2,891	1,074	land	751	268
Bath	443	127	Nottoway	1,089	392
Bedford	3,059	1,072	Orange	848	334
Bland	728	208	Page	1,185	401
Botetourt	1,264	636	Patrick	2,255	495
Brunswick	2,650	580	Pittsylvania	5,715	1,831
Buchanan	2,256	296	Powhatan	599	280
Buckingham	1,291	328	Prince Edward	1,179	353
Campbell	2,084	883	Prince George	685	261
Caroline	1,169	436	Prince		
Carroll	3,757	991	William	783	456
Charles City	301	140	Princess Anne	692	375
Charlottesville	1,904	359	Pulaski	940	465
Chesterfield	910	508	Rappahannock	583	144
Clarke	377	178	Richmond	675	252
Craig	409	157	Roanoke	1,217	676
Culpeper	1,128	394	Rockbridge	1,495	451
Cumberland	977	294	Rockingham	3,571	1,152
Dickenson	1,682	320	Russell	2,355	301
Dinwiddie	1,636	593	Scott	3,538	605
Elizabeth City	*	*	Shenandoah	2,056	643
Essex	613	155	Smyth	1,626	434
Fairfax	1,153	842	Southampton	1,962	728
Fauquier	1,513	806	Spotsylvania	1,082	466
Floyd	2,160	568	Stafford	712	405
Fluvanna	778	215	Surry	678	261
Franklin	2,941	821	Sussex	1,099	290
Frederick	1,298	624	Tazewell	1,531	388
Giles	916	334	Warren	476	216
Gloucester	596	219	Warwick	*	*
Goochland	741	265	Washington	*	*
Grayson	2,626	612	Westmoreland	742	297
Greene	662	90	Wise	1,497	260
Greensville	1,161	204	Wythe	1,658	546
Halifax	4,751	1,241	York	239	131
Hanover	1,541	747	Independent		
Henrico	696	396	cities ¹	473	244
Henry	1,374	553			
Highland	570	108	State Total	136,416	43,693
Isle of Wight	1,003	524			
James City	227	99			
King and					
Queen	764	214			
King George	470	219			
King William	526	242			
Lancaster	446	190			
Lee	3,116	406			
Loudoun	1,438	882			
Louisa	1,371	594			
Lunenburg	1,846	377			
Madison	1,068	259			
Mathews	458	175			
Mecklenburg	3,783	700			
Middlesex	501	152			

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:29); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37); N. J., Tenn. (Vol. 11:39); Ark., Conn., Mass., R. I., Texas, Wash. (Vol. 11:40); Me., N. M., Ore. (Vol. 11:41); Ariz., Fla. (Vol. 11:42); Del., Ill., Ind., N. C. (Vol. 11:43); Miss. (Vol. 11:44); W. Va. (Vol. 11:45).

Use of 16mm movie camera with zoom lens by local TV station for news, sports, commercials and special film programs is described by Willis Cook, director of art & photography, WSAZ-TV, Huntington, W. Va. in Oct. *Bolex Reporter*, trade magazine-house organ of Paillard Products Inc. (cameras), 100 Sixth Ave., N. Y.

Dage's \$50,000 low-power TV station (Vol. 11:22) was shown to press and industry this week in Chicago in kick-off of commercial sales drive for the equipment adapted from Dage installations now used by Armed Forces TV Service.

GEORGIA

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Appling	1,403	185	Jeff Davis	941	113
Atkinson	584	90	Jefferson	1,230	198
Bacon	986	144	Jenkins	914	185
Baker	751	90	Johnson	957	138
Ealdwin	464	119	Jones	483	188
Banks	981	293	Lamar	639	289
Barrow	1,138	506	Lanier	490	44
Bartow	1,519	789	Laurens	2,472	491
Ben Hill	654	82	Lee	587	62
Berrien	1,445	210	Liberty	607	94
Bibb	779	402	Lincoln	684	154
Bleckley	712	136	Long	331	52
Brantley	671	209	Lowndes	1,521	232
Brooks	1,703	120	Lumpkin	893	242
Bryan	404	92	McDuffie	826	246
Bulloch	2,490	334	McIntosh	186	33
Burke	1,654	244	Macon	991	194
Butts	720	246	Madison	1,545	474
Calhoun	690	66	Marion	650	81
Camden	278	98	Meriwether	1,573	478
Candler	908	109	Miller	1,118	35
Carroll	3,155	1,541	Mitchell	1,777	198
Catoosa	833	325	Monroe	702	273
Charlton	192	80	Montgomery	745	46
Chatham	496	191	Morgan	1,104	407
Chattahoochee	52	7	Murray	1,023	353
Chattooga	1,098	392	Muscogee	350	125
Cherokee	1,646	935	Newton	984	472
Clarke	495	234	Oconee	818	339
Clay	567	99	Oglethorpe	1,201	235
Clayton	804	644	Paulding	1,149	644
Clinch	209	46	Peach	316	101
Cobb	1,987	1,356	Pickens	765	300
Coffee	1,979	211	Pierce	1,287	336
Colquitt	2,678	359	Pike	875	348
Columbia	736	219	Polk	1,253	493
Cook	1,137	152	Pulaski	684	114
Coweta	1,501	532	Putnam	535	154
Crawford	568	111	Quitman	249	23
Crisp	917	186	Rabun	628	75
Dade	606	164	Randolph	1,016	102
Dawson	605	330	Richmond	478	247
Decatur	1,306	72	Rockdale	636	328
De Kalb	1,048	721	Schley	401	79
Dodge	1,533	211	Screven	1,687	290
Dooly	1,256	186	Seminole	687	21
Dougherty	534	128	Spalding	748	401
Douglas	890	407	Stephens	835	200
Early	1,638	120	Stewart	587	62
Echols	209	5	Sumter	1,235	273
Effingham	806	181	Talbot	623	138
Elbert	1,525	427	Taliaferro	448	65
Emanuel	1,601	271	Tattnall	1,578	178
Evans	609	77	Taylor	818	140
Fannin	1,068	215	Telfair	1,061	81
Fayette	850	348	Terrell	1,226	122
Floyd	1,558	770	Thomas	1,655	166
Forsyth	1,735	1,077	Tift	1,287	137
Franklin	1,713	507	Toombs	1,220	144
Fulton	2,127	1,223	Towns	658	115
Gilmer	968	238	Treutlen	613	48
Glascok	425	76	Troup	1,337	479
Glynn	223	45	Turner	870	141
Gordon	1,579	577	Twiggs	630	99
Grady	1,648	122	Union	1,004	157
Greene	947	203	Upson	812	368
Gwinnett	2,659	1,567	Walker	1,710	538
Habersham	1,207	353	Walton	1,834	1,002
Hall	2,277	1,154	Ware	972	388
Hancock	1,130	141	Warren	883	122
Haralson	1,129	508	Washington	1,640	219
Harris	837	230	Wayne	949	205
Hart	1,857	546	Webster	476	48
Heard	911	275	Wheeler	719	38
Henry	1,508	735	White	839	291
Houston	625	210	Whitfield	1,534	746
Irwin	1,308	235	Wilcox	1,035	152
Jackson	1,676	693	Wilkes	1,140	251
Jasper	571	187	Wilkinson	601	125
			Worth	2,153	238
			State Total	165,524	45,720

Opposition to community system in Rawlins, Wyo. came in form of petition from KFBC-TV, Cheyenne, which asked to intervene in Wyoming Public Service Commission hearing on Rawlins application. KFBC-TV charges that proposed community system will infringe station's property rights by using its signals.

Week's cruise to Bermuda on S.S. *Stockholm* sailing Nov. 11 from Wilmington, N. C., was novel arrangement for this week's 3-day N. C. Broadcasters Assn. convention.

RCA vidicon tube price cuts: industrial type 6198, from \$315 to \$230; broadcast type 6326, from \$565 to \$515.

DECLINE—BUT NOT FALL—OF THE 17-in.: Demand for 17-in. receivers, once the industry's "giant super-screen size," has dwindled to less than 15% of current production -- and prospect is that it will dip even lower before it gets better, so strong is the movement to higher-end models. Four years ago, 17-in. accounted for 65% of output.

"We're producing 17-in. table models only to demand," said an RCA spokesman. "In other words, if a distributor in a certain market tells us he needs some 17-in. sets to fill a gap in his area, we'll make them. Otherwise, no." Philco, Admiral and Motorola spokesmen said their 17-in. output was "sporadic" or "very light."

With price differential narrowed to \$20 or so between a 17 & 21-in., dealers are admittedly urging prospective 17-in. customers to go for 21-in. NARDA chairman Mort Farr, operating retail chain in suburbs of Philadelphia, informs us: "Of course we're discouraging customers from buying 17-in. sets. They'll be saving money by buying 21-in. and we'll be making more money, too."

What's the future for 17-in.? Strangely enough, few manufacturers are ready to consign it to the graveyard. One reason is the possibility that shallower sets incorporating 110 or 120-degree tubes (Vol. 11:45) could be made as 17-in., once the principle is mastered in current research on 21-in. tubes.

Increasingly important second set market is cited as additional factor. As one major set maker says: "As long as there is a second set market, there always will be at least a limited demand for 17-in. Some second set purchasers, who might have a 21-in. set, prefer to work down to a 17-in. for the den or children's room."

Brief highlights of other major trade developments this week:

* * * *

Appliance Giants: "The whole electrical appliance industry lives in the shadow of the danger that General Motors may choose tomorrow to double its appliance business." That statement, from ex-GE v.p. T.K. Quinn, who also was once pres. of big Maxon Inc. agency and now heads small appliance firm called Monitor Equipment Corp. in N.Y., before a Senate Judiciary subcommittee investigating monopoly, pointed up the massive struggle for major positions in white goods by some of nation's biggest industrial names. The subcommittee, headed by Sen. O'Mahoney (D-Wyo.), delved deeply into the multifarious activities of GM, which among other things is nation's largest producer of auto radios (Delco) and has strong position in refrigerators through its Frigidaire div. Quinn said GM "is entirely too big and threatens the very existence of countless good companies and eventually our own free American institutions." He said GE was first major company to market a full appliance line and listed Philco, Westinghouse, Admiral, Crosley-Bendix and RCA among companies which followed suit. He said that development of a full line was a necessity because those manufacturers which continue to produce only one or two items in a white goods line find it more difficult to get strong distribution in various markets. If GM decided to expand its appliance operations, he said, it could "silence almost any protest from its competitors by an adroit use of its purchasing power." Note: Cory Corp., Chicago, this week became nation's largest manufacturer of air conditioners through purchase of Mitchell Mfg. Co., onetime TV-radio producer. Cory pres. J.W. Alsdorf said that Mitchell would operate as wholly-owned subsidiary of Cory and its air conditioners would be competitive with Cory's. Eugene A. Tracy remains as Mitchell gen. mgr.

Color Merchandising: TV manufacturers centered in Chicago generally agreed this week that RCA-NBC's move to equip WNBQ as first all-color station would rev up color sales in their home bases considerably, elsewhere eventually.

Admiral v.p. W.C. Johnson called it "a major step in the right direction, one which will have an important stimulating effect on color in the midwest." Motorola exec. v.p. Robert W. Galvin said: "The action at WNBQ is a very, very big step in

the ultimate expansion of color sets in Chicago -- and this will have its effect in other areas as well. Increased programming has always been an essential factor in the growth of color." He declined to alter his prediction of 300,000-350,000 color sales next year, 1,000,000 in 1957 because, he said, that forecast was predicated on the anticipation that color programming would be expanded generally.

Raytheon v.p. Henry F. Argento predicted the "log jam" in color production "will be broken within a very short time," as the WNBQ action will have "a tremendous springboard effect on the mass production of color TV receivers." Hallicrafters pres. Raymond W. Durst said he "totally agrees" with Argento's forecast.

"Creative selling" -- finding customers for color sets -- is the key to successful merchandising of color at the retail level, and our conversations this week with 3 of nation's leading color dealers add more merchandising techniques to those reported last week (Vol. 11:45).

Sol Polk, whose Polk Bros., Chicago, is said to be biggest TV merchandiser in midwest, told us: "I have every confidence that I will be able to sell quickly the 500 RCA color sets I ordered last week. I have sold 500 to date and I am sure I can double that in a matter of months. We've made a circuit of country clubs and night clubs and have sold plenty that way. The Chez Paree has one, so does the Key Club, so do many leading country clubs around Chicago. We, meaning all the dealers, ought to sell 6000 color sets in Chicago next year with no strain." Demon salesman Polk then added: "Do you have a color set? Do you have any friends in Chicago who might be interested? I'll be glad to arrange a private demonstration for them."

Johnson Bros., Baltimore (Wm. & Elmer Johnson, partners) has sold about 125 color sets this year, keeps leather-bound book listing each color set owner in area, then makes personal calls on neighbors to urge them to "keep up with the Joneses." The brothers operate a live-wire service organization, enabling them to tell customers: "If this set does not measure up to everything we've said about it, we want you to send it back and we'll take care of it."

Mort Farr has sold about 40 color sets in Oct.-Nov., chiefly by heavy promotions in newspapers and on his own program on WCAU-TV. He says he's been kept busy playing host to "color parties" in store after closing hours on nights of network colorcasts and has been "beating the bushes" for Cadillac-trade customers.

Economic Roundup: Gross national product "will probably surpass" \$400 billion early in 1956, it was predicted this week by James Clawson, chairman of U.S. Savings & Loan League's Committee on Trends and Economic Policies. "While the trend of developments in the latter part of 1956 are somewhat less certain, it appears that the year as a whole will be favorable," he said in formal statement, adding that because 1956 is an election year, "there is no doubt that every effort will be made to maintain economic activity at high levels." Commerce and Labor Depts., in joint report, disclosed that employment in Oct. jumped to record high of 65,161,000, up by 428,000 from Sept. and 3,020,000 from Oct. 1954. Commerce Dept. reported consumer income in Sept. jumped to record annual rate of \$307.5 billion, more than \$2 billion over Aug. and \$15.25 billion over start of year.

Retail Sales: RETMA reports 9-month TV retail sales of 5,149,977, compared to 4,645,063 sold in first 9 months of 1954. Sept. sales of 978,838 were highest for any month this year, comparing with 586,577 in Aug. and 986,136 in Sept. 1954. The 9-month retail sales of radios, not including auto sets, totaled 3,942,676, compared to 4,032,704 in same 1954 period. However, auto radio production (considered equivalent to retail sales) totaled 4,980,457 in first 9 months this year vs. 2,843,750 auto sets in same period year ago. Sept. radio sales, excluding auto, were 753,068 vs. 456,625 in Aug. and 763,589 in Sept. 1954.

Production: TV output totaled 173,042 week ended Nov. 4, compared to 183,139 preceding week and 186,153 week ended Oct. 21. It was year's 44th week and brought production for year to date to about 6,675,000 vs. 6,000,000 in same period of 1954. Radio production totaled 382,527 units (178,064 auto) week ended Nov. 4, compared to 386,523 preceding week and 374,708 week before. For 44 weeks, radio output totaled 11,900,000 vs. 9,100,000 in corresponding period of 1954.

Topics & Trends of TV Trade: Two men pleaded guilty to conspiracy charges this week in alleged \$2,000,000 motel TV swindle, as Chicago Federal court began trial of 8 other persons, officials of a "TV manufacturer," a sign company and a "TV trade association" which once had headquarters in Washington (Vol. 8:24, 40 & 9:39, 41). Pleading guilty were pres. Nathan James Elliott of United States Sign Corp., (also known as J. Matt Thompson) and Edward C. MacReady, identified as inventor of coin-operated TV "Previewer." Conspiracy charges were dropped against Preview TV Corp., the sign company and American Institute of TV Manufacturers—all presumably defunct.

Trial involves those associated with Preview TV Corp., Chicago, which offered to motels and hotels coin-operated TV device which was supposed to give viewers 4-minute "free sample" of TV program before they inserted coin to see rest of show. Asst. U.S. attorney Edward J. Calihan Jr. said Previewer device cost motel-hotel operators \$250 each and signs to advertise them cost \$395 apiece. He said some Previewers were delivered but none of them worked and no investors got their money back. A number of telecasters were approached in 1952 as possible Previewer franchisers (Vol. 8:40).

Charges were dropped against John Ponsaing, Oakland, Cal.; Herman Rodnick, Los Angeles; Del W. Kettering, Monmouth, Ill.; Cyrus Simmons, Chicago (deceased). Among those on trial are Bruce Hantover, former pres. of Preview, and Wm. F. Robichaud, former pres. of American Institute of TV Manufacturers.

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Picture tube sales in first 9 months totaled 7,680,781, valued at \$147,072,146, compared to 6,476,566 worth \$134,922,387 in corresponding period of 1954, reports RETMA. Sept. sales were 1,202,430, valued at \$22,867,851, compared to 1,048,534 at \$19,812,567 in Aug. and 1,149,791 at \$23,892,469 in Sept. 1954. Receiving tube sales in first 9 months totaled 347,668,000, valued at \$257,544,000 vs. 266,050,000 at \$191,761,000 in first 9 months of 1954. Sept. sales were 47,588,000, worth \$34,596,000 vs. 45,238,000 at \$33,099,000 in Aug., 40,966,063 at \$28,953,592 in Sept. 1954.

Sylvania was acquitted this week in Chicago Federal Court on anti-trust charges of price fixing in fluorescent glass tubes. Four other companies pleaded guilty and were fined \$2000 each.

Zenith adds 3 new higher-end TVs to its line, reflecting increased demand for more expensive receivers (Vol. 11:45): 24-in. mahogany table, \$270; 24-in. open-face mahogany console, \$340; 21-in. full-door console, \$450.

Trans-Vue Corp., Chicago (David Krechman, pres.), back in TV production on "very limited" scale, plans to import transistor radios from Japan.

Raytheon increased prices on nine 21-in. consoles in "Aristocrat" line by \$10-\$20, new prices being \$220-\$340.

Admiral 17 & 21-in. sets have been installed in all 650 seaside villas of Ellinor Village, Daytona Beach, Fla.

Trade Personals: Harold R. Sheer named sales mgr. of Philco's new metropolitan div. (N. Y.-Newark-Trenton-Philadelphia), continuing as v.p. of Philco Distributors Inc., N. Y.; A. H. Chatten named sales mgr. of North Atlantic div., succeeded by Robert C. Digges as Atlantic div. sales mgr., Philadelphia; Joseph F. Anlauf named east central div. sales mgr., Detroit . . . B. M. Barrett, gen. sales mgr. of consumer products, RCA Victor Co. Ltd., Montreal, appointed director of appliances & marketing dept., RCA International; J. A. O'Hara, RCA southern rep for TV sales, promoted to RCA International sales mgr., military exchange services . . . Jack H. Zink, ex-appliance sales mgr. of Chicago factory branch, named sales mgr. of Admiral range div., replacing Wm. Mackle, now with Norge . . . James A. Steel promoted to mgr. of color tube pilot production engineering, GE tube dept.; Edmund F. Schilling promoted to mgr. of color tube product engineering . . . Leonard Hanat promoted to Raytheon TV-radio sales mgr. for Chicago area . . . Bernard H. Lippin, chairman of Symphonic Radio, assumes full control of Philharmonic Radio Corp., buying 50% interest held by Leslie A. Roberts, who resigned as pres. last week . . . George Ritter, from Indianapolis RCA plant, now mgr. of manufacturing for RCA of Brazil, headed by Perry Hadlock; new post includes supervision of new tube plant at Belo Horizonte due for completion next year. Henry Boler, ex-mgr. of manufacturing at Sao Paulo RCA plant, is now staff asst. to H. B. Allen, Magnavox director of operations, was succeeded in Brazil job by Wm. G. Beaman, promoted . . . Charles W. Weingartner, ex-Feldkamp-Malloy Inc., Chicago, named Magnavox adv. production mgr. . . . Michael Muckley, onetime Hallicrafters eastern sales mgr., resigns as sales mgr., Espey Mfg. Co. . . . Thomas S. Knight Jr. promoted to sales mgr. of new Fla. sales district, GE tube dept., Tampa . . . Sol Goldin resigns as TV-appliance buyer, Strawbridge & Clothier dept. store, Philadelphia, to join Whirlpool-Seeger as product mgr. of stove div. . . . Seymour D. Gurian promoted to sales mgr. of engineering products div., Radio Receptor Co. . . . Lloyd W. Dunn promoted to Capitol Records sales & merchandising v.p. . . . Comdr. James H. Leach (USN ret.), 2520 Holman Ave., Silver Spring, Md., has resigned as mgr. of Washington office, Brush Electronics . . . W. McConnachie promoted to production engineering supt., Canadian Westinghouse TV-radio div.; R. Fraser promoted to supt. of quality control, R. J. Robinson to service supervisor, D. W. Pettigrew to sales promotion supervisor . . . Howard Cushing resigns as sales director of Bell & Howell hi-fi div., his duties assumed temporarily by pres. R. G. Smith . . . Edward J. Felesina appointed public relations mgr. of IT&T's Federal Labs . . . Carl E. Treutle, gen. sales mgr. of Almasen Americano, RCA distributor in Venezuela, named South American regional sales mgr., RCA International, headquartering in Bogota, Colombia; Frank A. McCall, mgr. of record sales & marketing, RCA International, appointed Caribbean and Central American regional sales mgr., Miami.

DISTRIBUTOR NOTES: Crosley-Bendix establishes factory branch in Chicago, replacing big Harry Alter Co., which is retiring from TV-radio-appliance distribution . . . Philco Distributors Inc., Cleveland, appoints Stuart Falk gen. mgr., Frank Bonner gen. sales mgr. . . . Philco Distributors Inc., N.Y., promotes Wallace W. Meyer to gen. sales mgr., succeeding Robert Kelly, now refrigerator sales mgr. of parent company . . . Admiral Distributors-Boston promotes John R. Hodgins to gen. mgr. . . . Krich-New Jersey Inc., Newark (RCA) appoints Murray Balis, ex-Westinghouse Electric Supply Co., as sales mgr. of RCA-Whirlpool products, succeeding Leonard Fischer, now gen. sales mgr. . . . Delaware Valley Distributors,

Philadelphia (Crosley-Bendix) extends territory to Ocean & Mercer Counties, N.J., previously served by Apollo Distributing Corp., now Zenith outlet for N.J. . . . Marshall-Wells Co., Duluth (Arvin) reports resignation of exec. v.p. Lawrence M. Hatfield . . . RCA Distributing Corp., Kansas City, appoints Mrs. R. J. McAlexander as asst. to v.p. . . . Modern Distributing Corp., Cincinnati (Crosley-Bendix) appoints Charles Groene asst. sales mgr., replacing James Taggart, resigned . . . Simon Distributing Co., Washington (Zenith) moves Nov. 25 to new headquarters at 3335 V St. NE . . . CBS-Columbia appoints Albert J. Mathias & Co., 305 S. 2nd Ave., Phoenix (Sidney Meyer, pres.).

Color Trends & Briefs: Another interesting contrast in impact of color came in form of NBC-TV's "Great Waltz" Nov. 5 and "Constant Husband" Nov. 6—somewhat reminiscent of football game and "Cyrano" differences (Vol. 11:43). "Great Waltz" was clearly meant for color, being a lavish period musical. *Variety's* George Rosen, for example, called it "another standout victory for RCA's brilliant and still-secret compatible hues . . ." And *N. Y. Herald Tribune's* Marie Torre wrote: "It was the kind of show that should have been seen in color, and it's a pity so many of us couldn't."

Most reviewers of "Constant Husband," on other hand, didn't even mention color. It was a "first"—the first time TV has premiered a major movie—and reviewers were preoccupied with guessing what impact showing would have on subsequent theatrical boxoffice. Critics were quite split in their views—*N. Y. Times's* Jack Gould said telecast was no fair test of possible boxoffice, while *Washington Star's* Bernie Harrison felt that it was. But *Variety's* Fred Hift stated flatly that it was a punk show and that Britain's Sir Alexander Korda made an "excellent deal" by getting NBC-TV to buy it and surround it with the hoopla of a "first." He didn't think telecast would do much to boost future boxoffice.

Our own reaction was that it was a run-of-the-mill movie, amusing but a cut below Britain's better shows; that color was quite incidental, being overshadowed by the story; that subscription-TV, if it ever comes, better not rely on average movie for its success.

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Color set with Chromatic Labs' Lawrence tube (Vol. 11:43-44) was observed in operation this week by *Retailing Daily's* Martin P. Rosenblum, who reported picture is improved over previous demonstrations but still inferior to quality of rendition on RCA 21-in. set. Set was seen at labs of Telechrome Inc., Amityville, L. I., N. Y. which is making samples for Chromatic, owned chiefly by Paramount Pictures. Latter is seeking to license manufacturers to make tube and sets, asserting they can be retailed for less than \$400. Rosenblum found skin tones excellent, overall impression pleasant, believes set might be promoted as price leader—if engineers overcome defects such as pincushioning, poor focus at edges, etc.

Closed-circuit color demonstration of well-known products was conducted this week by NBC's Tele-Sales dept. for meeting of Packaging Institute of America at Hotel Statler, N. Y.

Emergency appeal to the nation's TV-radio repairmen to help relieve critical shortage of selenium was issued Nov. 8 by Charles F. Honeywell, business & defense services administrator, Dept. of Commerce. Acting just a week after rectifier manufacturer Sarkes Tarzian pleaded for govt.-backed salvage program (Vol. 11:45), Honeywell said: "The selenium production lost [in last summer's work stoppages] cannot be made up and the current supply situation is so acute that it threatens to curtail operations of some consuming industries. In this situation the servicemen and their shops can render a valuable service by salvaging scrapped products containing selenium, such as discarded rectifiers. It is particularly important, in view of the severe shortage, that radio and TV servicemen collect all replaced and discarded rectifiers and return them to distributors or manufacturers, so that the selenium contained in these components may be reclaimed and reused." TV-radio industry uses about 1,000,000 lbs. of selenium a year, about half total U.S. supply.

Roy A. Long, Stanford Research Institute, elected western v.p. of Audio Engineering Society.

Network Color Schedules (Nov. 14-26, 1955)

- Nov. 14—NBC: *Howdy Doody*, 5:30-6 p.m.; *Producers' Showcase*, "Dateline 2" featuring guest appearance by Vice President Nixon. Story on freedom of press by Robert E. Sherwood, John Steinbeck, Irving Berlin, starring Milton Berle, Greer Garson, Wm. Holden, Martha Raye, John Wayne, 8-9:30 p.m.
- Nov. 15—NBC: *Home segments*, 11 a.m.-noon; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Nov. 16—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Godfrey and His Friends*, 8-9 p.m.
- Nov. 17—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 18—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 19—CBS: *Gene Autry Show*, 7-7:30 p.m.; *Ford Star Jubilee*, "The Caine Mutiny Court Martial" starring Lloyd Nolan, Barry Sullivan, Frank Lovejoy, 9:30-11 p.m.
- Nov. 20—NBC: *Hallmark Hall of Fame*, "The Devil's Disciple," with Maurice Evans, Ralph Bellamy, Dennis King, 4-5:30 p.m.
- Nov. 21—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 22—NBC: *Home segments*, 11 a.m.-noon; *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Nov. 23—NBC: *Today segments*, 7-10 a.m.; *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 24—NBC: *Howdy Doody*, 5:30-6 p.m. CBS: *Climax*, 8:30-9:30 p.m.
- Nov. 25—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 26—NBC: NCAA football, Army vs. Navy, 1:15-4 p.m.; *Max Liebman Presents*, "Dearest Enemy," with Cornelia Otis Skinner, Cyril Ritchard, Anne Jeffreys, Robert Sterling, 9-10:30 p.m. CBS: *Gene Autry Show*, 7-7:30 p.m.

Guesstimating probable color set sales, one of industry's most popular and vital games, was undertaken by RETMA picture tube section at recent meeting in N. Y. Average of the estimates for next 3 years, made by secret ballot of 17 members under chairman D. W. Gunn, Sylvania, were as follows: 1956—color 211,000, black-&-white 7,223,000; 1957—color 723,000, black-&-white 6,944,000; 1958—color 1,953,000, black-&-white 6,311,000. Most recent projection of color set sales was that of RCA Chairman Sarnoff, who estimated last week that 1956 sales by the whole industry would run "more than a couple hundred thousand" (Vol. 11:45).

Paramount Pictures v.p. Paul Raibourn, MIT engineer as well as Harvard business graduate, has been issued Patent No. 2,723,305 covering system for projecting color TV which he has assigned to Paramount-controlled Chromatic TV Labs.

Color TV demonstration drew 93,000 paid spectators to Stromberg-Carlson exhibit at Rochester's "Industry on Parade" exposition last week.

Radio is in a "mess" due to 3 major causes, NARTB radio board chairman Henry Clay, exec. v.p.-gen. mgr., KWKH, Shreveport, La., told NARTB regional conference in Des Moines this week: (1) FCC has granted far too many licenses, increasing number of stations almost 3-fold from 933 in 1945, cutting average annual time sales from \$323,000 to \$181,000; (2) TV has caused "distorted thinking" among radio men, making them forget about old medium or lose confidence in it; (3) Advertising agencies turned to TV, and radio men forgot to remind them of remission. Clay stated crisis could be overcome by abandoning "TV psychosis" and promoting radio.

Best TV commercials are brief, humorous, sincere and animated, according to ABC-TV survey of Los Angeles homes. Earl J. Hudson, ABC western div. v.p., told Hollywood Ad Club that the survey "helps explode the theory that the average TV viewer is a 12-year-old nincompoop." Brevity is most important feature of a commercial, he said, adding that survey points up viewer preference for "less flamboyance in claims and statements and for direct information about specific products, simply stated without exaggeration."

Financial & Trade Notes: Hazeltine Corp., whose American Stock Exchange price has ranged from 59¾ to 36½ this year (currently is 41), is seen as a good growth stock in report this week by Auchincloss, Parker & Redpath, which reports that its decline was "primarily due to the development of a competing radar system to the one on which Hazeltine owned the basic patents" but that the company "is confident that a third system which it has developed and for which it has been given a development contract by the Navy has unusual merit."

Report discloses Hazeltine has added about 20% plant capacity in preparation for 1956, also that it has been working with American Optical Co. on a color TV projection system "which will feature 3 small inexpensive tubes instead of one large expensive tube" (Vol. 10:31, 47, 49). In bullish report, big brokerage firm states:

"Hazeltine occupies a unique position in the radio, TV and electronic equipment industries in that it owns a host of basic patents and, as licensor, collects royalties from virtually every manufacturer of such equipment. Its income from royalties and license fees amounts to about \$3.50 a share before taxes. While it also carries on extensive manufacturing operations of its own, it maintains the basic position of not competing with its licensees . . .

"Earnings of the corporation reached a high of practically \$4 per share last year. Because at the end of 1954 the company had largely completed several big production contracts and had to do development work and retooling for new contracts, earnings dropped off in the first half of 1955, amounting to \$1.10 per share compared with \$2.75 for the comparable period of 1954. Comparison of the second half of the year with the like period of 1954 should present a much improved picture since the production stage on some of the new contracts will have been reached during those months. By the end of the year, or early in 1956, it is confidently expected that the company will be proceeding at a substantially higher rate than it was in the record year of 1954."

In last 1954 quarter, regular quarterly dividend payment was raised from 25¢ to 35¢ and an extra of 90¢ paid. This year's quarterly payments have been at the 35¢ rate. Hazeltine has 700,000 shares of stock outstanding, with no senior securities ahead of the common.

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Admiral earned \$3,385,676 (\$1.43 a share) on sales of \$146,791,839 in first 9 months, down from \$4,382,175 (\$1.86) on \$156,467,275 in corresponding 1954 period. Third-quarter earnings were \$1,439,484 (61¢) on sales of \$52,772,916, compared to \$1,823,325 (77¢) on \$51,265,777 in third quarter year ago. Exec. v.p. John B. Huarisa commented: "Our civilian business has continued to increase, with sales of all products considerably ahead of last year. The sharp drop in production for our armed forces that began a year ago has run its course, and non-military business has more than offset it. Our investment in automatic assembly equipment during the past 2 years is beginning to pay off and we anticipate a good 4th quarter despite the keenest competition imaginable."

Despite heavy losses in its manufacturing operations, CBS Inc. net profits for first 9 months of 1955 rose 19.5% to \$8,718,713 from \$7,299,130 for same 1954 period. Sales went up 15%—to \$302,589,748 from \$263,746,543. Per-share earnings were \$1.19 compared to \$1.04 after adjusting to reflect 3-for-1 stock split last April. Besides 20¢ cash dividend, directors Nov. 9 declared 2% stock dividend as of Nov. 25, stating belief that "a substantial portion of the company's earnings should be reinvested in its business to help finance continuing rapid growth."

Beckman Instruments Inc., Fullerton, Cal., was admitted Nov. 7 to trading on N. Y. Stock Exchange.

Fraudulent sale of TV film securities was charged by New York State Attorney General Javits in obtaining temporary injunction this week to stop 37-year-old West Hooker, of Larchmont, N. Y., from offering for sale at \$100 a share securities in 2 TV film companies he heads. He was charged with failing to register as securities dealer and engaging in "fraudulent, deceptive and misleading statements" in prospectus offering stock in Film Network Inc. and Master Television Corp., both of 853 Seventh Ave., N. Y. Asst. Attorney General Clurman said Hooker had proposed multi-million dollar TV film network. Documents in court affidavit also accused Hooker of anti-Semitic activities. Hooker is quoted as saying he already raised \$50,000 to organize network of "Christian TV stations."

First woman director on CBS board, elected this week, is Mrs. Millicent C. McIntosh, president of Barnard College, a trustee of Bryn Mawr, a director of Home Life Insurance Co., holder of honorary degrees from Johns Hopkins, Smith, New York U, Goucher, Bates, N. J. College for Women, Case Institute. She's the wife of Dr. Rustin McIntosh, professor of Columbia U Medical College and director of pediatrics, Babies Hospital. CBS chairman Wm. S. Paley is a trustee of Columbia U.

The movies doing all right: Paramount Pictures net income for 9 months ended Oct. 1 rose to \$7,680,000 (\$3.51 per share) from \$5,558,000 (\$2.52) for same 1954 period—latter having included non-recurring net capital gain of \$832,000 (38¢). Third quarter profit was \$2,515,000 (\$1.15) vs. \$2,428,000 (\$1.10).

Indiana Steel Products Co. reports net income for 9 months ended Sept. 30 was \$533,941, or \$1.95 per share based on 284,298 shares resulting from 2-for-1 split last March. Third quarter net was \$200,416 (70¢). Comparisons are unavailable.

Texas Instruments Inc. earned \$1,099,748 (34¢ per share) in 9 months ended Sept. 30 vs. \$811,842 (27¢) in same period in 1954. Net income for third quarter was \$403,738 (12½¢) vs. \$220,246 (7¢). Pres. J. E. Jonsson reported backlog of \$16,500,000 in military orders vs. \$2,060,000 at end of last year.

Charles Amory's Minot TV Inc., 509 Madison Ave., N. Y., is reported preparing SEC prospectus for new stock issue to finance \$4,000,000 acquisition of some 2000 short subjects from Paramount Pictures, including Popeye, Grantland Rice, Robert Benchley and other series.

Financial World, national weekly, has adjudged the American Broadcasting-Paramount Theatres Inc. annual report for third time as best in motion picture industry and presented pres. Leonard Goldenson with its "Oscar of Industry" Oct. 24.

Guild Films earned \$283,101 on gross billings of \$5,056,986 for 9 months ended Aug. 31, representing records for both sales and profit, reports pres. Reub Kaufman. Assets are listed at \$3,685,485, liabilities \$1,938,806.

SEC's TV-radio stock index (Vol.11:45) for week ended Nov. 4 was up 3% over closing price of previous week—559 vs. 542.9, based on 1939 figure of 100.

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Dividends: Storer Broadcasting Co., 37½¢ on common and 5¢ on unlisted "B" common, payable Dec. 14 to stockholders of record Dec. 1; American Broadcasting-Paramount, regular 25¢ & extra 20¢ Dec. 20 to holders Nov. 25; CBS Inc., 20¢ Dec. 9 to holders Nov. 25 and 2% stock dividend Dec. 30 to holders Nov. 25; General Instrument Corp., 12½¢ Jan. 16 to holders Dec. 15; Cornell-Dubilier, 30¢ regular and 30¢ extra, Dec. 30 to holders Dec. 15.

Network Television Billings

September 1955 and January-September 1955
(For August report see *Television Digest*, Vol. 11:41)

NEW HIGH for year and second highest month in its existence was achieved by ABC-TV in Sept., according to Publishers Information Bureau tabulations, which showed \$4,123,780 billings for that network as against \$2,660,601 in same 1954 month. In Nov. 1954, thanks to political time sales, ABC-TV reached record high of \$4,134,103 (*TV Factbook No. 21*, p. 32).

Sept. saw formal demise of DuMont Network, so that its billings figure was down to a mere \$11,538 as against \$802,721 in Sept. 1954. NBC-TV jumped to \$13,734,194 from \$11,767,789 in Aug.; CBS-TV to \$15,188,805 from \$14,959,098 in Aug. Both were heavily ahead of Sept. 1954. Combined networks were \$33,058,317 for the month vs. \$26,198,116 in Sept. 1954, bringing their 9-month aggregate to \$290,575,813 from \$222,824,813 for same 1954 period.

PIB no longer gives radio network figures, now discontinued (Vol. 11:41). The Sept. PIB report:

NETWORK TELEVISION

	September 1955	September 1954	Jan.-Sept. 1955	Jan.-Sept. 1954
CBS	\$15,188,805	\$12,936,020	\$138,474,755	\$102,989,891
NBC	13,734,194	9,798,774	116,279,486	88,299,817
ABC	4,123,780	2,660,601	32,718,864	22,693,361
DuMont	*11,538	802,721	*3,102,708	8,841,744
Total	\$33,058,317	\$26,198,116	\$290,575,813	\$222,824,813

NETWORK TELEVISION—January-September 1955

	ABC	CBS	DuMont	NEC	Total
Jan. \$	3,718,195	\$15,831,141	\$ 723,960	\$13,172,695	\$ 33,445,991
Feb.	3,567,696	14,694,726	597,275	12,419,641	31,279,338
Mar.	3,806,425	16,036,896	628,625	14,102,093	34,574,039
Apr.	3,527,558	15,426,214	462,335	13,285,933	32,702,040
May	3,606,427	15,978,680	273,640	13,591,687	33,450,434
June	3,542,304	15,724,184	218,845	12,238,694	31,724,027
July	3,263,803	14,635,011	131,105	11,966,760	29,996,679
Aug.	3,562,676	14,959,098	55,385	11,767,789	30,344,948
Sept.	4,123,780	15,188,805	*11,538	13,734,194	33,058,317
Tot. \$	32,718,864	\$138,474,755	\$3,102,708	\$116,279,486	\$290,575,813

* Effective Sept. 15, DuMont changed from a national network to a local operation.

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.

Decision on illegal boosters by FCC examiner J. D. Bond—who recommended FCC approve unlicensed operations (Vol. 11:43)—came under withering official fire this week as Commission general counsel's office filed brief asking for cease-&-desist orders against Washington state operators in Bridgeport, Nespelem & Quincy. Brief said that heart of issue was flagrant challenge to Commission's authority over construction and operation of such boosters under Sec. 301 of Communications Act; that boosters must come under Sec. 301 because record proves they have caused interference to authorized signals; that examiner arrogated to himself FCC's policy-making powers. There's little doubt FCC will decide to reverse examiner, issue cease-&-desist orders, but it may face ticklish task of getting them off air—for booster operators have shown little regard for Commission's opinions so far, continuing to build new boosters throughout litigation. They seem to feel that state of Washington and Washington, D. C. are a long way apart. National Community TV Assn. counsel E. Stratford Smith also filed brief, stating in part that the Communications Act has "an absolute prohibition against unauthorized radio transmission and reflects no Congressional intent to allow the Commission discretion as to whether or not to permit such transmission to go unlicensed . . ."

TWO NEW STATIONS can be added to U. S. roster, one to Canadian, first starters in about a month—bringing U. S. total to 456, Canadian to 30. They're KTVO, Kirksville, Mo. (Ch. 3); KTHV, Little Rock, Ark. (Ch. 11); CJLH-TV, Lethbridge, Alta. (Ch. 7). Details:

KTVO, Kirksville, Mo. starts with CBS shows Nov. 13 following week of test patterns, reports mgr. Berg Allison, ex-KBIZ, Ottumwa, Ia., which is also the TV business address. It has 25-kw RCA transmitter, 1101-ft. Stainless tower near Lancaster, Mo., about halfway between towns. Nearest other stations are in Quincy, Ill., 65 mi.; Hannibal, Mo., 73 mi.; Columbia, Mo., 87 mi.

James J. Conroy, attorney of Superior, Wis., who also controls KBIZ & radio WBIZ, Eau Claire, Wis., owns 2/3 and is gen. mgr.; Charles Fellers, ex-KBIZ, sales mgr.; James Bolen, ex-WSIL-TV, Harrisburg, Ill., program mgr.; Olaf Gabrielson, ex-KFGO, Fargo, N. D., chief engineer. Base hour is \$300. Rep is Bolling.

KTHV, Little Rock, Ark., begins test patterns Nov. 14, plans Nov. 20 start with CBS & ABC shows not cleared by KATV, Pine Bluff-Little Rock (Ch. 7), becomes CBS primary next April 1. It has 50-kw RCA transmitter on Shinall Mt., is using 150-ft. auxiliary tower pending current installation of 12-bay RCA antenna on 1175-ft. Ideco tower to be shared with KARK-TV, Little Rock (Ch. 4).

KTHV is 42% owned by radio KTHS, a subsidiary of *Shreveport Times* (KWKH); 32% by *Little Rock Arkansas Democrat*, whose pres. A. K. Engel holds another 10% personally; remainder by National Equity Life Insurance Co. KWKH mgr. Henry B. Clay, who also owns 11% of KTRE-TV, Lufkin, Tex. (Ch. 9), is exec. v.p.; B. G. Robertson, from KTHS, gen. mgr.; Ernie Burns, ex-KARK-TV, production mgr. Also from KTHS are Cecil Bland, program mgr.; W. V. Hutt, commercial mgr.; Cecil Suitt, chief engineer. Base hour is \$200. Rep is Branham.

CJLH-TV, Lethbridge, Alta. begins programming Nov. 13 after formal opening Nov. 12. It's 50 mi. from Montana border, has first Standard Electronics transmitter to be used by a Canadian station—10-kw with Alford antenna on 600-ft. Stainless tower. Co-owners are local radio CJOC and Hugh Buchanan's *Lethbridge Herald*. Norman Botterill, mgr. of CJOC, is managing director; Robt. Ransom, from CJOC, production mgr.; Douglas Keough, ex-CBUT, Vancouver, sales mgr.; B. A. Reagh, ex-CJOC, technical director. Base hour is \$160. Reprs are Weed and All-Canada.

Victory in celebrated "capital gains" case of the old CBS-NBC radio talent raid days was won this week by Jack Benny in U. S. Tax Court ruling. The 7-year-old case was the cause celebre in which comedian formed a corporation (Amusement Enterprises Inc.) involving his services, sold it to CBS and paid long-term capital gains tax on transaction (25%) instead of personal income tax (about 75%). Internal Revenue Service ruled arrangement did not qualify as capital gain transaction, but it was overruled by Tax Court. Saving to Benny totals about \$1,000,000. Internal Revenue hasn't indicated whether it will appeal.

One new TV application was filed with FCC this week, bringing total pending to 161 (19 uhf). The application was for Ensign, Kan., Ch. 6, by over 400 stockholders. [For details, see *TV Addenda 21-R* herewith.]

David Garroway Co. Inc. has been incorporated in N. Y. to engage in TV, radio & theatrical activities, with an authorized capital of 20 no par shares.

Television Digest

with **ELECTRONICS** **REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS—November 19, 1955

PUBLIC PAYING \$3.28 BILLION for TVs, parts, servicing, etc. this year; cost of extra power and TV advertising brings total outlays to \$4.81 billion (p. 1).

TRANS-ATLANTIC TV can be started now using "scatter" techniques, say Dr. DuMont and others, but engineering opinion on subject is sharply divided (pp. 1 & 9).

ALLOCATIONS SCENE shifts to uhf stations' fight to block vhf grants, FCC's efforts to add more vhf assignments, with Congress and courts watching (p. 3).

FCC BROADCAST BUREAU says CBS not best St. Louis Ch. 11 applicant; NBC & Westinghouse urge approval of Philadelphia-Cleveland station swap (p. 4).

MAJOR MOVIE PRODUCERS moving deeper into TV, with Warner Bros., 20th Century-Fox, Paramount, RKO adding to TV film production; other news of films (p. 7).

BIG SECOND-SET MARKET revealed in ARB survey showing only 4.6% of 33,000,000 TV homes have second set; 49.3% of receivers under 21-in. (p. 10).

CONTROL OF OLYMPIC RADIO sold to group of industrialists and bankers; company plans electronics expansion through purchase of going concerns (p. 11).

MERGER OF HALLICRAFTERS into big Penn-Texas holding company under discussion, as Chicago TV-radio maker shows profit after loss year (p. 15).

MILTON EISENHOWER and Walter Annenberg sign unusual pact for Penn State U's use of daily fixed-time on WFBG-TV, Altoona (Ch. 10) for 5 years (p. 7).

GRAND FORKS (N. D.) STARTER is 457th on air in U. S. as Canada's 31st gets under way. News notes on shipments and upcoming stations (p. 8).

TV'S STATURE IN THE NATIONAL ECONOMY: The American public's outlay for TV receiving sets and their upkeep this year will amount to about \$3.28 billion, according to the industry's own Mr. Statistics -- Frank W. Mansfield, Sylvania sales research director and chairman of the RETMA statistical dept. Here's how he figures it:

Some 7,900,000 TVs will have been sold this year for \$1.95 billion at retail. In addition, consumers will have spent some \$780,000,000 on replacement tubes, parts, antennas, etc. Another \$550,000,000 will be paid for installation and servicing.

Grand total is about same as last year's, when 7,300,000 TV sets were sold, but estimated bill then for replacement tubes, parts, etc. was \$823,000,000, for servicing & installation \$576,000,000. In 1953, the total was \$3.1 billion; 1952, \$2.6 billion; 1951, \$2.2 billion; 1950, \$2.1 billion. Before 1950, TV was small fry.

We get a truly fabulous figure for TV's place in the national economy if we add to the 1955 figure of \$3.28 billion the \$481,000,000 estimated extra cost for electricity to power the nation's TV sets (Vol. 11:35), and also the guesstimated \$1.05 billion that advertisers will spend this year for time, talent and concomitant costs on the American networks and stations (Vol. 11:39).

The grand total of "newly created product" represented by TV would thus come to slightly more than \$4.81 billion -- or better than 1.2% of the gross national product which Dept. of Commerce estimates will amount to \$390 billion this year.

That's for TV alone. Radio figures haven't been worked up yet, though it's known that fully 6,300,000 home and 6,200,000 auto radios will have been sold this year for probable retail total of nearly \$500,000,000. Parts and servicing should come high, too, for there are some 91,000,000 home, 31,000,000 auto sets in use.

Note: TV sets-in-use at end of 1955, according to Mansfield: 37,400,000, as compared to 31,830,000 at end of 1954.

TRANS-OCEAN 'SCATTER' TV—HOW SOON? "Global TV" sprang into the headlines this week as the newspapers discovered the newly harnessed phenomenon of ultra-reliable over-the-horizon radio communication using vhf & uhf "forward scatter" principles.

Many industry and govt. engineers received their first technical education in "scatter" this week, too, in Washington under IRE auspices, at first seminar ever

held on scatter principles. First published account of experimental uses of scatter techniques for reliable radio communication appeared in Television Digest in April 1952 (Vol. 8:17), followed last Aug. by our report -- also exclusive -- that the military is now making extensive practical use of scatter, which we termed "the hottest thing in radio communications" (Vol. 11:32).

Our non-technical article was printed right after Pentagon lifted security veils from some significant data and uses of scatter. Since then, the subject has been treated in hundreds of pages in the technical press.

But it was Dr. DuMont's bullish speech at the IRE symposium -- on the practicability of global TV by means of scatter transmission -- which really caught the ear of the press and public. Said the TV pioneer:

"There have been a lot of statements and remarks in recent years about the possibility of a global TV system. 'Forward scatter' very definitely gives the industry the tool by which it can be accomplished...A complete global system may well be decades in the future, but certainly a start can be made now. I believe that it would be well worth the attention of Congress to study the feasibility of immediately establishing a live trans-Atlantic TV hookup using scatter transmission techniques. It is possible in a very short time to have a link across the ocean. In my opinion we ought to get going right away."

* * * *

While scatter has many implications for TV -- mostly favorable, but with perhaps some threat, too, in competition for spectrum space (see p. 9) -- the "global TV" idea stands out as by far the most dramatic. We checked with experts on scatter and on long-distance TV networking, and found no unanimity as to how soon a trans-Atlantic link could be built. Estimates run from 2 years to 10 or 20.

There is agreement on one point: Such a hookup could not be built for TV use exclusively -- it would be far too expensive. It must be constructed primarily for other communications purposes -- such as telephone & telegraph, military data-handling and radar -- with the circuits leased to TV for occasional special-event use. The time barrier alone (it's midnight in London & Paris when it's 7 p.m. in New York & 4 p.m. in Los Angeles) would seem to preclude regular live east-west use of relay.

Most vigorous proponent of transocean-TV-now is Wm. Halstead. His Unitel Inc. last year was instrumental in getting Congress to pass bill establishing top-level committee to study international communications (Vol. 10:30-31, 34) -- which never got going because no money was appropriated. Halstead's plan -- called "Narcom" -- calls for 14-hop uhf tropospheric scatter relay system from Canada to Scotland or Norway, hooking into Eurovision network, with relay points in Labrador, Baffin Is., Greenland, Iceland & Faeroe Islands, longest hop being 290 mi., Iceland to Faeroes.

Halstead estimates system would cost \$50,000,000, could be started now and completed in 2 years. His plan is to raise private capital to construct the link if Govt. won't undertake project. RCA engineers, who have worked with Halstead, reflect his optimism that necessary equipment -- including 200-kw transmitters for the long hops -- could be built now. Halstead points out that all relays could be located at present military bases, airstrips & settlements; none need be at out-of-way spots.

Some scatter experts take sharp issue with Halstead's thesis. They point out that too little is known about scatter at bands wide enough to accommodate TV signal. While bands sufficient for TV have been transmitted by scatter, neither equipment nor know-how has been developed to the point where a TV signal may reliably be sent 290 mi., they say. They point to AT&T's current uhf scatter experiments -- sending TV signal from Florida to Cuba (less than 150 mi.) -- which reportedly have encountered many difficulties. They add that Atlantic telephone-telegraph facilities are adequate -- so who's going to pay for such a system, even if it can be built today?

An early scatter TV network to Europe hinges on 2 conditions: (1) Whether we really have the know-how to build such a system now, and (2) whether the military -- which certainly would be the prime user of such facilities for some time to come -- has any need for such a broadband data-transmission system. We could get no verification of rumors that Pentagon intends to build top-of-the-world communication network which would be adaptable for occasional TV use. [For further details, see p. 9.]

THE ALLOCATIONS PICTURE—WHAT NEXT? Aftermath of last week's deintermixture and allocations decisions (Vol. 11:46) is the emergence of 2 major questions:

- (1) Will FCC now make final vhf decisions in ticklish vhf-uhf areas and will it be able to make CPS stick while grantees build and go on air?
- (2) How will allocations be altered after FCC gets through with its rule-making proceeding which is now underway?

You can take your choice of a wide variety of violent answers to both questions. Intention of FCC majority is definitely to render final decisions as fast as it can and get the new stations on air -- but there are a good many highly resourceful attorneys for uhf operators in the critical areas who will use every strategem in the books to prevent or delay new vhf competition.

There certainly will be court appeals. As a starter, several uhf operators filed petitions with FCC asking that the vhf decisions be held in abeyance and that they be permitted to intervene in the vhf cases. Commission is expected to reject these pleas, and uhf operators are planning to go to courts as soon as vhf grants are issued. One party is expected to appeal immediately -- off-air WTRI, Albany (Ch. 35), which lost fight to keep Ch. 10 from being dropped into Albany area.

Counter-attacking the uhf petitions, many vhf applicants awaiting final decisions have urged the Commission to pay no heed to appeals for delay, not to create another freeze. Such petitions were filed by applicants in Norfolk, Evansville, San Antonio, Raleigh and Corpus Christi.

Outlook is far from clear in any event. One attorney for uhf stations says: "This is only about the 4th inning." Another vows: "None of these new vhf stations will be on the air for a year." Many winners of vhf initial decisions aren't a bit fazed, however, are confident CPS are at hand and that they'll build.

Congress is another imponderable, in addition to courts. Senators are under tremendous pressure, particularly from uhf constituents. Sen. Pastore (D-R. I.), chairman of communications subcommittee of Interstate Commerce Committee, wrote FCC for explanation of its decision last week. He received answer, hasn't disclosed it.

* * * *

On technical side, there seems little doubt that FCC will end up squeezing more stations into present 12 vhf channels -- regardless whether it takes measures to preserve uhf or manages to corral more vhf channels from Govt.

There is growing opinion among engineers, for example, that vertical polarization -- many times considered, then rejected -- is now ready for use. Most plans proffered to date recommend it. Allocations expert A. Earl Cullum is preparing material for submission by Storer Bcstg. Co. to show advantages of "cross-polarization" -- use of both horizontal and vertical.

Cullum's figures show, for example, that co-channel spacing can be reduced from 170 to 142 mi. in Zone I and produce 2 stations with total of 26,600-sq. mi. of Grade B coverage, compared with present single station's 15,500-sq. mi. Cullum also argues that simple directionals are feasible, highly useful. In addition, he feels that 4 more vhf channels would probably take care of all the stations the country can support in the foreseeable future. He likens the job facing FCC and industry to that facing manufacturers before they squeezed compatible color into 6-mc channel.

FCC's hunt for more vhf channels took all 7 members to office of ODM director Arthur Flemming this week. Meeting was first of its kind, ended up with Flemming indicating eagerness to explore problem and agreeing to establishment of an ad hoc committee including his asst. director Maj. Gen. Jerry Matejka, FCC Chairman McConaughy, representatives of Defense Dept. & Commerce Dept. -- with others possibly to be added from time to time. Commission requested no specific number of channels, and Flemming gave no assurance as to what might be transferred to TV.

FCC hopes to have a good idea, by the time it makes decision on allocations, whether it will get more channels or whether they're a will-o'-the-wisp.

RETMA still shows leaning toward preservation of uhf, deciding in Chicago this week to participate in allocations rule-making and adopting resolution stating: "In view of the fact that excellent TV service has been provided to most of the

people of the U.S. under the channel allocation plan existing under the Commission's 6th Report & Order, the Commission should not make definitive amendments to that allocation plan without the benefit of a compilation of the best technical information available in industry on problems involved in vhf-uhf channel allocations."

No one has asked for postponement of Dec. 15 deadline for filing comments in rule-making but some one is bound to -- and FCC will undoubtedly grant short delay.

* * * *

Commission went to work on another horn of its dilemma this week by conferring with top network officials on network study it's conducting under mandate of Senate -- originally sparked by Sen. Bricker (R-O.). Purpose of meeting was to get networks' cooperation in supplying voluminous data on their accounting, breakdown of subsidiaries' finances, talent contracts, affiliation practices, etc.

Reports from the meeting are that Commission showed it's far from certain what it wants to do. Commissioners said "progress was made." Industry sources used such words as "fiasco." FCC's network study staff, under Roscoe Barrow, is still looking for more personnel. Chances are whole matter will just mosey along -- unless some one in Congress gets hot about it again. Senate Commerce Committee still plans to start its overall hearing Jan. 17.

Importance of network affiliation was stressed by Comr. John C. Doerfer in address at NARTB meeting in Dallas this week. He said that "programming is essentially the root of the problem" and noted that "the local uhf broadcaster, even with a 100% conversion or a high percentage of conversion, lives in mortal fear of a network competitor. The probability that he will lose all or some of his network programs to the vhf operator is a fear well founded..."

"Apparently a good deal of the present difficulty of the uhf operator has been a failure to obtain a network contract. But that is a business judgment which cannot be rightfully laid at the doorstep of the Commission. It does not have the power to program or to compel any network to enter into an affiliation contract with any station operator." Doerfer shied from govt. intervention, stating:

"To regulate network programming is tantamount to regulation of independent station programming -- from there to terms and from terms to rate cards. It is unrealistic to assume that a governmental agency can tip the scales of economics without changing the level of all business heaped upon one plate of that scale."

ST. LOUIS' Ch. 11 should not go to CBS, in opinion of FCC's Broadcast Bureau, which filed exceptions to examiner Thomas Donahue's initial decision favoring CBS. Bureau doesn't say which CBS competitor should get the grant, but it attacked CBS from several angles—paucity of religious, agricultural & educational programs on its other stations, absence of local ownership, etc.

NBC & Westinghouse, pushing for FCC approval of their proposed swap of Philadelphia & Cleveland stations (Vol. 11:21), informed Commission that Westinghouse wasn't coerced into deal and that there's no possibility of "monopoly" involved. Letter from RCA-NBC chairman David Sarnoff and Westinghouse Bestg. Co. chairman E. V. Huggins stated:

"The Companies entered into the agreement satisfied that the exchange is a fair one, that its consummation will serve the best interest of both companies and that it is consistent with the public interest." They pointed out that 16 TV stations can be received in area served by N. Y. & Philadelphia stations, cited ARB survey showing that people in area between watch either N. Y. or Philadelphia—but not both, and they noted that only 5 out of nation's 3700 TV-AM-FM stations are involved.

Among other activities at FCC this week: (1) Effectiveness of new rule to extend Zone I vhf ceiling to 1250-ft. was postponed again, to Jan. 9, while Uhf Industry Committee filed petition asking that rule be vacated because of pendency of allocations rule-making. (2) Uhf

CP for WIL-TV, St. Louis (Ch. 42) was turned in, cancelled. (3) WDSM-TV, Superior, Wis. (Ch. 6) petitioned for change for Sec. 3.613 of rules so that stations could establish main studios in cities which are hyphenated in allocation table.

All-out preparation for allocation proceeding is being made by consulting engineer John Mullaney, who with law firm of Welch, Mott & Morgan has proposed increasing number of vhf stations by cutting co-channel mileages, power reductions, directional antennas, cross-polarization, etc. (Vol. 11:32). Mullaney has established antenna farm at Bumpass, Va., will experiment on amateur bands with corner reflector antennas, using horizontal & vertical polarization; A. W. Kramer, ex-Raytheon, heads up project. Mullaney says he's prepared to establish 200-watt non-directional and 1-kw directional Ch. 12 experimental station in Washington to demonstrate interference conditions to FCC. He'd use WOL-FM tower and equipment which has been offered by 2 manufacturers. Site is 97-mi. from nearest co-channel station, WPFH, Wilmington, 30-odd miles from adjacent-channel WAAM & WBAL-TV, Baltimore. Mullaney plans to submit 300-p. document, including channel-by-channel allocation for whole U.S., during FCC allocations proceeding.

Inadvertently omitted last week from our list of vhf applicants who await FCC final decisions is Corpus Christi's KRIS, whose application for Ch. 6 is unopposed.

Personal Notes: David Kaigler Jr., ex production mgr. of WCAU-TV & WFIL-TV, named gen. mgr. of WPFH, Wilmington, Del., taking over duties assumed by owner Paul F. Harron when he bought station early this year (Vol. 11:4, 13); Kaigler, graduate of Naval Academy, was formerly with Adrian Bauer Adv., Philadelphia . . . Stanton M. Osgood resigns as NBC-TV film production mgr. to become production director of Nathan Halpern's Theatre Network TV . . . George Rice named program director, WABC-TV, N. Y., replacing Ardien Rodner Jr., resigned; Tak Kako promoted to succeed Rice as film director . . . John F. Patt, pres. of WJR, Detroit and upcoming WJRT, Flint, Mich. (Ch. 12), is back at his desk part time after recuperating from heart attack during last May's NARTB convention in Washington . . . Charles L. Glett, onetime CBS v.p., now exec. v.p. of RKO, elected to board of directors of Assn. of Motion Pictures Producers; Wm. H. Anderson, Walt Disney Productions, also elected . . . Irving A. Fein named CBS Radio v.p. in charge of adv., sales promotion & press information; I. S. Becker named v.p. for business affairs, Richard W. Jolliffe administrative mgr. of sales services . . . Henry Howard, CBS Radio business affairs director, named director of TV music operations . . . Arch Smith named mgr. of DuMont technical operations, replacing Harry C. Milholland, who resigned along with his asst. Eric Herud; Ed Lieberthal resigns as mgr. of broadcast operations . . . Harry E. Travis, succeeded by O. W. Myers as gen. mgr. of WNEM-TV, Bay City-Saginaw, joins staff of Sen. Potter (R-Mich.) as news secretary . . . Wm. E. Lucas, ex-program director of Sioux City's KTIV, named program director of upcoming WSAV-TV, Savannah (Ch. 3); Elmer Alley, ex-WSM-TV, Nashville, production mgr.; Thomas E. Belcher, ex-KGEO-TV, Enid, Okla., commercial mgr. . . . Walter J. Duschinsky, associated with Wm. J. Scripps in Detroit consulting practice, ex-consultant on TV stations in Tokyo, now head of new telecommunications div., Victor Gruen & Assoc., Los Angeles architects . . . John Hopkins promoted to asst. mgr. KFJZ-TV, Ft. Worth; Arno Mueller, program director; John Stegall, production mgr. . . . Henry H. Mamet, from radio-TV dept. of U of Kansas City, named mgr. of upcoming KRMA-TV, Denver (Ch. 6, educational), due in Jan.; James Case, ex-CBS-TV, Hollywood, and NBC, N. Y., producer-director; Thomas G. Morrissey, Denver consulting engineer and ex-chief engineer of Denver's KFEL-TV, chief engineer . . . Wm. Hedgpeth named film director, WTOP-TV, Washington, replaced as sales promotion director by Joseph P. Dowling, ex-Headley-Reed, N. Y. . . . Joseph F. Whalley promoted to new post of director of business affairs & financial planning, WNBQ & WMAQ, Chicago . . . Ben Strouse, gen. mgr. of WWDC, Washington, elected pres., Md.-D. C. Radio & TV Broadcasters Assn.; Robt. Cochrane, program director of WMAR-TV, Baltimore, elected secy.-treas. . . . Stan Morris promoted to trade news editor, ABC western div. . . . Warner H. Moore, ex-WRCA-TV, N. Y., joins Philadelphia office of Outdoor Adv. Inc. . . . Gill Lee, from San Diego & Phoenix stations, appointed asst. to gen. mgr. Joe Herold, KBTB, Denver . . . Edward Graessle promoted to mgr. of ABC treasury affairs, reporting to controller Harold L. Morgan Jr.

Charles E. Smoot, Washington attorney and native Washingtonian, is leading candidate for appointment as FCC asst. gen. counsel next week. New appointee will take over legislation, treaties & rules div., Richard A. Solomon taking charge of litigation div., J. Smith Henley becoming assoc. gen. counsel, second in command to gen. counsel Warren E. Baker.

ADVERTISING AGENCIES: Alvin Kabaker, TV-radio v.p. of Dancer-Fitzgerald-Sample, heading both N. Y. & Hollywood operations, joins Compton Adv. as director of west coast operations; Tom Carson named Compton supervisor on all accounts other than Procter & Gamble . . . Joseph Unger, ex-Grey Adv. marketing director, appointed by Biow-Beirn-Toigo Inc. as v.p. in charge of sales promotion on Whitehall Pharmacal account . . . Edward R. Beach, ex-Benton & Bowles and Procter & Gamble, joins McCann-Erickson, N. Y., as v.p. & chairman of marketing plans board . . . Edward C. Kennelly, ex-Princeton Film Center, now exec. v.p., Lenhart Adv. Inc., Hopewell, N. J.

Jansky & Bailey Inc., old-line TV-radio station consulting engineers, who also engage in systems engineering, operations research & radio allocations engineering for non-broadcast clients and in applied research & development work in electronics fields, this week announced tax-free exchange-of-stock affiliation with General Communication Co., 677 Beacon St., Boston (Ronald Jones, pres). Details of financial arrangements were undisclosed since firms are privately owned. General Communication Co. makes electronic equipment such as electromagnetic switches, coaxial switches, electronic test units, pulse modulators, power supplies, signal generators, oscilloscopes, etc., much of it for Govt. Jansky & Bailey, which on Sept. 1 celebrated its 25th anniversary, will continue in the station consulting field.

Academy of Television Arts & Sciences sent its pres. Don DeFore to N. Y. this week to meet with local committee on better procedures for annual "Emmy" awards, which will be carried next March 17 on NBC-TV under Oldsmobile sponsorship. Volunteering services on local committee were Ed Sullivan; Lawrence Langner, Theatre Guild; John Daly, ABC v.p.; Rod Erickson, Young & Rubicam v.p.; Nicholas E. Keesley, Lennen & Newell v.p. DeFore disclosed that an "Emmy" would be presented President Eisenhower "for distinguished use and encouragement of the TV medium" in recognition of his televised press conferences.

James C. Petrillo's AFM expelled CBS musical director Lud Gluskin and fined him \$5000 for allegedly recording music for filmed TV shows under "illegal conditions." The 40-year union member was charged with recording music for 3 network film properties—a practice which the union says is illegal.

Brig. Gen. David Sarnoff, RCA chairman, appointed by President Eisenhower to be chairman of National Security Training Commission, succeeding late Maj. Gen. Julius Ochs Adler, gen. mgr. of *N. Y. Times*.

Frank U. Fletcher, of Spearman & Roberson, Munsey Bldg., Washington, is spearheading project to establish chapter of Radio Pioneers (Raymond F. Guy, NBC, pres.) in the nation's capital.

Harold Baker, news director of WSM-TV & WSM, Nashville, elected pres. of Radio-TV News Broadcasters Assn. at Denver convention Nov. 18.

George L. Jensen, 51, chief of engineering div., FCC Field Engineering & Monitoring Bureau, was found hanged in his home last week; coroner issued certificate of suicide. Colleagues said Jensen had been emotionally upset and physically ill for some time, suffering from migraine headaches and ulcers. Survivors are wife, sister & father. Floyd Wickenkamp was named acting chief of div.

Norman Nash, 49, ex-Kudner v.p., who as copy chief of the agency pioneered many TV techniques, died Nov. 16 in the Virgin Islands where he lived since retirement from business last July. He is survived by his wife and 2 sons.

Network Accounts: Sponsor dissatisfaction cropped up on 2 networks this week, causing cancellation of one big show and casting doubt on another highly promising one. Colgate-Palmolive, after 5 years of sponsorship, notified NBC-TV it wants to give up *Colgate Variety Hour* Sun. 8-9 p.m. and relinquish the time period, asking to be relieved from contract which runs through June 1956. NBC spokesman said last show in series probably will be Dec. 25. At CBS, P. Lorillard Co. (Kent cigarettes) cancelled plans to co-sponsor upcoming \$64,000 *Panel* Sat. 10-10:30 p.m. with Revlon, preferring to stay temporarily with *Appointment with Adventure*. Revlon is now seeking another co-sponsor, another time period and perhaps another network . . . J. P. Stevens & Co., big textile firm headed by ex-Army Secy. Stevens, in first network sponsorship, buys one-third of *Omnibus* on CBS-TV starting Jan. 1, Sun. 5-6:30 p.m., thru Bryan Houston Inc., N. Y. . . . CBS-TV will pre-empt *Omnibus* time Nov. 27, Sun. 5-6:30 p.m., for second in Ed Murrow's *See It Now* series—this one titled *Ballots at Bear Creek: An Educational Western*, examining controversy in Jefferson County, Colo., created by school bond issue . . . Dow Chemical buys 13 partic. on *Matinee Theatre* colorcast on NBC-TV starting in Jan., Mon.-thru-Fri. 3-4 p.m. . . . Procter & Gamble, in pre-Thanksgiving "saturation" drive for Fluffo pie mix, to buy 60 spots Nov. 21 on NBC-TV's *Home, Tonight & Matinee Theatre*, and CBS-TV's *On Your Account, I Love Lucy & Search for Tomorrow*, thru Biow-Beirn-Toigo . . . Black & Decker (tools) buys 24 spots on NBC-TV's *Today, Home & Tonight* starting Nov. 10, thru Van Sant, Dugdale & Co., Baltimore . . . Hills Bros. (coffee) buys 3-times-a-week partic. on *Panorama Pacific* on CBS-TV west coast regional network starting Dec. 7, Mon.-thru-Fri. 7-9 a.m., thru N. W. Ayer, N. Y. . . . American Home Products, Mon. sponsor of *Douglas Edwards and the News* on CBS-TV 7:30-7:45 p.m., extends sponsorship to Wed. & Fri. starting Dec. 28, thru Biow-Beirn-Toigo . . . Buick to sponsor Orange Bowl football game from Miami on CBS-TV Jan. 2 starting at 2 p.m., thru Kudner . . . New daytime give away program, *Play for Keeps*, being prepared by CBS-TV for 30-min. showing before end of year; it's Goodson-Todman package, to be emceed by Sonny Fox . . . Arthur Godfrey to originate all his TV-radio programs from Miami Beach week starting Nov. 21.

Among advertisers currently reported using or preparing to use TV stations time: Potter Drug & Chemical Corp., Malden, Mass. (Cuticura talcum), thru Atherton & Currier, N. Y.; Vick Chemical Co., N. Y. (Vicks lozenges), thru Morse International, N. Y.; Bosco Co., N. Y. (Bosco milk amplifier), thru Ruthrauff & Ryan, N. Y.; American Can Co., N. Y. (soft drink cans), thru Young & Rubicam, N. Y.; Blevins Popcorn Co., Nashville (Pops-Rite popcorn), thru Simon & Gwynn, Memphis; Independent Grocers' Alliance, Chicago, thru Reach, Yates & Mattoon, N. Y.; International Molded Plastics Inc., Cleveland (Brookpark plastic dinnerware), thru Product Services, N. Y.; Edward Kenneth Corp., N. Y. (KornX foot remedy), thru Product Services, N. Y.; Mytinger & Casselberry, Long Beach, Cal. (Nutrulite food supplement), thru Dan B. Miner Co., L. A.; Sawyer's Inc., Portland, Ore. (View-Master stereo products), thru Carvel Nelson & Powell Adv., Portland; Dr. Pepper Bottling Co., Atlanta, co-op.

Assn. of National Advertisers has published booklet titled *Criteria for Business-Sponsored Educational Films*, detailing methods for reaching the educational audience and prepared by ANA's film steering committee with aid of Eastman Kodak's Thomas W. Hope; it's available from ANA, 285 Broadway, N. Y., \$2.

Licensed TV sets in Britain totaled 4,883,849 Sept. 30, up 97,434 in Sept., 60,832 in Aug.

Raymond Spector, chairman of Hazel Bishop and pres. of ad agency bearing his name, got reams of publicity this week in charging NBC as "arrogant, brazen and callous" in its "disregard for the needs of advertisers." He told press conference he was considering legal action against network for its "refusal" to let him have Sun. 10:30-11 p.m. time period this season. He said he had a verbal agreement for the time period with NBC, which then gave it to American Tobacco for *Justice*. NBC flatly denied charge, saying Spector had never had contract for the time. Spector also lashed out at what he called NBC's "high-handed manner" in insisting on control of programming and time segments—a viewpoint that drew this editorial observation from *Billboard*: "In raising the old network control bugaboo, Spector is vainly trying to revive an issue which could no longer be resuscitated even by the gaudiest surgical feats of *Medic*. . . . Thanks to the firm decision of NBC and CBS to retain final authority over what should or should not be aired over their facilities, it's now seldom possible for a sponsor to short-change other bankrollers in the lineup as well as the audience with a cheapie show. It also enables network execs to plan the strongest possible lineups for a full evening, lineups which tend to pull the viewer from one show to the next, instead of the anarchic conditions of the radio days when it was every sponsor for himself."

Rate increases: WHEN-TV, Syracuse, adds new Class AA hour (8-10:30 p.m. daily) at \$850, min. at \$200, Class A hour remaining \$700; WHEC-TV & WVET-TV, Rochester, N. Y. share-time outlets raise Class A base hour from \$600 to \$700, Class AA min.-only rate from \$140 to \$160, Class A min. \$120 to \$140; KFOR, Portland, Ore. hour from \$500 to \$600, min. \$100 to \$120; WWLP, Springfield, Mass. Dec. 1 raises base hour from \$350 to \$400, min. \$70 to \$80; KTSM-TV, El Paso, has raised base hour from \$250 to \$325, min. \$50 to \$65; WJMR-TV, New Orleans, hour from \$250 to \$300, min. \$50 to \$60; KVAL-TV, Eugene, Ore. hour from \$225 to \$300, min. \$45 to \$60; WTOG-TV, Savannah, from \$200 to \$250 & \$40 to \$50; WSAU-TV, Wausau, Wis. from \$200 to \$250 & \$40 to \$50. Spot increases: WMAL-TV, Washington, raises base min. rate from \$150 to \$180; WHAM-TV, Rochester, N. Y., adds new Class AA min.-only rate (7:59-10:01 p.m. daily) at \$160, Class A min. (6:59-7:59 & 10:01-11:01 daily) going from \$150 to \$140; WBRZ, Baton Rouge, Jan. 1 adds new Class AA 20 sec.-only rate (7-10 p.m. daily) at \$65. Rate decrease: WPPFA-TV, Pensacola, cuts base hour from \$120 to \$74, min. \$18 to \$11.

Most successful TV commercials in L.A. area, from standpoint of sponsor identification, are those of Ford, Bank of America & Hamm Brewing Co. So said ABC western v.p. Earl Hudson in speech to Hollywood Ad Club last week, on basis of ABC survey (Vol. 11:46). He declared that a majority of sponsors are using the wrong type of commercials for their products, thereby actually creating ill will. Other results: 30% felt average TV commercial gives too much information, 20% say it doesn't give enough; 70% contend advertiser should list stores where his product can be purchased locally; 93% of men and 75% of women preferred male announcer; one of most irritating features were back-to-back commercials.

NBC Radio discontinues midnight-8 a.m. segment of *Monitor* starting in Jan. because an insufficient number of affiliates were carrying that portion of round-the-clock weekend program. NBC spokesman insisted, however, that show is doing "very well" commercially.

New list of "Timebuyers of the U. S.," by cities and with addresses and accounts handled, occupies about 24 pages of Nov. 14 *Sponsor Magazine*, will later be published in booklet form. It's based on rep John E. Pearson's records, supplemented by *Sponsor* survey.

Telecasting Notes: Major movie makers going even deeper into TV (Vol. 11:46): Warner Bros., now producing only its full-hour *Warner Bros. Presents* for ABC-TV, has at least five 30-min. film series in preparation for 1956-57 market, also says it's available to make one-shot spectaculars. In the works are *Amazon Trader*, now being filmed in Brazil; *High Venture*, aviation stories, comedy series, and series based on sea adventures and insurance company files . . . 20th Century-Fox starts construction of new \$500,000 TV music scoring & recording building—this expenditure over & above the \$1,000,000 allotted earlier this year to reconvert Western Ave. lot to TV film production . . . Paramount, now planning to enter TV film production, is renovating sound stages for TV use . . . General Teleradio's RKO has definitely decided to go into TV film field, as well as to resume production of theatrical features . . . Goodson & Todman, top live TV program packagers, now going into film with a vengeance and will offer at least 6 filmed shows next season—running gamut from situation comedy through children's educational to juvenile delinquency series; one property carries the current animal star vogue (*Lassie, Rin Tin Tin, Champion*, et al.) to its illogical extreme—series starring a zebra! . . . ABC-TV announced 9 new filmed program properties for next season—3 half-hour series produced by Louis F. Edelman (2 westerns, one Americana anthology), full-hour *Wire Service* filmed by 4-Star Productions, 30-min. melodrama by Desilu, 30-min. semi-documentary by Jerry Devine on little-known U. S. communities, 30-min. adult western by Jack Chertok, full-hour dramatic anthology produced abroad by Sheldon Reynolds . . . "Dramacular" is word coined by ABC-TV for its upcoming weekly series of 90-min. filmed dramas scheduled for next season. Tentatively titled *Command Performance*, 26 to 39 shows (plus 13 repeats) will be produced by Meridian Productions Inc., to be sold to 3 or 4 sponsors. John E. Gibbs, who negotiated the deal and whose John Gibbs Agency will supply authors, says there's possibility that some of the "dramaculars" will be released to theatres—either in U. S. or overseas—after their TV showings . . . Comedians: Martin & Lewis, complaining that Hollywood studio audiences are getting blase from sitting in on too many TV shows, filled the house with Woodbury College students for Nov. 13 *Colgate Variety Hour* telecast, hope to use more "specialized group" audiences in the future. Bob Hope wanted to top this by filming his TV show in the Soviet Union before studio audience, but Russia is expected to veto plan . . . Nine first-run feature films made in 1953-54 and still in theatrical release by Lippert Pictures Inc. have been offered by Lippert subsidiary Tele-Pictures Inc. for 1956 TV showing . . . Another TV film producer expands into movies: Parsonnet & Wheeler Inc., TV film & commercial producer, begins work on its first theatrical feature, "A Lion Is Loose."

Sunday is "educational spectacular" day on networks—what with Ford Foundation's superb 90-min. *Omnibus* on CBS-TV and GM's exciting *Wide Wide World* on NBC-TV. Now, Alfred P. Sloan Foundation, which produces modest-budgeted Sunday *American Inventory* on film for NBC-TV, wants to expand show to full-hour documentary, live in color, either monthly or bi-monthly. And CBS-TV plans live Sun. afternoon drama series, *Front Row Center*, from Hollywood 4-5 p.m. beginning Jan. 8.

Formation of film distributors' organization is due shortly after Jan. 1. Steering committee for the tentatively-titled Assn. of TV Film Distributors under General Teleradio's Dwight Martin has completed 6 months' work on rules of procedure and tentative budget and is now sending application blanks to all TV film distributors, together with other organizational proposals.

MILTON S. EISENHOWER finalized agreement this week with publisher Walter Annenberg (*Philadelphia Inquirer*) whereby Pennsylvania State U, which he heads, will utilize 12:30-1 p.m. period daily except Sun. and 11 a.m.-12 noon Sun. on WFBG-TV, Altoona, Pa. (Ch. 12). Annenberg's Triangle Publications Inc. (WFIL-TV, Philadelphia & WNBF-TV, Binghamton) proposes to purchase station from Gable dept. store interests, along with radio WFBG (250 watts, 1350 kc, NBC), for \$3,500,000 cash (Vol. 11:32,33,39).

Details of agreement, unique in annals of commercial-educational TV station relations, were disclosed Nov. 18 when formal application for transfer of ownership was filed with FCC. The President's youngest brother specifically authorized that the memorandum covering the unusual fixed-time allotment plan be filed with the transfer application. Deal is conditional on transfer, of course, but that's regarded as foregone certainty.

Penn State would use daily 12:30-1 p.m. for *Home & Farm Life* program directed by its agricultural & home economics chief Dr. Herbert Albrecht—covering weather, market reports, farm news, home economics, farm science, 4-H Club work, gardening, health, wildlife, etc. Hour-to-hour Sun. telecast would be called *Pennsylvania State University Chapel*, consisting of non-sectarian services.

Arrangement is to be in effect for 5 years, the university agreeing to use TV equipment it now owns, Annenberg agreeing to set up microwave relay for the 30-mi. haul from State College to Altoona. Not part of the agreement, Annenberg is also making grant of \$10,000 a year for the next 5 years for the project and furnishing kinescope equipment "so that these programs may be filed for the university's own use, distributed to other educational institutions and to other TV stations . . ."

Though Penn State has never indicated an interest in acquiring a TV station of its own (uhf Ch. 48 having been reserved for an educational non-commercial in State College, Pa.), it has been a pioneer in closed-circuit TV classroom experiments. Last July 31, sponsored by Fund for the Advancement of Education, Penn State published a 102-p. report on "An Investigation of Closed-Circuit TV for Teaching University Courses."

Annenberg founded pre-freeze WFIL-TV (Ch. 6) as counterpart of radio WFIL (5-kw, 560 kc, ABC); earlier this year paid \$2,700,000 for WNBF-TV, Binghamton, N. Y. (Ch. 12) with radio WNBF (5-kw, 1290 kc, CBS); a few weeks ago got FCC authorization to take over CP for now-silent WLBR-TV, Lebanon, Pa. (Ch. 15) for \$235,000 (Vol. 11:45). He proposes to revive latter station shortly. In addition, he has application pending for new Ch. 18 station in Elmira, N. Y., which he proposes to operate as satellite of Binghamton outlet.

Reader's Digest for Dec. will carry article by Maj. J. Andrew White on "The First Big Radio Broadcast"—the Dempsey-Carpentier fight from Jersey City, July 2, 1921; White was first RCA broadcasting director, later first pres. of CBS (1927-28).

"How to Figure Talent Costs in TV Filmed Commercials" is newly revised booklet now available from Screen Actors Guild, 551 Fifth Ave., N. Y., and 7046 Hollywood Blvd., Los Angeles, Cal.

Half-hour film of 1955 New England flood, shot by cameramen of WJAR-TV, Providence, who won Peabody Award for their hour documentary on Hurricane Carol, is being made available to other TV stations on no-cost basis.

GRAND FORKS, N. D. gets first station as KNOX-TV (Ch. 10) was all set to start test patterns this week end, to be followed shortly by regular NBC & ABC programming. New station is 457th on air, opens up virtually new market for it's 70 mi. from nearest outlets in Fargo & Valley City. Using 5-kw DuMont transmitter, it starts with 2.95-kw ERP but proposes to go to 29.5-kw shortly; it uses 6-bay 37-ft. antenna on 215-ft. tower installed by Tower Construction Co., Sioux City. State Senator Carroll E. Day is pres. & acting gen. mgr.; Robert Lukkoson, sales mgr.; John Dark, program director; C. J. Thomforde, technical director; Lyle Gilbertson, ex-WDAY-TV, Fargo, chief engineer.

Canada's 31st station, CKNX-TV, Wingham, Ont. (Ch. 8), started programming Nov. 18 after week of test patterns, reports pres.-gen. mgr. W. T. Cruickshank. It's about 65 mi. north of CFPL-TV, London (Ch. 10), uses 2-kw RCA transmitter with 12-slot wavestack antenna on 600-ft. Stainless tower. Controlled by Cruickshank family, G. W. Cruickshank is station mgr.; Don Hildebrand, program mgr.; Vin Dittmer, sales mgr.; Scott C. Reid, chief engineer. Base hour is \$200. Reps are Adam Young and All-Canada.

Only shipments reported this week were by GE—a 35-kw GE amplifier Nov. 11 to KREM-TV, Spokane, Wash. (Ch. 2); 1-bay standby antenna to KPRC-TV, Houston (Ch. 2); 3-bay antenna to upcoming KBST, Big Spring, Tex. (Ch. 4), due in mid-Dec. GE also reported order for 5-bay antenna to be shipped Dec. 15 to KPTV, Portland, Ore. (Ch. 27), which shortly boosts power to 1 megawatt. GE also has order for complete new TV station from Govt. of Uruguay, to be installed in Montevideo.

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In our continuing survey of upcoming stations, these are latest reports from principals:

WSAV-TV, Savannah, Ga. (Ch. 3), with all major items of equipment on hand, including 10-kw RCA transmitter, doesn't have specific target but plans start about Feb. 1956, or earlier, as soon as AT&T makes interconnection available for NBC programming, writes pres.-gen. mgr. Harben Daniel. It will have 3-bay RCA antenna

"Closed-circuit stations" in small communities, via local originations by community antenna systems, are being pushed by Richard T. Silberman, pres. of Kay Lab, San Diego vidicon camera manufacturer. With such setups, he said, community operators "can ward off establishment of low-power and satellite stations in their areas by offering local programming facilities." One of Kay Labs' first sales for community use was to operator in Richland, Wash. It offers live shows 11:45-2 p.m. daily, 9-10:30 a.m. Sat. Along same line, community antenna equipment maker Jerrold Corp. and system operator Bannock Cable TV, Pocatello, Ida., reported \$5000 gift to Idaho State College so that it could feed instructional programs to town's 11 public schools.

Bitter blast against community antenna operators was unleashed by Standard Television Co.'s Arche Mayers this week at National TV Film Council's forum in New York. They "cheat" TV film industry, he said, by relaying to their subscribers TV film properties without paying fee or getting permission. Another speaker, General Tele-radio's Dwight Martin, estimated that approximately 3362 feature films and 495 TV film series are now available to TV—which can use only about 1570 films and 111 series in a year. "As of the present, the supply of film greatly exceeds the demand." He suggested concentration on high-quality product as antidote to oversupply.

on Ideco tower, 370-ft. above ground, on roof of Liberty National Bank Bldg. Meredith E. Thompson, from WSAV, will be operations mgr.; Byron Strong, chief engineer. Base hour will be \$275. Rep not chosen.

KHAS-TV, Hastings, Neb. (Ch. 5), now shooting for Dec. 18 start, may not make it until first of year, reports gen. mgr. Duane L. Watts, ex-KHOL-TV, Kearney, Neb. Transmitter-studio building is nearly ready for 10-kw RCA unit, expected to be installed in 30 days. RCA 12-bay antenna goes up shortly on 600-ft. Ideco tower. Seaton Publishing Co., publisher of *Hastings Tribune*, headed by Fred A. Seaton, asst. to President Eisenhower, earlier this year transferred CP to new Nebraska Television Corp., retaining 56% control (Vol. 11:36). W. L. Murray, ex-KBTV, Denver, will be program mgr. Base hour will be \$200. Rep will be Weed.

WDMJ-TV, Marquette, Mich. (Ch. 6) hasn't set target, but RCA transmitter is due last week of Nov., when 12-bay 189-ft. antenna is scheduled for installation on 200-ft. Ideco tower, reports gen. mgr. W. H. Treloar. CBS Extended Market Plan affiliation is effective about Dec. 15. Owner Frank J. Russell, publisher of *Marquette Mining Journal* (WDMJ), who also controls *Iron Mountain News* (WMIQ), acquired CP earlier this year from Jerome Sill & Herbert R. Herzberg (Vol. 11:33). Gordon Brozek, from WDMJ, will be chief engineer. Base hour will be \$120. Rep will be Weed.

CJLH-TV, Lethbridge, Alta. (Ch. 7), which put out test signals for 2 days last week as planned (Vol. 11:46), had to call things off Nov. 14 because high winds and cold weather foiled plans to remove tower scaffolding, preventing suitable signals. It expected to resume tests and begin programming momentarily, reports Norman Botterill, managing director.

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"Candelabra" antenna, 1521-ft. structure giving co-equal height to KRLD-TV & WFAA-TV, Dallas (Vol. 11:30), is given 18-p. spread in Oct. issue of RCA's *Broadcast News*, which also features reports on medical use of color TV, 35mm intermittent color film projector, low-cost operation at KROC-TV, Rochester, Minn., effects of A-bomb tests on communications equipment.

Actor Bing Crosby, banker George L. Coleman (Miami, Okla.) and Texas broadcaster Kenyon Brown are disclosed as co-equal stockholders of new Midland Broadcasting Co., formed to purchase KFEQ-TV, St. Joseph, Mo. (Ch. 2), with radio KFEQ (5-kw, 680 kc, MBS), for \$550,000 plus assumption of \$200,000 bank loan and routine current liabilities. Application for transfer from Barton Pitts was filed with FCC Nov. 16. Combined stations show current assets of \$108,178, total assets of \$553,712, total liabilities of \$238,985, earned capital surplus of \$84,356. They ran deficit of \$19,629 for year to date, according to application, which revealed that Michigan broadcaster John E. Fetzer and Washington attorney Paul O'Bryan, originally scheduled for 12½% stock each (Vol. 11:34), had withdrawn from deal. Sale was handled by Robert Grant, of Kidder, Peabody & Co., Chicago.

Founders Corp., subsidiary of Tele-Trip Inc., N. Y. aviation insurance firm headed by John H. Shaheen, this week got FCC approval of its—recently exercised option on 50% of KTVR Denver (Ch. 2). It assumed half of \$400,000 purchase price, \$350,000 liabilities in recent transfer from Gene O'Fallon to J. Elroy McCaw (Vol. 11:31, 39). Founders Corp. includes on board Eugene duPont III, Wilmington, and H. J. Rand, Cleveland, and owns radios WTAC, Flint, and KPOA, Honolulu.

DREAM OF GLOBAL or transoceanic TV (see p. 1) has always been an intriguing subject. RCA-NBC's Gen. Sarnoff has been an enthusiastic proponent, having once proposed a chain of relay planes spaced at intervals across the Atlantic to form a microwave bridge for special events telecasts. First regular Cuba-to-U.S. telecast, staged this week by NBC-TV on its *Wide Wide World*, used single plane—flying over 2 miles high—as a microwave relay station, with excellent results.

Also taking note of global TV this week was convention of American Rocket Society in Chicago. R. P. Haviland of GE (which has a prime contract for forthcoming "man-made moon") proposed using space satellites as TV relay stations. He suggested that about 10 of these could provide worldwide live TV. Nevertheless—and despite conflicting ideas on the subject—best bet is that scatter techniques will provide first regular trans-Atlantic TV link.

Other TV applications of scatter may be closer than its transoceanic uses. As substitute for microwave, high-powered uhf tropospheric scatter relays can make possible wider spacing between relay stations and eliminate need for towers. This could be big boon in connecting to live TV networks such distant places as Alaska and Central & South America—permitting long hops over inaccessible or completely unpopulated places. When this can be done hinges on outcome of current AT&T experiments—and on economics.

Current applications of scatter are all military or experimental. Basic research for "ionospheric scatter"—which uses vhf for extremely long-distance transmission (up to 1000 mi.)—was conducted by National Bureau of Standards. Tropospheric scatter, which can use greater bandwidth for distances up to 300 mi. (the type of transmission which will be useful for TV relays) is based on research by NBS, Bell Labs and MIT's Lincoln Labs. Air Force was first to recognize military value of scatter and was first to put it to use, with installations handled by Page Communications Engineers, Washington. Military scatter equipment has been built by Collins Radio, National Co., Radio Engineering Labs, Rixon Electronics, D. S. Kennedy & Co. Experimental work has been accelerated recently—on TV and other phases—by AT&T and RCA as well as many others.

While parts of the TV band may be well suited for the non-TV vhf scatter communications use, there's been no inclination so far on the part of the military to seek any TV channels. But in informal discussions, nation's top scatter brains, in Washington for IRE symposium, express opinion that widespread use of this new communications technique may some day touch off an allocations battle royal.

The only hint of allocations problems at symposium sessions was contained in Comr. Webster's keynote address. "It is inevitable," he said, "that, as an experimental program develops [into] practical application, there arises the matter of frequency allocations for the use of the developments on a regular basis . . . It is possible that the [commercial] implementation of scatter may require that adjustments be made in the Commission's table of frequency allocations."

Hazel Bishop, thru Raymond Spector Co., is first national advertiser to order series of new 30-sec. spots on WTMJ-TV, Milwaukee, under station's plan to eliminate double-spotting between programs. Plan seeks to substitute 30-sec. for conventional 20-sec. announcements between network shows and thus cut down on number of commercials during any given period.

In first year of British commercial TV, sponsors on the London station alone will have spent some £7,000,000 (\$19,000,000) for spots; in first 3 weeks of the service, which started in latter Sept. (Vol. 11:39), they spent £400,000 (\$1,120,000) for 700 commercials. British advertisers find commercial TV something worth backing and encouraging despite still relatively small audience on area's second channel, estimated by some at no more than 500,000 homes to date. Thus Robert Barr, TV director of big Charles F. Higham Ltd. agency, reported to Publicity Club of Leeds recently. Said he: "It has all been done as a matter of faith by the advertisers and determination by those who believe in commercial TV." ITA's Sir Robert Fraser, speaking to Radio & Television Retailers Assn., later referred to commercial TV's growth as "phenomenal," estimated 750,000 homes converted by end of year. Note: List of current sponsors, as reported in Oct. 28 *Commercial Television News*, includes brand names very familiar in America: Surf, Shell, Esso, Alka-Seltzer, Rise, Max Factor, Ronson, Vick's, Dunhill, Parker Pen, Nestlé's, Guinness, Schweppes, Kolynos, Gillette, Kodak, Kleenex, Colgate, Toni, Brillo, Remington, Revlon—these in addition to about twice as many purely domestic brands.

First use of records to get its message across is to be employed by Voice of America in India & Africa. VOA has bought 15,000 records with messages by President Eisenhower, Nehru & Gandhi to be distributed free in India. For Africa, it has purchased 10,000 discs built around theme of African music in America, featuring Howard U choir. Records were made by Great Northern Record Mfg. Co., Minneapolis, headed by DeWitt C. Mower, ex-MBS. Discs are 78rpm, 8 & 10-in. Project has no direct tieup with low-cost hand-operated phonograph described by RCA chairman David Sarnoff last week (Vol. 11:46)—though Great Northern says that if Indian & African "pilot" tests are successful, project will probably be extended to Iron Curtain countries.

Final brief in Edward Lamb case was filed this week by Broadcast Bureau. Next step in the lengthy and controversial Communist-charge case is initial decision by FCC hearing examiner Herbert Sharfman, expected within a month. At stake is renewal of Lamb's license for WICU, Erie. In reply to Lamb's "objections to Broadcast Bureau's proposed findings of fact" (Vol. 11:43), Broadcast Bureau's brief charged that Lamb attorneys' 115-p. brief "roamed far and wide outside of the record" to bring in extraneous matter not covered in the 8-month hearings.

Owners of WTOB-TV, Winston-Salem, are buying WLOW, Portsmouth, Va. (250-watts, 1400 kc, MBS) for \$212,500 on long-term basis, according to FCC application filed this week. Sellers are ex-owners of WTOV-TV, Norfolk (Ch. 27) and Boston admen Emyl J. Arnold & Harold Kaye, latter having bought 50% of WLOW for \$105,000 after WTOV-TV was sold to Temus Bright (Vol. 11:12, 15). WTOB-TV recently took over Birmingham's WSGN from John S. Jemison Jr. group on lease basis with option to buy for \$123,250 after 5 years (Vol. 11:42, 46).

TV transmitters, receivers and relay stations should be presented to Asiatic countries by U. S. Govt., NBC pres. Sylvester L. Weaver Jr. suggested in address to Grocery Manufacturers Assn. of America convention in New York Nov. 18. Recently returned from round-the-world trip, Weaver proposed that these transmitters be supplied with steady stream of the best cultural programs produced in America, as well as informational material on health, farming, etc.

CBS-TV crew headed by London newsman Winston Burdett has shot 15-min. documentary on British commercial TV, which presumably will be screened soon.

SURVEY SHOWS SECOND-SET MARKET WIDE OPEN: Only 4.6% of the estimated 33,000,000 TV households in nation have 2 or more sets -- and 49.3% of all sets-in-use are under 21-in. Those statistics, from American Research Bureau's quarterly set distribution survey, as of Oct., illustrate anew that there's a long way to go before second-set market is really deeply penetrated, despite admitted success of 14-in. portables and others designed primarily as second sets.

A mere .3% gain is thus represented in second-set households over the 4.3% disclosed by ARB in its last report in May (Vol. 11:35). Numerically, it means that about 1,518,000 households had a second set in Oct., date of latest survey.

The 5 biggest cities are particularly wide open for second-set exploitation. In New York, for example, the rate of second-set ownership is only 6.6%; in Chicago, 9.2%; Los Angeles, 7.7%; Philadelphia, 8.9%; Detroit, 7%.

As to screen size, 47.6% are 21-in.; 34.8% are 16 & 17-in.; 7.6% are 12-to-14-in.; 2.4%, 19-in.; 2.3%, 20-in.; 2.3%, 24-in.; 2.1%, 10-in.; .4%, 27-in.; .1%, 7-in. & under; .4%, other screen sizes.

Foregoing statistics are all we're permitted to use from report, which also gives data nationally and for 31 selected markets on share of sales by brands, on replacement rate of purchases, age of sets-in-use, average number of sets purchased. Inquiries about report should be addressed to ARB, National Press Bldg., Washington.

These markets are covered: Atlanta, Baltimore, Boston, Chicago, Cincinnati, Cleveland, Columbus, Dallas-Ft. Worth, Dayton, Detroit, Denver, Harrisburg, Houston, Indianapolis, Kansas City, Los Angeles, Louisville, Milwaukee, Minneapolis-St. Paul, New York, Omaha, Philadelphia, Pittsburgh, Portland (Ore.), Salt Lake City, San Antonio, San Francisco, St. Louis, Seattle-Tacoma, Syracuse, Washington.

Brief highlights of major trade developments this week:

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Electrical Brilliance: There's a terrific future in store for electrical industry, 2 top industry figures told National Electrical Mfrs. Assn. convention. Gwilym A. Price, Westinghouse chairman-pres., predicted electric power consumption in average home in 1960 would increase by 40% over 1955, basing his forecast on a population increase of 11,000,000 in next 5 years, 6,000,000 new homes, and about \$37 billion more in consumer purchasing power. He said big "musts" for electrical industry are "the necessity of breaking the bottleneck of inadequate wiring and the development of atomic power to provide the electricity to take care of rising demands." Don G. Mitchell, chairman-pres. of Sylvania, predicted that production of electric products will reach \$35-\$40 billion annually within 10 years, more than double the current rate. Consumption of electric power will reach annual rate of a trillion kilowatt hours by 1965, he predicted, urging "more and better machines" as only way to meet prospect of severe manpower shortage which will result from the stepped-up economic demands. "The man who is afraid there will be mass unemployment, or the equally short-sighted individual who wonders whether we will be able to sell the increased output of the machines, has about as little confidence in the free enterprise system as the Patent Office supervisor who quit some 40 or 50 years ago because he thought everything had been invented," he remarked.

Color Merchandising: About 175 RCA color sets have been sold in metropolitan Chicago in the 2 weeks since the announcement that WNBQ would be nation's first all-color station, it was reported by Ned Corbett, v.p. in charge of RCA Victor Distributing Corp. branch. About 50 of the sets went to big Polk Bros. chain, which has order for 500 more color sets (Vol. 11:46). All told, he estimates about 1000 RCA color sets have been sold to date in Chicago area. He said WNBQ announcement had "stimulated color interest tremendously" and expected steady sales improvement.

Irving Sarnoff, pres. of RCA distributor Bruno-N.Y., said 2 immediate goals

of his color merchandising campaign are to get widest possible exposure in grills and bars and to sell to dealers for their homes, as first step in stimulating their desire to buy color sets for their stores. He said Liberty Music Stores has proven his biggest single customer thus far, but declined to release figures on sales.

Price of \$695-\$995 is still biggest single obstacle to color's development at dealer level, according to Retailing Daily's own national survey. It found rather high general interest in color which could be converted into sales by "reasonable" price. Some retailers blamed poor promotion by manufacturers for slow color sales, others were reluctant to undertake any promotions of their own. Survey indicated that many retail salesmen had very limited information about color. It was also reported some dealers were accepting price of \$50 above cost to move color sets.

Emerson's Ben Abrams came out this week with prediction that "a mass market for color sets, with annual sales of 3,000,000 units, will be achieved in 1958." He predicted that sets would sell for about \$300 in that year. As to immediate future, he foresaw sales of 500,000 color sets next year, 1,500,000 in 1957. Another set maker with prognostications this week was Sylvania TV-radio v.p. A.L. Chapman. He predicted sales of 250,000-275,000 color sets next year, 500,000-600,000 in 1957. He said prices will "never drop to the \$200-\$300 price range" because of expensive costs of production. He saw no early prospect of substantial price cuts.

Economic Spiral: Federal Reserve Board reported that production, employment, income and retail sales remained at record high levels in Oct. and early Nov. Its monthly summary of business conditions said the index of industrial output for Oct. held at record Sept. level of 142% of 1947-49 base period. Projecting its study into early Nov., board reported slight advance in average prices for industrial commodities, led by consumer goods, cotton textiles, leather products, crude oil, newsprint and tin cans. Average weekly factory earnings reached new peak of \$78.69 in Oct., 79¢ above Sept. and 9% higher than year ago. Meanwhile, 2 Babson's Reports analysts predicted slight 1956 declines in business and stock prices from this year. Arthur Babson, son of founder Roger Babson (who became famous for predicting 1929 stock market crash) foresaw total business next year averaging 5% under 1955. John Riordan predicted "an irregularly descending stock market average through the spring of 1956," urged stockholders to get rid of "speculative" holdings now.

Production: TV output totaled 171,921 week ended Nov. 11, compared to 173,042 preceding week and 183,139 week ended Oct. 28. It was year's 45th week and brought production for year to date to about 6,830,000 vs. 6,200,000 in same period of 1954. Radio production soared to 403,488 units (188,314 auto) week ended Nov. 11, highest for any week in nearly 5 years, comparing to 382,527 (178,064 auto) week ended Nov. 4 and 386,523 (180,386 auto) week before. For 45 weeks, radio production totaled 12,300,000 vs. 9,300,000 in corresponding period of 1954.

OLYMPIC RADIO plans to expand through acquisition of other going concerns in electronics field, it was revealed by pres. Morris Sobin following formal purchase this week of controlling interest in Olympic by group of industrialists and financiers (Vol. 11:45). Sobin said negotiations are under way with several Eastern firms.

The purchasing group bought the 137,332 shares of common stock held by Fox, Wells & Co. for undisclosed price, representing about 30%, biggest single block of the 453,552 common shares outstanding. Members of the purchasing group: Wm. H. Husted, N. Y., chairman of Siegler Corp. exec. committee (heaters), in electronics through control of Hallamore Mfg. Co. (closed-circuit industrial equipment); Maj. Gen. Wm. H. Draper, chairman of Mexico Light & Power Co., Mexico City, and ex-Undersecretary of Army; Donald Royce, senior partner of investment bankers Wm. R. Staats & Co., Los Angeles; Edward H. Heller, partner of investment bankers Schwabacher & Co., San Francisco; Phillip S. Fogg, pres. of Consolidated Electrodynamics Corp., Pasadena; Maj. Gen. Frederick L. Anderson, Palo Alto, Cal.; Alton A. Brody, Beverly Hills, Cal.;

John G. Brooks, Highland Park, Ill.; Newell P. Crawford, N. Y.; Maj. Gen. Pierpont Morgan Hamilton, Santa Barbara, Cal.

Husted, Heller & Anderson were elected to board, along with Robert Kerr, asst. v.p. of Irving Trust Co.; A. Charles Schwartz, partner of Bache & Co.; Jan Ostermeyer, ex-pres. of Shell Chemical Co. Continuing on board were Sobin, Olympic chairman A. A. Juviler and v.p. Richard C. Noel.

National Union Electric Corp. has called stockholders meeting Dec. 8 to ask for authority to increase the 1,750,000 shares of common now authorized (30¢ par) to 4,000,000 so that board may be in position "to acquire business or businesses." Except to state that firm is exploring suggestions and proposals, proxy statement does not disclose any actual plans. Last year, National Union sold its CR tube plant and facilities to Sylvania (Vol. 10:48-49), is 41.43% owned by its officers & directors who include chairman-pres. C. Russell Feldmann, 22.49%, and director Harry E. Collins, 16.57%.

Topics & Trends of TV Trade: Highly useful merchandising ideas to help fellow dealers increase their profit margin over current estimated 3% were advanced this week by NARDA v.p. Don Gabbert in forceful address to Iowa Appliance Dealers Assn. Gabbert, a Minneapolis dealer, set forth these suggestions:

(1) Make advertising and promotions pay off by "creating a selling atmosphere on your retail floor." In addition to strong display material, dealers were urged to improve demonstrations for step-up sales and to label unidentifiable merchandise "to help with that add-on sale."

(2) Develop incentive program so salesmen will be paid for extra effort in selling up to higher-priced models. Step-up units should get most favorable display space and demonstrated most dramatically—i.e., putting fresh food in an operating refrigerator, placing higher-priced TVs in windows.

(3) Reduce number of lines carried, to permit concentration on volume with fewer suppliers, thus enabling dealer to get best cost sheet from distributor.

(4) Develop low-cost reconditioning program for trade-ins to be able to handle them for maximum profit, not as a substitute for a discount. Some dealers, he said, keep at least one piece of used merchandise on floor at all times in order to excite interest in store's second-hand dept.

(5) Play down discount house argument. "Teach yourself and your salesmen how to sell against 'I can get it for less.' Tell the customer: 'The discount is built right into the list price' or 'you are buying a protected investment' or 'my hundreds of satisfied customers tell me it is the most they've ever got for their money.'"

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There are about 10,000 discount houses in nation, doing annual volume of \$500,000,000, according to estimate of one of the leading and most voluble of them—Stephen Masters, of Masters Inc., N. Y. Addressing Public Utilities Advertising Assn. meeting this week in Rochester, N. Y., he said criticism of discount houses is reminiscent of protests over rise of dept. stores, chain stores, door-to-door selling, supermarkets & mail order houses. He told utility men they were the first discounters, because: "When Edison perfected the light bulb, electricity was sold for 25¢ a kilowatt. Electricity was used for street, factory & home lighting. That was the night load. Utilities needed day load to have full pay load. The answer was to sell kilowatts cheaper and create a market for daytime appliances that would consume more kilowatts. That has been the procedure for 75 years. The kilowatt today costs the consumer about 1.7¢." He said his own store does annual volume of \$20,000,000, or average of \$40 per customer; sells \$700 worth of merchandise per sq. ft. vs. \$76 for average dept. store; holds cost of each \$100 sales to \$11.20 vs. \$32.90 for dept. store.

Storer Broadcasting Co., in 9-mo. report (Vol. 11:45), disclosed that manufacturing at New Rochelle plant of Empire Coil Co., which had been operated at a loss, was terminated Oct. 25 and its assets are being liquidated. Once flourishing plant was acquired from Herbert Mayer in \$10,000,000 "package deal" involving acquisition of Cleveland's WXEL (Ch. 8) and Portland's KPTV (Ch. 27) early in 1954 (Vol. 10:2, 44).

Fedders-Quigan Corp. (Salvatore Giordano, pres.), producer of RCA room air conditioners, has contracted with Whirlpool-Seeger to produce them under RCA-Whirlpool label through June 1958.

RCA to build addition to its hi-fi & tape recorder plant at Cambridge, O., adding 210,000 sq. ft. at cost of \$2,700,000, due to be completed by mid-1956.

DISTRIBUTOR NOTES: RCA Victor Distributing Corp., Los Angeles, takes over distribution of RCA-Whirlpool refrigerators & freezers from Graybar . . . CBS-Columbia appoints Shook & Fletcher Co., 2915 10th Ave., N, Birmingham, Ala. (P. G. Shook, pres.) . . . Zenith appoints newly-formed McKee & McKee Inc., 640 Ricks St., Jackson, Miss. (John McKee & James H. McKee, partners) . . . Gerald O. Kaye & Assoc., Crosley-Bendix N. Y. distributor now relocated at 50-35 50th Rd., Maspeth, L. I., anticipates sales of \$50,000,000 this year vs. \$24,000,000 last year and \$18,500,000 in 1953, says pres. Gerald O. Kaye . . . Harry Alter Co., leaving TV-radio-appliance distribution field as Crosley-Bendix distributor in Chicago, will retain only refrigerator parts business . . . Southern Appliances Inc., Charlotte (Raytheon) appoints Larry Miller, ex-Cannon Distributing Co., as asst. gen mgr. . . Admiral Distributors-Oklahoma City names W. C. Henderson to gen. mgr. . . Zenith appoints Amarillo Hardware Co., 600 Grant St., Amarillo (E. W. Pipkin, pres.).

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Mexico City's 3 TV stations, their satellite outlets in Pueblo & Cuernavaca, plus the recently established stations in Monterrey & Guadalajara, are now serving some 150,000 receivers, reports Admiral public relations director Martin Sheridan, just back from visit to subsidiary there with pres. Ross D. Siragusa. He ranks Admiral de Mexico (R. J. Freeman, pres.; W. J. Kohler, v.p.) as top TV manufacturer in the country, other prominent brands being Beckwith (Mexican-German), Calbest, Crosley, Electra (Mexican), GE, Hotpoint (GE), Packard-Bell, Philco, RCA, Sears Roebuck, Sylvania, Zenith. U. S. manufacturers must assemble there, for govt. ruling forbids imports of sets costing more than \$80. Admiral has own service setup, offering service policy at \$32 for first year, \$45 for second, its line comprising 17-in. table at \$240; 21-in. table, \$320; 21-in. console, \$400; 21-in. hi-fi combination, \$775. Note: Mexico also has border stations in Juarez & Tiajuana (see *TV Factbook No. 21*, p. 240).

RETMA board meeting in Chicago this week, in addition to adoption of channel allocations resolution (see p. 3), authorized counsel Glen McDaniel to petition Federal Trade Commission for reconsideration of its trade merchandising rules (Vol. 11:28); agreed to file report with Commerce Dept. urging it to make more nickel available to tube industry; decided to start preliminary work on compiling production and sales data on phonographs; approved renewed effort to get 10% excise tax reduced to 5% on all sets and to eliminate tax on color receivers.

Wilcox-Gay's amended Chapter XI plan, providing payment over 5 years of 50% of unsecured claims of more than \$100, was approved Nov. 10 by Referee Woolridge in Grand Rapids Bankruptcy Court. Wilcox-Gay, parent of Garod Radio, must file deposit by Nov. 28 to put plan into effect.

Zenith's patent infringement counterclaim suit against RCA, GE & Western Electric has been set for trial April 5 in Federal Court, Wilmington. Judge Leahy set the date this week in denying Zenith's petition for postponement until Oct. 1956 (Vol. 11:44).

Westinghouse to introduce new TV line in Jan., called "Convention" to tie in with its sponsorship of Presidential nominating conventions on CBS-TV next Aug. The current "Catalina" and "Riviera" series will be retained.

NARDA's Trade-In Blue Books, out in mid-Dec., are priced at \$5 for TV volume, \$7.50 for appliances, \$10 together. Address NARDA headquarters, Merchandise Mart, Chicago.

Admiral of Australia (Pty.) Ltd. starts construction of new TV-radio plant on 21-acre tract near Sydney.

Electronics Reports: "Our biggest bet is the electronics industry," said pres. J. D. Wright this week in reporting to N. Y. Society of Security Analysts that Thompson Products Inc., expanding its activities in atomic energy, guided missiles & electronics fields, will earn about \$4 a share this year on about \$275,000,000 gross business vs. \$4.25 on \$268,000,000 in 1954. Big Cleveland automotive & airplane parts manufacturer owns Dage Electronics Div., Michigan City, Ind., and Bell Sound Systems, Columbus, O., holds 49% of Ramo-Wooldridge Corp., Los Angeles, with option on additional 35%; latter's 1955 sales alone will run \$30,000,000, he said.

Daystrom Inc. "is currently investigating several electronics companies for possible purchase," having just completed \$9,000,000 sale of its American Type Founders subsidiary to investment group headed by David Berdon and Jay Levine of New York (Vol. 11:32,39). Five of Daystrom's 6 operating units are now in electronics, electrical instrumentation & nucleonics, with 85% of its sales in electronics or allied products. For first half of 1955, Daystrom's net income was \$980,000 (\$1.01 on 973 182 shares) on sales of \$37,855,000, vs. \$758,000 (\$1.17 on 643,911) on sales of \$36,266,000 for corresponding 1954 period.

Modular construction—widely heralded as newest concept in TV set manufacturing (Vol. 11:23,24,38)—is still some distance away for RCA, senior exec. v.p. Dr. Elmer W. Engstrom says in Nov. 14 *Retailing Daily* interview. He states that modules have proven extremely efficient on short-run production; that RCA is studying technique, but will continue use of printed circuits for mass runs at present since they have "produced more reliable equipment at a lower cost."

Solar battery price—greatest barrier to widespread use (Vol. 11:42)—has been cut 20% on single units and up to 60% on mass orders, reports Hoffman Electronics' National Fabricated Products Div. Price of single-cell unit will be \$20 instead of \$25, quantities up to 500 will be \$12.50 each, larger orders \$10 each.

Diversifying into electronics, Van Norman Co., Springfield, Mass. machine tool manufacturer, has acquired Insuline Corp. of America (antennas, electronic products) and Transitron Inc. (electronic components & assemblies) by exchange of stock. Both will operate as subsidiaries.

Raytheon has cut price on transistors for experimental use from \$1.25 to 99¢ in move to encourage greater use of semi-conductor by amateurs and to make them available to schools for instructional purposes.

Tiny industrial TV camera—5.2-in. long, 2.6-in. in diameter—was exhibited at recent German Radio-TV-Phonograph Fair at Dusseldorf. It uses standard 8mm film camera lenses.

First radio-controlled traffic light system (Vol. 10:52) was put into operation Nov. 15 at 13 Chicago intersections. Built by GE for \$50,000, system will be extended later.

Uhf "scatter" communications system has been set up by Canadian Bell Telephone Co. to service defense installations along coastline of Canada's sub-Arctic.

Alva B. Clark, 65, who has been serving as director of a Defense Dept. research project since retirement as Bell Labs v.p. last Feb., died in N.Y. Nov. 14. One of industry's pioneers, he served with Bell System for 43 years, headed development of transcontinental coaxial & microwave facilities, direct distance dialing system and automatic message accounting system, held 44 patents.

Gerald W. Willard, 54, retired Bell Labs specialist in piezo-electric crystals and ultrasonics, died Nov. 18 at his home in Fanwood, N. J.

Trade Personals: Edmund Orgill, pres. of Admiral distributor Orgill Bros., elected mayor of Memphis this week by 18,635 votes over nearest rival, will take leave of absence from his firm starting Jan. 1 . . . R. J. Sargent promoted to mgr. of Westinghouse major appliance div., Mansfield, O., reporting to J. H. Ashbaugh, v.p. of appliance divs. . . Charles M. Odorizzi, RCA exec v.p. sales & services, returns Nov. 24 from 5-week inspection tour of South American operations . . . David H. Cogan, chairman of Victoreen Corp. ex-pres. of CBS-Columbia, elected pres. of Nameplate & Monogram Co., supplier of escutcheons and other ornaments to TV-radio-appliance industry . . . Arthur H. Forbes promoted to asst. distributor sales mgr., Standard Coil . . . Roland Conroy, ex-Stewart-Warner, named Sylvania TV-radio district sales mgr., Minneapolis . . . Robert B. Saichek, partner in Barton Adv., Chicago, named Motorola sales promotion mgr. . . Howard W. Morse, ex-Magnavox & Hallicrafters, appointed Scott Radio field sales mgr. . . Edwin Cornfield, ex-pilot Radio, named sales mgr. of tape recorder div., Dejur-Amsco Corp., Long Island City . . . Irving E. Russell resigns as adv. mgr. of Webster-Chicago to join CBS-Columbia . . . Joseph Frank, sales v.p. of Astron Corp. (capacitors), elected pres., succeeding late Otto Paschkes . . . Julius Haber, RCA, appointed chairman of RETMA public relations committee, replacing Ellis Redden, resigned recently from Magnavox.

National Electrical Mfrs. Assn. elects new officers: chairman, James W. Corey, Reliance Electric, Cleveland, succeeding A. F. Metz, Okonite Co., Passaic, N. J.; pres., A. A. Berard, Ward Leonard Electric Co., Mt. Vernon, N. Y. (re-elected); v.p.'s—J. L. Singleton, Allis-Chalmers, Milwaukee; Fred F. Loock, Allen-Bradley Co., Milwaukee; J. J. Mullen Jr., Moloney Electric, St. Louis; B. C. Neece, of Landers, Frary & Clark, New Britain, Conn.; W. V. O'Brien, GE, N. Y. In addition, N. J. MacDonald, Thomas & Betts Co., Elizabeth, N. J., was elected to officers' committee.

Electronics industry is well represented among latest appointments to new Defense dept. industry advisory committee on safeguarding classified information. Included are: J. J. Jacoppi, Western Electric; Russell E. White, GE; John L. Buckley, Varian Assoc.; J. A. Ranallo, Thompson Products; R. D. Williams, Battelle Memorial Institute; David Lester, Hupp Corp.

Annual Forrestal Award for leadership in promoting understanding and cooperation between Govt. and industry, first won by President Eisenhower last year, will be bestowed on RCA-NBC chairman David Sarnoff at a dinner in Washington Jan. 26 by National Security Industrial Assn. (formerly the Navy League).

Richard M. Osgood, ex-chief of Air Material Command's electronics systems div., in charge of setting up radar defense system on northern edge of North America, appointed mgr. of equipment fabrication, Sylvania avionics & guided missiles lab, Waltham, Mass.

Harold B. Whitfield promoted to AT&T gen. patent attorney, succeeding Maurice R. McKenney, retired. Whitfield is succeeded as gen. patent attorney for Western Electric subsidiary by Norval S. Ewing, Bell Labs.

Capt. Wilson P. Cogswell (USN ret.), onetime director of Electronic Resources Production Agency & MIT consultant, appointed staff asst. for military operational analysis, Stromberg-Carlson engineering & research dept.

Gordon N. Thayer, Bells Lab v.p., appointed chief engineer of AT&T, effective Dec. 1, succeeding H. I. Romnes, now an AT&T v.p.

Robert Cheek, asst. mgr. of Westinghouse electronics div., named mgr. of new industrial electronic products dept.

Color Trends & Briefs: Swing toward local color programming continues, with more and more TV stations reporting "firsts." NBC's WNBQ, Chicago, on Nov. 14 started weekly 30-min. film show *Cowboy G-Men*, RCA-Victor Distributing Corp. sponsoring, as start of buildup to its projected exclusively-color schedule by April 15 (Vol. 11:45).

Other stations reporting recently: WBAL-TV, Baltimore, began regular daily colorcasts Oct. 31, including live commercials on 10:45-11 a.m. *Homemakers* show. WDSU-TV, New Orleans—which recently built complete color studios—began first local commercial color program last week with big Maison Blanche dept. store as sponsor. KMTV, Omaha, claims area's first color commercial, for local auto dealer. KPTV, Portland, Ore., will colorcast 5 episodes of Pacific Power & Light Co. series this winter. WFIL-TV, Philadelphia, presented its second full-length color movie last week.

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Revolutionary color film heretofore classified "top secret" by Govt. and sensitive enough for indoor and night use without extra lights will be used for first time in spot news coverage by NBC-TV's *News Caravan*, producer Frank C. McCall told National Assn. of Radio & TV News Editors this week in Denver. Film is new Anscochrome which has speed rating of ASA 32, comparable to slower black-&-white types, but through processing tricks it can gain speed almost equal to Eastman's ultra-fast black-&-white Tri-X without losing too much color quality. *Caravan's* news editor Arthur Holch showed scenes shot under existing light conditions inside United Nations chamber, at indoor hockey game and at rescue operation in Conn. during recent flood.

Skeptical appraisal of color was given this week by John Crosby, N. Y. Herald Tribune Syndicate columnist. Asking "Whatever happened to the vast boom in color sets we were led to expect?" he lists RCA-NBC's multi-million-dollar color projects, says that if RCA is selling 1000 sets a week (Vol. 11:45) it's still "chicken feed." "It does seem to me," he goes on, "that RCA is trying to thrust color on a public that is not only apathetic about paying \$895 for its 21-in. set but occasionally downright hostile about receiving color telecasts on its present black-&-white screen." His conclusion: "NBC's position seems to be that color is inevitable, that it is the wave of the future. Perhaps it is. But when?"

"Ever-tantalizing question whether color TV will be able to break down anti-air attitude of many large dept. and specialty stores is in wind again following announcement of NBC's new \$9,000,000 color plans [Vol. 11:45] . . . Admen peering into crystal ball point out that local color TV will have it all over 4-color process in newspapers which is limited by quality of newsprint. This advantage, they say, will interest those retailers of apparel and home furnishings who have hitherto been married to black-&-white print."—*Sponsor Magazine*, Nov. 14.

"Color TV is truly wonderful and hundreds of thousands of people can afford sets now, and at today's low prices of \$795 and \$895. And countless hundreds of thousands of others soon will be able to buy color sets within the coming year, as production increases and prices are adjusted downward."—Robert A. Seidel, RCA exec. v.p., consumer products, in speech prepared for delivery Nov. 21 to Sales Executives' Midwest Conference, Chicago.

Hollywood's use of color seems to be leveling off, according to *Motion Picture Herald*, which editorializes in Nov. 12 issue that "rule of reason" is taking place of previous rush to color; that recent black-&-white hits are indication that nature of story should dictate whether film would be better in black-&-white or color.

Network Color Schedules

(Nov. 21 - Dec. 4, 1955)

- Nov. 21—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Nov. 22—NBC: *Home* segments, 11 a.m.-noon; *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
 Nov. 23—NBC: *Today* segments, 7-10 a.m.; *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Nov. 24—NBC: *Howdy Doody*, 5:30-6 p.m.; *Assignment: India*, documentary with Chester Bowles as film narrator, 5-6 p.m. CBS: *Climax*, 8:30-9:30 p.m.
 Nov. 25—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Nov. 26—NBC: NCAA football, Army vs. Navy, 1:15-4 p.m.; *Max Liebman Presents*, "Dearest Enemy," with Cornelia Otis Skinner, Cyril Ritchard, Anne Jeffreys, Robert Sterling, 9-10:30 p.m. CBS: *Gene Autry Show*, 7-7:30 p.m.
 Nov. 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Nov. 29—NBC: *Howdy Doody*, 5:30-6 p.m.; *Milton Berle Show*, 8-9:30 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
 Nov. 30—NBC: *Howdy Doody*, 5:30-6 p.m.; *Kraft TV Theatre*, 9-10 p.m.
 Dec. 1—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Shower of Stars*, 8:30-9:30 p.m.
 Dec. 2—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 3—CBS: *Gene Autry Show*, 7-7:30 p.m.
 Dec. 4—NBC: *Color Spread*, Maurice Chevalier variety show, 7:30-9 p.m.

More color service schools: Philco, which recently started color set production (Vol. 11:44) and is now delivering its \$795 & \$895 models to distributors, has launched 40-hour course at Philadelphia plant, says it expects to train 20,000 servicemen by using factory graduates to instruct others. Hoffman reports that 50% of those attending its recent 6-hour training courses in Los Angeles indicate they plan to merchandise color within 3 months; it plans to repeat the courses in 60-90 days. Some 500-700 servicemen are expected to attend technical session in Detroit Nov. 22, with RCA field engineer Cleon Taylor speaking under sponsorship of RCA Victor Distributing Corp. and local servicemen's associations. In Grand Rapids, Mich., B. & W. Distributing Co. (Motorola) says it has drawn servicemen from 100 mi. away to night classes, plans to repeat course several times in next few months. B. & W. partner J. Eugene Wright sums up color status thus: "Heretofore, programming has been one of the big obstacles in color TV sales, but this is beginning to disappear. Dealer reluctance is now one of the major obstacles. Service is the big question raised by both dealer and customer."

First British tests of NTSC color are analyzed by technical editor of London's *Wireless & Electrical Trader* in Oct. 29 issue after viewing closed-circuit demonstration of color and black-&-white sets side-by-side. He reports that monochrome reproduction of compatible color signal was excellent except for crawling dot pattern in some areas when viewed closeup; that other anticipated defects were entirely absent; that color was well rendered but lacked fine detail on live pickup. Writer also noted considerable fringing, attributed it possibly to tube, which was 15-in. RCA 3-gun mask type in Marconi circuit.

Start of color in Mexico City is reportedly due some time next year. Engineer Guillermo Gonzalez Camarena, employed by Azcarraga-O'Farrill interests, is said to have "new" system permitting reception on monochrome sets with slight modification. At height of U. S. color battle several years ago, Camarena was reported planning to put CBS-type sequential signals on air.

Special NBC-TV color film documentary *Assignment: India*, narrated by Chester Bowles, ex-U. S. ambassador to India, will be telecast 5-6 p.m. Thanksgiving Day, replacing *Pinky Lee & Howdy Doody*. Bowles served as consultant on film, edited from more than 10 hours of footage shot in India under supervision of NBC public affairs dept. producer Robert Graff.

Financial & Trade Notes: Diversification—with a vengeance!—is seen in report that leaked this week that Penn-Texas Corp., big N. Y. holding company headed by L. D. Silberstein, was looking into possibility of acquiring Hallicrafters Inc., Chicago, old-line radio, TV, communications and defense equipment manufacturing concern founded by its chairman Wm. J. Halligan. Report came out even as Hallicrafters was disclosing that it had earned \$406,146 (49¢ a share) on sales of \$25,063,463 during fiscal year ended Aug. 31, as against loss of \$940,946 on sales of \$31,054,363 in preceding year.

According to Hallicrafters pres. Raymond W. Durst, Penn-Texas is one of several companies that have "shown an interest" in acquiring or merging with Hallicrafters. After *Chicago Tribune* played up story Nov. 18, he issued statement that "we have not in any instance sought or solicited such inquiries inasmuch as we have complete confidence in our present and future prospects as an independent company."

Hallicrafters has "made no commitments in the direction indicated," the statement continued, and so will not "lend credence" to the report. Then the statement inferentially admitted something was in the wind when it went on to say that present management is committed to "no moves" unless such moves insure advantageous arrangement for shareholders, present employe seniority, perpetuation of present activities and of present distribution organization. No merger or sale of assets will be considered, it was stated, unless these conditions are assured and until stockholders approve. There's no proposal, however, on agenda for stockholders meeting Dec. 12.

Hallicrafters had loss year in 1954 for first time since 1947, according to its annual report. Business currently is excellent, said Durst, noting that on basis of new fiscal year's first two months (Sept. & Oct.) business should be at least 1½ times ahead of year just reported.

Hallicrafters annual report shows assets of \$13,450,223 as of Aug. 31 as against \$16,037,532 year earlier;

RCA's first public financing started Nov. 17 with offering to common stockholders of right to subscribe to \$100,000,000 of 3½% debentures convertible into common shares at \$50 per share and due Dec. 1, 1980. Price is 102½, thus yielding about 3.35% to maturity. Subscription rights, on basis of \$100 of debentures for each 14 common shares owned of record Nov. 17, expire Dec. 5. From a sinking fund, \$4,500,000 of the debentures will be retired Dec. 1 of each year from 1965-79. Proceeds will be added to working capital, used for expansion. Lehman Brothers and Lazard Freres & Co. head underwriting by more than 25 investment houses.

Walter E. Heller & Co., Chicago factors who have backed various independent film producers, reported in theatrical trade press to have earmarked \$5,000,000 for entertainment financing, including \$2,000,000 for backing of TV films. Firm has backed United Artists productions (currently, the profitable *Not as a Stranger*) and Sheldon Reynolds' TV series *Foreign Intrigue*. It was also identified with financing of TPA.

Oak Mfg. Co. earned \$1,158,376 (\$1.77 per share) on sales of \$16,125,239 for 9 months ended Sept. 30 vs. \$838,472 (\$1.28) on \$12,450,396 for same period in 1954. Oak recently issued one new share for each 4 outstanding, increasing common shares from 524,950 to 656,129.

* * * *

Dividends: Hazeltine Corp., 35¢ quarterly, 60¢ year-end payable Dec. 15 to stockholders of record Dec. 1; American Electronics, 12½¢ Dec. 15 to holders Dec. 1; Cleveland Corp., 50¢ year-end Dec. 9 to holders Nov. 28; Aerovox, 5% stock Dec. 15 to holders Dec. 1; GE, 50¢ Jan. 25 to holders Dec. 16.

current liabilities were down to \$7,129,067 from \$10,072,925; indebtedness down to \$433,077 from \$480,852; earned surplus up to \$3,494,365 from \$3,088,219. Of 1,000,000 authorized \$1 par shares, 825,000 were outstanding, of which Mr. Halligan owns 33,700 shares and holds 140,100 as trustee for his 3 sons while Mrs. Halligan holds 27,800 and Wm. J. Halligan Jr. holds 46,700—for family total of 24.4%. Mr. Durst owns 32,900 shares. Stock is listed on Midwest Exchange.

Penn-Texas Corp., formerly known as Pennsylvania Coal & Coke Corp., has estimated assets of \$85,000,000, up from only \$4,600,000 in 1950; its sales this year will run \$80,000,000 as against \$6,000,000 in 1950. This is largely due to acquisition of new operations. Recently it acquired Pratt & Whitney Co., and currently it's acquiring Colts' Mfg. Co. (arms & instruments) and Liberty Products Corp. (aircraft parts). Its only subsidiary in electronics fields is Crescent Co., Pawtucket, R. I. (wire & cable). Other subsidiaries are Potter & Johnston Co. (automatic turret lathes); Industrial Brownhoist (heavy materials-handling equipment); "Quick-Way" Truck Shovel Co. (truck mounted power shovels); Bayway Terminal Corp. (industrial service); Tex-Penn Oil & Gas Corp.; Chandler-Evans (aircraft components); Pennco Oil Corp.; P-T Corp. (oil & gas producers); Pennsylvania Coal & Coke (bituminous coal mining); Saxon Steamship Co.; Seaborne Steamship Corp.; Seasplendor Steamship Corp. It's subject of Nov. 19 special report by McLaughlin, Cryan & Co., 1 Wall St., N. Y.

Note: Exchange of stock plan said to be under consideration would provide that Hallicrafters stockholders receive 40 shares of Penn-Texas stock for each 100 Hallicrafters. Penn-Texas has 1,886,211 shares of \$10 par stock outstanding, 868,285 of \$40 par \$1.60 cumulative convertible preferred, each 5 shares convertible to 8 common; it closed on N. Y. Stock Exchange this week at 18¼, its 1955 high having been 22½, low 17½. Hallicrafters closed at 6%.

Among "111 Growth Stocks" listed and individually discussed in 48-p. brochure with that title released by Merrill Lynch, Pierce, Fenner & Beane, 70 Pine St., N. Y., are these in TV-radio-electronics fields categorized as follows: Good Quality Wider Price Movement—Minneapolis-Honeywell, Sperry Rand. Speculative—Beckman Instruments, Motorola, RCA, Sprague Electric, Sylvania, Texas Instruments. Special, Dependent on National Defense—Bendix Aviation, Boeing, Douglas, General Dynamics, No. American Aviation, Thompson Products, United Aircraft.

General Dynamics Corp., reporting record third quarter, earned \$13,754,390 (\$2.74 per share on 4,998,259 outstanding) on sales of \$506,133,306 during 9 months ended Sept. 30 vs. \$14,161,038 (\$2.78) on \$477,829,633 in corresponding period last year. Earnings for third quarter were \$4,369,633 (87¢) on \$163,143,379 compared with \$4,320,213 (85¢) on \$154,523,974 in same period of 1954. Coincident with financial statement, Stromberg-Carlson div. exec. v.p. Gordon Holt again denied repeated rumors that old-line firm would leave TV-radio field (Vol. 11:43).

Insulated Circuits Inc., Belleville, N. J. (capacitors, printed circuits, etc.), has filed stock registration with SEC to offer 100,000 shares of 6% conv. pfd., \$5 par, through underwriting group headed by Alexander Watt & Co., 42 Broadway, N. Y.

Magnavox's proposed new issue of 120,000 of \$50 par convertible preferred stock will be voted on by stockholders at special meeting Dec. 14; it's to raise about \$6,000,000 for development and expansion.

Electronics Corp. of America earned \$295,000 (39¢ per share) on sales of \$8,549,000 during 9 months ended Sept. 30 vs. \$135,700 (16¢) on \$4,209,000 in 1954 period.

New county-by-county set census for 1956, proposed recently by both Nielsen and American Research Bureau as interim measure pending results of NARTB's own circulation survey in 1957 (Vol. 11:43-44), is unnecessary and a waste of money, in opinion of NBC research & planning director Hugh M. Beville Jr. He believes, first, that a satisfactory set of county-by-county estimates can be and will be projected by Advertising Research Foundation from figures made available recently by Census Bureau (Vol. 11:34, 39-40). Such a projection, he says, will be adequate for industry's needs until NARTB's "thoroughly tested and validated" project gets under way. Secondly, he says it would be wiser to concentrate on getting station coverage data in 250-300 selected communities "where population and TV circulation are sufficient to be of commercial importance [and] where there is a real practical need for TV station viewing data." As for the other communities, he said current engineering contour material is sufficient or the communities are too small to be of commercial importance. [Note: We still have available for our subscribers a few copies of brochure, *Television Set Count and Market Data by County and State*, tabulating county-by-county figures on total families, TV homes, population & retail sales, as published Nov. 1 by Edward Petry & Co.]

Long-overdue reforms in TV-radio station regulations, as advocated by Westinghouse stations v.p. Joseph E. Baudino at this week's NARTB regional meeting in Dallas: (1) Amend Sec. 315 of Communications Act to free station from liability for political matter which it must carry and cannot censor and to simplify regulations governing political broadcasts. (2) Extend station licensing period from current 3 to 10 years, with accompanying changes to ease work load of FCC staff. (3) Extend term of network affiliation from 2 to 5 years. (4) "Avoid by voluntary action the necessity for FCC setting limits on the amount of time in excess of option hours the network would be permitted to use."

TV has been blamed for children's eyestrain, stomach trouble, maladjustment, juvenile delinquency. Now along comes a Dr. Almon F. Halpern of Dallas and tells Southern Medical Assn. at Houston that the old family villain—the TV set—may be responsible for at least one form of the common cold. Said he: Children who watch TV while "lying on a rug" may contract "allergic" type cold if they're sensitive to mold and dust. He didn't suggest tossing out the TV set, though—merely said to spray rugs with a special chemical. Our own medical editor proposes a solution which may, under certain circumstances, be simpler: Tell the kids to get up off the rug.

Proposal for world's tallest TV tower, WHAS-TV's 2000-ft.-plus structure near Louisville (Vol. 11:8, 35), got hearing by Washington airspace panel this week after lengthy delays. In addition to originally proposed site 17 mi. southeast of city, station proposed alternate location 20 mi. east of Louisville. Because of "serious aviation questions" involved in proposal, panel deferred decision on clearance until Dec. 19.

NARTB convention April 15-19 at Chicago's Conrad Hilton Hotel will be divided—as this year—into TV, radio & Assn. "days." Registration fees will also be the same—\$25 for pre-registrants, \$27.50 for registration on arrival, \$10 for banquet tickets final evening. Broadcast engineering conference is scheduled April 16-18, management conference April 17-19. George Gayou & Co., St. Louis & Chicago, has been retained to handle exhibits.

CBS stock is among 31 issues for which Los Angeles Stock Exchange applied for trading privileges with SEC this week.

Howard K. Smith, CBS London correspondent, awarded honorary degree by Tulane U, his alma mater.

Release of more movies to TV was subject of much speculation this week after Internal Revenue Service ruled that one undisclosed movie company's outright sale of 200 films was subject to capital gains rather than regular income tax. In opinion of tax experts, ruling isn't likely to precipitate flood of old movies from Hollywood vaults because IRS termed case "unusual and isolated" and because selling company (believed to be Allied Artists) stipulated that it had no plans to repeat deal. Nevertheless, lawyers said other companies might use precedent to get rid of some old films on similar one-time basis, but revenue officials implied strongly that repetitious sales would bring quick reversal of opinion. Ruling is No. 55-706, will be released publicly Nov. 28 by Internal Revenue Service, Washington, D. C.

Relaxation of rules requiring announcement of mechanical video & audio recordings is in works with issuance of FCC proposed rule-making this week, prompted by NARTB and ABC (Vol. 11:5). NARTB seeks to limit such announcements to programs in which time element is significant, e.g., news broadcasts, panel discussions, special events, etc.; NARTB says present rules are outmoded, and there's little likelihood of deceiving modern "sophisticated" audiences by eliminating announcements on most programs. ABC seeks elimination of announcements when delay doesn't exceed time zone differential between points of origin and rebroadcast. Reply comments are due Dec. 15; copies of Public Notice 55-1136 can be obtained from FCC or we'll get one for you.

Hassles over NCAA's football TV restrictions have been occurring at the rate of one-a-week or better this season. This week's: Iowa Gov. Leo Hoegh appealed to NCAA to relax its rules and permit 4 Iowa CBS-TV affiliates to carry this week's Iowa-Notre Dame game from South Bend. Cedar Rapids' WMT-TV, only station scheduled to carry the contest, had cited "prohibitive" networking charges for a single-station telecast, wanted game also telecast by Des Moines' KRNT-TV, Mason City's KGLO-TV, Sioux City's KVTV & WHBF-TV, Rock Island, Ill. Despite fact that no football game was scheduled in Iowa same day, NCAA refused, saying such a release would be "breach of commitments and agreements."

Availability of information from govt. agencies, including FCC, is detailed in handy book published by Govt. Printing Office. Titled "Replies from Federal Agencies to Questionnaire Submitted by the Special Subcommittee on Govt. Information," book was printed for Congressional committee, is available from House Committee on Govt. Operations, House Office Bldg., Washington, D. C.

Recent power increases: WSIX-TV, Nashville (Ch. 8), Oct. 31 to 177-kw ERP from new 940-ft. tower; CKCO-TV, Kitchener, Ont. (Ch. 13), Nov. 11 to 54-kw at 651-ft.

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Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS — November 26, 1955

TREND TO MERGERS and acquisitions seen continuing into 1956 as smaller firms are caught in competitive squeeze and big newcomers eye electronics (p. 1).

COMMUNITY SYSTEMS' problems piling up but operators see future unclouded nonetheless; Jerrold reports new systems and rate of growth (pp. 2 & 16).

VHF DECISIONS in touchy vhf-uhf areas considered imminent despite split in FCC; telecasters lining up, preparing allocations pitches (p. 3).

GENERAL TELERADIO MERGES with RKO Radio Pictures Inc. for tax purposes. Tom O'Neil's new RKO Teleradio Pictures Inc. will have 2 divisions (p. 5).

BIGGEST FILM-TO-TV DEAL imminent as RKO Teleradio prepares to sell 600 features to Matty Fox for \$12,000,000, and to its own stations for \$3,000,000 (p. 5).

FCC NETWORK STUDY gets direction from Commission, which lists subjects to be explored, covering intimate aspects of network operations (p. 8).

COMMISSION GRANTS Buffalo uhf, Billings (Mont.) vhf, Memphis vhf educational, overrides objections on network service to Mexico border stations (p. 8).

RETAIL FORECASTS TRIMMED in wake of slight TV sales dip. RCA prospectus, analysis of Philco shed more light on how trade leaders rank in market (p. 11).

9-MONTH TV SHIPMENTS to dealers, listed state-by-state, totaled 5,174,732 while production ran 5,760,506. Shipments 16% ahead of 1954 period (p. 13).

TV-ELECTRONICS FUND, industry's first open-end investment trust, reports on assets, new stocks added, holdings dropped during quarter to Oct. 31 (p. 14).

"WAR BABY GROWN UP"—Sylvania's rise to \$300,000,000 annual sales, putting it "up with the giants," detailed in profile of expanding company (p. 15).

TV's **BIGGEST WEEK** in programming sees top stars in 90-min. Broadway shows, high-rated movies, documentaries—causing moviemen much concern (p. 9).

EL DORADO, ARK. gets 458th U. S. station, as new outlets in Memphis and other cities get ready to start. Reports on equipment shipments (p. 10).

OVER 65% OF OHIO FARMS have TV—highest penetration, except for northeast coast, of 38 states tabulated so far in Census county-by-county poll (p. 10).

MORE MERGERS & ACQUISITIONS IN THE WIND: This being an era of mergers and industrial giants, you can expect to see more of them develop during the next year in TV-radio-electronics fields. Hardly a week passes without news of mergers or acquisitions, usually of small or medium-sized companies joining together or being taken over by big ones -- more often than not by big companies not now in electronics but seeking to "diversify" their way into its magical realms.

The proposed acquisition of Hallicrafters by Penn-Texas Corp. (Vol. 11:47), by no means a fait accompli yet; the passing of control of Olympic Radio into new hands (Vol. 11:47); purchase of control of Webster-Chicago by Titus Haffa, who owns the big Dormeyer appliance manufacturing concern (Vol. 11:24-26) -- all are straws in the wind that really began to be felt last spring when old-line Stromberg-Carlson was merged into huge General Dynamics, of which it's now a division (Vol. 11:18, 27).

Interestingly enough, the biggest entities in television and radio -- RCA, Philco, Admiral, Motorola, Zenith, GE, Westinghouse -- have not participated to any noteworthy extent in acquisitions of smaller companies in recent years, though it's an open secret that they have been sought out and sometimes literally begged for parental adoption by many smaller companies.

Whatever their motives in rejecting opportunities to acquire such properties as Empire Coil Co., now being liquidated by Storer (Vol. 11:47), and others offered, the fact is that the big fellows are getting bigger in their own way while competing like blazes with one another. RCA, for example, will achieve \$1 billion this year, yet has even gotten out of the manufacture of ranges and has turned over its air conditioner and stove business to Whirlpool-Seeger combine in favor of the stronger TV-radio-appliance merchandising setup it acquires (Vol. 11:29-30, et seq).

Philco hasn't taken over any new operation in a long time, and Motorola has elected to expand in its own chosen fields of TV-communications-military products.

Admiral's contraction of business in the last year, largely due to loss of defense contracts, has been accompanied by an expansion of its own distributorships (18 of them now) in the face of a general trend away from company-owned distribution.

Who's next in the merger picture? It's hard to say, but it's fairly clear that the new banking interests in DuMont, who have just completed the 1-for-2½ share spinoff of telecasting from manufacturing activities (Vol. 11:20, 33, 34, 39), are not thinking merely in terms of a new president for DuMont Labs, expected to be named any day now. They've been looking into expansions by way of acquiring or merging -- though the rumored tieup with Belock Instrument Corp. apparently is out.

Purchase of Olympic Radio by the new industrial-financial group that includes Siegler Corp. chairman Wm. H. Husted is avowedly a first step toward some sort of expansion (Vol. 11:47); Siegler, manufacturer of heaters, owns Hallamore Mfg. Co., which has announced plans to manufacture closed-circuit industrial TV equipment.

Admiral's pres. Ross Siragusa told Forbes Magazine recently (Vol. 11:43) that he's thinking of diversifying into the building supply business, notably heating and air conditioning systems, and has been toying with building a master sink, complete with all appliances. It won't be surprising if 1956 is the year for such expansion.

Year ahead may well alter the face of the industry, as competition between the big fellows -- whether for the TV-radio-appliance trade, for supremacy in other electronics products, or for the all-important defense contracts -- gets keener and impels the smaller fellows to continue to go to Wall Street for help in joining up with others in order to achieve volume and financial stability.

Right now, in TV-radio at least, nearly everybody is doing very well or fairly well in a boom market. But everybody wants a hedge against the bigtime competition and against declining markets -- and some see it in mergers and in diversification under stronger financial auspices.

* * * *

Note: Federal Trade Commission economists this week forecast this year's mergers & acquisitions in manufacturing & mining would probably exceed 500, largest number since 1930 when there were 799. All-time peak was 1245 in 1929. Same trend is noted in banking, and FTC does not undertake to evaluate or give opinion except to say high rate in manufacturing & mining is a phenomenon of a high level of business prosperity. "Merger fever" is said to be such that some companies have set up research depts. devoted exclusively to exploring possibilities, while business "marriage brokers" are quite active. Some of motivations found by FTC are need for additional capital, diversification, own sources of supply and distribution, tax savings.

COMMUNITY ANTENNAS--PROBLEMS & PROSPECTS: Community antenna operators' problems seem to be coming to a head currently, but operators cheerfully refer to them as "growing pains," report business booming. Actually, reason so much interest is being focused on the wired systems is that they've become large enough to be a factor in the TV industry. Current problems line up like this:

(1) Illegal boosters: CATV operators were thrown into a tizzy when FCC examiner J.D. Bond issued his initial decision recommending unauthorized boosters not be put off air (Vol. 11:43). However, they have no doubt FCC will reverse Bond and curb their free-wheeling competitors.

Even if some sort of booster is legalized by FCC, the CATV owners still see no basic threat to their business. According to National Community TV Assn. exec. secy.-gen. counsel E. Stratford Smith, illegal boosters are already running into internal troubles: they're interfering with each other; they've occasionally gone off air while set owners passed hat to continue operations. But, basically, there just isn't enough vhf spectrum space, he says, to build sufficient boosters to supply set owners with multiple signals on non-interference basis -- whereas most CATV systems can easily furnish several signals.

(2) Govt. regulation: To date, only one state utilities commission, Wyoming's, has actually assumed jurisdiction -- though several others have talked about it. CATV operators don't like such regulation but don't consider it fatal. They believe they can persuade commissions to adopt liberal rules because of great risks inherent

in the business. In addition, they point out that the commissions always give utilities some measure of protection in exchange for regulating them -- yet commissions have no power to protect CATV systems from the competition of Federally-authorized new TV stations, station power-height increases, boosters, satellites, etc. Thus, they reason, state commissions must regulate with a light hand on reins.

FCC has shown little inclination, through the years, to get into CATV regulation. However, several telecasters have been urging NARTB to push for Federal curbs of systems on grounds CATV stymies growth of regular stations. NARTB has formed committee, is studying matter.

Most vigorous opponent of systems is Wm. Grove, operator of KFBC-TV, Cheyenne, Wyo. He says he'd like to build satellites in Wyoming communities which now get Denver signals via community systems. Currently, he's asking Wyoming utilities commission not to permit CATV system in Rawlins.

(3) Property rights: From time to time, TV stations have sought to block CATV's use of their signals on grounds that program property rights are being pirated. None of these efforts has come to a head. KOA-TV, Denver, once asked Casper, Wyo. system to sign an affiliation contract, later dropped the request. Ed Craney's KXLF-TV, Butte, once ordered Bozeman system to stop using its signals but hasn't forced issue in courts. WMCT, Memphis, once sought FCC aid on property rights matter, was turned down. KFBC-TV's Grove appears to be most militant opponent.

Latest attack on property rights question came last week when Arche Mayers, Standard TV Co., charged that CATV systems "cheat" film industry by picking up signals without paying fee (Vol. 11:47). NCTA's legal position on property rights is that CATV doesn't supply program service but is merely an antenna service doing for its subscribers something they cannot economically do themselves. Presumption is that the issue will some day be thrashed out in courts.

All other TV stations are either non-committal or actually encouraging CATV operations. For that matter, none has even complained to FCC about illegal boosters using their signals. Reason seems to be simply that they regard any increase in the size of audience as all to the good.

* * * *

Growth of CATV industry seems unimpeded, meanwhile, except in Pacific Northwest where prospective system operators are waiting for hassle over illegal boosters to simmer down and for some "ground rules" to emerge.

NCTA estimates there are 475-500 systems serving 30 or more homes each, for total of some 300,000 homes. It has 220 CATV operators as members, plus virtually all equipment makers as associate members.

Largest manufacturer of community equipment, Jerrold -- which this week purchased controlling interest in Key West system--reports that it has supplied equipment for 13 new towns in last 4 months and that growth of older systems is generally continuing at good clip (for details, see p. 16).

FCC EDGING TOWARD VHF FINAL DECISIONS: FCC's prospective action on hot vhf final decisions still isn't clear. Next week should tell the tale. This week, Commission took up Fresno Ch. 12 case (KARM was favored over KFRE in initial decision last year) but came to no final vote, passed it over until next week.

Crux of the matter is whether a quorum can be obtained to act. Comrs. Mack & Webster are key men at the moment. It's not certain whether Mack is free to vote, because he didn't hear oral argument on the case. And Webster is concerned about disturbing status quo with new vhf grants while deintermixture is being considered in general allocations rule-making (Vol. 11:46-47). However, it's said that Mack may vote if he reads the oral argument.

Current predictions are that, despite these apparent uncertainties, Commission will make the final decisions. It's assumed McConnaughey, Doerfer & Lee are ready to do so, with Hyde & Bartley urging that no CPs be issued in critical vhf-uhf areas.

First of the court appeals was filed, meanwhile, when off-air WTRI, Albany (Ch. 35), owned jointly by Harry Wilder and Stanley-Warner Theatre interests and rep-

resented by ex-FCC chairman Paul Porter and ex-FCC asst. gen. counsel Harry Plotkin, asked court to review Commission decision dropping Ch. 10 into area and to enjoin it from throwing Ch. 10 open to applications. WMGT, Adams, Mass. (Ch. 19), through McKenna & Wilkinson, also plans to file similar appeal against the drop-in next week.

* * * *

Industry is jockeying for position, more than ever, as FCC prepares to dig into whole allocations setup. Several pioneer vhf telecasters, including some of those who spoke up for themselves during Senate "Potter hearings" on uhf last year (Vol. 10:30, et seq), are planning to meet early in Jan. with aim of forming protective group. Meeting will probably be held in Washington, and some of group are urging formation of permanent setup similar to radio's Clear Channel Bcstg. Service. It would be permanent, with Washington offices, counsel & consulting engineers. Membership would include affiliates of all networks, plus independents.

Another uhf group, without formal organization, spoke up this week. Six uhf telecasters, identifying themselves as "successful uhf stations," wrote FCC Chairman McConnaughey and stated:

"In the past, we have only asked that we be permitted to pursue our objective of serving our respective markets and we have asked for no special consideration. Now, however, we find our very existence threatened and feel that we should be given some idea of the Commission's thinking and have the opportunity of presenting our views to the Commission." They requested informal meeting with FCC.

Heading group is Thomas P. Chisman, WVEC-TV, Norfolk. Others who signed the letter: Allen M. Woodall, WDAK-TV, Columbus, Ga.; Ben Baylor, WINT, Ft. Wayne, Ind.; Thomas P. Shelburne, WILK-TV, and David M. Baltimore, WBRE-TV, both Wilkes-Barre; William L. Putnam, WWLP-TV, Springfield, Mass.

New group is distinct from Uhf Industry Committee, headed by Harold Thoms, WISE-TV, Asheville, N.C. Also in process of formation is Committee for Home Town TV, sparked by Philip Merryman, WICC-TV, Bridgeport, Conn., which aims to include vhf as well as uhf stations.

It's expected some vhf operators will support deintermixture, urging preservation of uhf. During Potter hearings, they supported status quo on allocations. But now they feel deintermixture is least of several possible evils. All palliatives which propose squeezing in more vhf stations would work to their disadvantage -- by paring down their service areas and breeding new vhf competitors.

Engineers are now gearing for allocations proceeding, and though no one has asked for extension of Dec. 15 deadline virtually everyone scoffs at idea that problem can be thrashed out in month or two. Most see the affair running well into next year, and some predict hassle will still be going on in 1957.

FCC chief engineer Edward W. Allen is working hard to get himself and staff in position to answer all technical questions as Commission propounds them. He heads FCC-Industry Radio Propagation Advisory Committee, which has been tailoring new propagation curves, studying cross-polarization, power-height relationships, directional antennas, etc. But members say what they really need is indication of policy from Commission -- what its goal is in terms of numbers of stations, in cities of what size, covering what areas. (For RPAC membership, see p. 16.)

National Assn. of Manufacturers served notice on the Commission this week, through its Committee on Manufacturers Radio Use, that if FCC manages to get more vhf channels for TV from Govt. its allocations problems won't be over by any means. "This Committee," it wrote FCC, "representing the 'heavy industry' users of mobile radio communications, considers itself an interested party for the reason that TV broadcasting requires a huge portion of the available spectrum and any approach to creating additional TV channels immediately presents a threat to all the non-broadcast services, in which industry has an important and permanent interest." NAM said it is concerned about "block allocations", said this policy "freezes frequencies in localities where there is little or no prospect that they will be put to use. We know that that is true of the FM broadcast service, and we suspect that it prevails in the TV service as well." Group is already seeking to share FM band (Vol. 11:6).

RKO TELERADIO PICTURES Inc. will be new name of merged General Teleradio Inc. and RKO Radio Pictures Inc. as soon as FCC approves transfer of the TV-radio station licenses held by General Teleradio. This was disclosed this week as transfer papers were filed, along with notice that General Teleradio Inc. has acquired the slightly more than 10% stock interest held by Macy's dept. store interests, for which it's paying \$2,250,000. Thus the General Tire & Rubber Co. subsidiary will be 100% owned, and it's proposed to set up newly named company into 2 main divisions—General Teleradio and RKO Radio Pictures.

It was just 4 years ago that General Tire's expanding subsidiary, then known as Thomas S. Lee Enterprises Inc., acquired R. H. Macy & Co.'s WOR-TV & WOR, New York, along with new plant and various assets, for \$4,500,000 in cash or other assets, plus 25-year lease on studio-transmitter properties at \$315,000 a year—Macy's retaining 10% interest (Vol. 7:46). Engineered by Thomas F. O'Neil, who had taken over operation of Mutual Broadcasting System (Vol. 7:21), it was at that time the biggest station deal in history.

It was in July of this year that RKO Radio Pictures Inc., with its Hollywood plant, plus vaults full of feature films and shorts, plus world-wide distribution setup, was purchased for \$25,000,000 by General Teleradio (Vol. 11:29,30) financed by Chase National Bank loans covered by notes for \$10,000,000 (at 3¾%) and \$15,000,000 (at 3½%, reducible to 3¼%) payable at semi-annual rate of \$1,000,000 and \$750,000, respectively (Vol. 11:39).

According to FCC file, General Teleradio now owns WOR-TV & WOR; WNAC-TV & WNAC, Boston; KHJ-TV & KHJ, Los Angeles; WHBQ-TV & WHBQ, Memphis; WEAT-TV & WEAT, West Palm Beach, Fla.; radio

KFRC, San Francisco; RKO Radio Pictures Inc., which had 5 affiliated corporations, 2 of which (RKO-Pathe Inc. and Van Buren Corp.) have been merged into RKO Radio Pictures Inc.; RKO Television Corp., now inactive; Cormex, S.A., holding company owning about 30% of Mexican corporation operating studios in Mexico; Windrose Inc., owning real estate in Los Angeles. Note: General Teleradio also owns 55% of WGTB-TV, Hartford (Ch. 18) and WGTB, sale of which to CBS pends FCC approval (Vol. 11:28).

Up to their Nov. 18, 1955 agreement, 6592 (out of 7324 outstanding shares of 10,000 authorized) were owned by General Teleradio, 732 by R. H. Macy. General Teleradio's net income after Federal taxes was \$1,549,964 in 1954 and \$1,194,112 in 1953. Consolidated net loss of RKO Radio Pictures Inc. was \$418,556 in 1954 and \$3,390,205 in 1953. The merger, accordingly, will result in tax savings.

Excluding Mutual, General Teleradio's assets as of Sept. 30, 1955 were \$2,293,886 cash, \$168,556 bonds. Current assets totaled \$12,788,942, embracing \$3,670,476 for MBS, \$4,121,672 notes receivable, \$214,958 prepaid rent, \$19,150 insurance, \$2,299,744 other assets. Investments and advances totaled \$25,684,206, fixed assets \$6,123,936—for grand total of \$45,110,406.

Current liabilities were reported as \$8,924,458, long-term debt \$28,500,000, surplus \$7,685,948.

Top executives, besides Mr. O'Neil, who holds titles of pres., treas. & director, are Daniel T. O'Shea, John B. Poor, Willet H. Brown, Charles L. Glett, J. Miller Walker, vice presidents & directors (Mr. Walker also secy.); Wm. H. Clark, director; Joseph J. Lamb, asst. secy. & director. Following are also vice presidents: Walter Bramson, John Cleghorn, Wm. Dozier, Gordon Gray, Norman Knight, Robert Manby, Dwight Martin, Robert Schmid, George Steffy, J. Glen Taylor, Harry Trenner, James E. Wallen. Asst. secretaries are B. D. Bender, Robert Hawkinson, Paul J. Quinn.

Telecasting Notes: Biggest sale yet of movies to TV is about to be consummated, with veteran TV film distributor Matty Fox due to buy 600 RKO pictures plus undisclosed number of short subjects from RKO Teleradio Pictures (new corporate name of RKO-General Teleradio empire; see above) for \$12,000,000. Though deal has been reported ready for signatures, Fox told us at press time: "I'm very hopeful that something will be concluded; however, I cannot say that it has been" . . . Fox would also get first option on 150 more RKO features, presumably after their theatrical reissue. It would give him rights to syndicate the RKO movies to stations in all cities except the 6 in which Teleradio operates TV stations. GT's own stations will pay total of \$3,000,000 for the package, giving RKO Teleradio \$15,000,000 which reportedly will be used to start movie production wheels going at RKO studios . . . Matty Fox founded Motion Pictures for TV Inc., later liquidating its inventory, and is pres. of Skiatron TV Inc., exclusive licensee for Skiatron subscription-TV system. He's also large stockholder and director of C & C Super Corp., soft drink firm which now owns feature film library formerly syndicated by MPTV. In RKO deal, Fox reportedly is backed by C & C money, as well as by First National Bank of Boston and financier David Baird . . . Hal Roach Studios, which produces its own TV films and rents space to other producers, reports 1955 the biggest year in its 35 years of existence, with production of 310 TV films at cost of \$9,045,000 . . . Screen Producers Guild turned thumbs down on offers from all networks and major TV producers to participate in production of weekly film show like that done by Screen Directors Guild, saying it "feels that its prestige would be seriously damaged were it to conform to the standards and practices generally in use today in the

TV industry" . . . "Culture" can be popular: CBS-TV's Nov. 19 *Ford Star Jubilee* may have set an unofficial record for viewership of spectaculars, over top-notch competition, when "Caine Mutiny Court Martial" scored 26.6 Trendex in first half-hour opposite 15.4 for *Jimmy Durante Show*; 30.2 for second half-hour against *George Gobel's* 21.4; 31 in third period opposite *Hit Parade's* 19.3 . . . Paddy Chayevsky turns his sharp insight on telecasting industry itself in TV drama he's now preparing for Feb. exposure on NBC-TV's *Playwrights '56*, tentatively titled "The Man Who Knocked Off Ed Sullivan." It's said to have as its central character an NBC executive assigned the task of working up Sun. night program to out-rate the popular CBS-TV variety show . . . NBC's "comedy development program" may bear fruit early next year in network's attempt to knock off Ed Sullivan. After *Colgate Variety Hour* drops Sun. 8-9 p.m. spot Dec. 25, network will fill the hour with a "comedy-in-depth" program beginning Jan. 8, using large numbers of "newly discovered" comedians (see also Network Accounts) . . . Danny Kaye reported in talks with several agencies with eye on TV spectacular debut next year.

New broadcasting reference collection has been started by Library of Congress under Librarian L. Quincy Mumford with presentation of tapes typical of week's programming by NBC's WRC, Washington, in form of 140 reels. NBC v.p.-WRC gen. mgr. Carleton D. Smith said he hopes later to present a full week of WRC-TV schedule on kines.

Hollywood upgrade: With 37 theatrical films now in production, 9 on foreign location, Hollywood studios are working at highest level in 5 years, says *Hollywood Reporter*.

Personal Notes: Don Durgin, ABC Radio exec. v.p., designated ABC representative on NARTB radio board, replacing Charles T. Ayres, now v.p. in charge of NBC Radio . . . Harold P. See upped to gen. mgr. from station mgr. of KRON-TV, San Francisco, as Charles deYoung Thieriot assumes presidency of *San Francisco Chronicle* . . . Robert W. Sarnoff, NBC exec. v.p., elected to board of National Multiple Sclerosis Society . . . Ralph J. Bitzer, who recently withdrew from old Fred O. Grimwood & Co. to set up own consulting engineering practice, has opened office in 298 Arcade Bldg., St. Louis (phone Garfield 1-4954) . . . Jerome S. Boros, FCC Hearing Div. attorney, joins firm of Fly, Shuebruk, Blume & Gaguine . . . Warren C. Zwicky, ex-Scharfeld & Baron, joins law firm of ex-FCC Comr. Robert F. Jones, Perpetual Bldg., Washington . . . Charles E. Smoot, Washington attorney, appointed FCC asst. gen. counsel in charge of legislation, treaties & rules, succeeding asst. gen. counsel Richard A. Solomon, now in charge of litigation div.; J. Smith Henley, asst. gen. counsel, moves into newly created post of associate gen. counsel . . . Jack Donohue, from Chicago office, named Pacific Coast network sales mgr., CBS Radio, succeeding Bok Reitzel, now on sabbatical leave after being transferred to Detroit office . . . Henry R. Poster, ex-MBS & Headley-Reed, named ABC Radio mgr. of sales development, reporting to Gene Accas, director of sales development & research . . . Samuel Fuller promoted to director of NBC-TV special projects, Hollywood, in charge of new comedy program to replace *Colgate Variety Hour* Jan. 8, Sun. 8-9 p.m. . . . Robert F. Davis promoted to research director, CBS-TV Spot Sales . . . Bert Hauser, ex-Mutual program v.p., joins Hardy Burt Productions, 104 E. 40th St., N. Y. . . . Joseph Brandel, ex-Philips of Eindhoven, appointed European sales director for Ziv International, stationed in Paris, following return of director Ed Stern from month's survey of European capitals . . . Ben F. Hovel, gen. mgr. of WKOW-TV, Madison, elected pres. of Wisconsin Broadcasters Assn. . . . Thomas C. Sawyer, ex-WWOR-TV, Worcester, named production mgr. of WMUR-TV, Manchester, N. H. . . . Jerome A. Stone, ex-gen. mgr. of radio WNDB, Daytona Beach, has joined Voice of America as field liaison officer . . . Henry J. McMahon promoted to mgr. of Yankee Network's new retail merchandising dept. . . . John R. Porterfield, ex-Storer eastern radio sales mgr. and onetime gen. mgr. of WGLV, Easton, Pa. & WNET, Providence, joins WABC-TV, N. Y. whose mgr. Robert Stone also announced appointments of James E. Szabo, ex-Adam Young sales mgr., and Leonard E. Hammer, ex-Adam Young & MCA-TV . . . Ernest M. Walker promoted to sales mgr. of ABC Radio central div., Chicago . . . David Kittrell, ex-Katz Agency and ex-CBS Radio Spot Sales mgr. in Atlanta, joins WTVD, Durham, N. C. . . . Edward Grossman, Guild Films radio div. director, resigns to set up own business, handling financing of TV films and TV-radio stations . . . C. F. Daugherty promoted to mgr. of facilities div., WSB-TV & WSB, Atlanta; Robt. A. Holbrook succeeds him as chief engineer . . . Robert J. Dean, ex-KMJ-TV, Fresno, named gen. sales mgr. of WFIE, Evansville . . . Steve Zinn, operations mgr. of WITV, Ft. Lauderdale, returns to Tampa's WTVT as station mgr. . . . Ben K. McKinnon, v.p.-gen. mgr. of WGVL-TV, Greenville, S. C., named gen. mgr. of Birmingham's radio WSGN, by new owner Winston-Salem Bestg. Co. (Vol. 11:47).

George Frey, NBC-TV network sales v.p. and the industry's top golfer, on Nov. 21 celebrated his 31st year with NBC and its predecessor AT&T-owned WEA, N. Y.

Charles Shaw, news director of WCAU-TV & WCAU, Philadelphia, wins Better Understanding Award of English Speaking Union.

ADVERTISING AGENCIES: George Haight, McCann-Erickson programming director, Hollywood (*Climax, Shower of Stars*), Jan. 1 becomes v.p. in charge of TV-radio dept., N. Y., reporting to Terence Clyne, v.p. & management supervisor of TV-radio dept. . . . Julian Field promoted to senior v.p. & creative director, Lennen & Newell . . . G. Warren Schloat Jr., ex-Wm. Esty Co., named Compton Adv. v.p. in charge of TV-radio commercial production; Mrs. Jessica Maxwell, ex-Biow-Beirn-Toigo, appointed Compton TV-radio casting & dialogue director . . . John C. Williams, chairman of L. Bamberger & Co., Newark, Jan. 1 becomes pres. of United Adv. Agency, N. Y. & Newark, succeeding Emanuel London, who moves up to vice-chairman, Leonard Dreyfuss continuing as chairman; it changes name on that date to Williams & London, Advertising . . . George Lewis named TV-radio director, Rowe-Doherty Assoc., N. Y. . . . Julian Field, ex-William Esty Co. & Ted Bates & Co., appointed senior v.p. & creative director, Lennen & Newell . . . Joyce Cook, ex-Robert Maxwell Assoc. & Frank Wisbar Productions, joins McCann-Erickson as west coast TV production supervisor.

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Newly formed North Advertising Inc., 430 No. Michigan Ave., Chicago, headed by Don Paul Nathanson, ex-Weiss & Geller v.p. in charge of Toni and other accounts, names following new executives: Charles P. Hirth Jr., ex-Biow & Hearst Adv. Service, named v.p. & group supervisor in charge of Prom and Silver Curl (home permanents); Richard S. Paige, ex-NBC, director of media; Kerry F. Sheeran, ex-Weiss & Geller, Chicago, executive in charge of Tonette Children's Home Permanent and Soft-style & Spin Curlers; Robert G. Fryml, ex-Henri, Hurst & McDonald, art director; Kent D'Alessandro, ex-Benton & Bowles, media analyst & buyer; Gene DaDan, ex-NBC, Chicago, TV-radio administrative dept.

Two agency mergers: Emil Mogul Co. combines with Storm & Klein Inc. Jan. 2, new firm taking Mogul name, Edward Klein becoming exec. v.p. & treas., Charles M. Storm chairman of exec. committee, Arthur Klein TV-radio director. Also, Honig-Cooper Co., San Francisco, merges with Rhoades & Davis Adv. Jan. 1, retaining Honig-Cooper name, Robert O. Davis becoming v.p. in charge of Rhoades & Davis div., J. A. Honald v.p. in charge of L. A. office.

Examinations for jobs in all fields of advertising—TV, radio, newspapers, magazines—will be given Dec. 3 under auspices of American Assn. of Advertising Agencies at Waldorf-Astoria, N. Y. They're open to those not now employed by an agency and to seniors and other promising college students. Deadline is Nov. 29 for applications to AAAA, 420 Lexington Ave., N. Y.

Teleprompter executives will demonstrate proposed new TV "program communications network," which is backed by Western Union (Vol. 11:45), at Radio & Television Executives Society luncheon meeting Nov. 28 in Hotel Roosevelt, N. Y.

Mrs. Ned Calmer, 46, wife of the CBS news commentator, died of pneumonia Nov. 24 in hospital in Charlottesville, Va. Besides her husband, she is survived by a daughter, 3 grandchildren, her parents, 4 sisters.

Walter Bredin, 59, news editor of Hearst Metrotone News in charge of TV assignments for Television Film Service, died Nov. 22 in N. Y. He is survived by his widow and 2 daughters.

Wm. V. (Bill) Bradley, 35, newscaster of KPIX, San Francisco, formerly with CBS in N. Y. & Philadelphia, was killed Nov. 23 in auto collision in San Francisco.

Station Accounts: Signs of the TV times: Uptrend in radio as well as TV time sales, especially national spot, is noted in advance statement by Westinghouse stations national sales mgr. Eldon Campbell as executives of the 4 TV and 5 radio stations foregather Nov. 28-30 for N. Y. meetings. Westinghouse claims to be biggest non-network organization of stations, both from gross and profit standpoint, which means it claims to do more business than Storer group (7 TV, 7 AM stations). The 4 Westinghouse TV stations this year are enjoying 13.5% more gross sales than in 1954, Campbell reports; the 5 radio stations are 5% ahead "despite the serious decline in radio network revenues"; combined national spot of the 5 radio stations is 9% ahead. Local sales account mainly for radio's upsurge, with KDKA, Pittsburgh, up 19%; KYW, Philadelphia, up 18%; WBZ-WBZA, Boston, up 21%. (For lists of Westinghouse and Storer stations, see *TV Factbook No. 21*, p. 52.) . . . **Good program idea:** WRGB, Schenectady, recently demonstrated how public service can be integrated into commercial format of morning household program, winning bigger audiences as result. Occasion was 5-day series on area Ground Observer Corps activities woven into multi-sponsored *Home Fare* series, 9-9:30 a.m. Shows featured in-studio interviews complete with air defense equipment, with regular features of program (news, weather, household hints, etc.) re-scheduled within the half-hour. Audience response was high, and Air Force is now preparing highlights of show for other stations . . . MCA-TV, in new brochure, advises auto dealers to sponsor syndicated films, says TV is only medium to match postwar growth of auto industry, lists 60 auto dealers who have sponsored 15 MCA-TV films in last 2 years . . . Campbell Soup concentrating its soup-on-the-rocks campaign for iced soup in 10 southern markets this winter, thru BBDO . . . Hamm Brewing Co. & Oklahoma Oil Products to sponsor all home games of Chicago White Sox and Cubs on WGN-TV next year and in 1957, thru Campbell-Mithun . . . Mennen Co. buys 30-min. *Passport to Danger* from ABC Film Syndication for 30 markets, thru McCann-Erickson . . . Among other advertisers currently reported using or preparing to use TV station time: **Stouffer Corp.**, Cleveland (Stouffer's restaurants & frozen cooked foods), thru Fuller & Smith & Ross, Cleveland and Calkins & Holden, Chicago; **Sell's Specialties**, N. Y. (Sell's liver pate & other meat & poultry specialties), thru Allen Christopher Co., N. Y.; **Wildroot Co.**, Buffalo (Van hair formula), thru BBDO, N. Y.; **Cook Chemical Co.**, Kansas City (Real-Kleen dry cleaner), thru Henri, Hurst & McDonald, Chicago; **Alfred D. McKelvy Co.**, subsidiary of Vick Chemical Co., N. Y. (Seaforth toiletries), thru BBDO, N. Y.; **International Salt Co.**, N. Y., thru BBDO, N. Y.; **Hormel & Co.**, Minneapolis (Italian salami), thru BBDO, Minneapolis; **Oneida Ltd.**, Oneida, N. Y. (silverware), thru BBDO, N. Y.; **All Channel Antenna Corp.**, Woodside, N. Y., thru Samuels Adv., N. Y.

Rate increases: WNBC-TV, Binghamton, N. Y., adds Class AA hour (7:30-10:30 p.m. Mon.-Sat. & 6-10:30 p.m. Sun.) at \$800, 20 sec. at \$160, Class A hour going from \$600 to \$700, 20 sec. from \$120 to \$140. KFSA-TV, San Diego, raises base hour from \$600 to \$800, min. \$120 to \$160. WKTV, Utica, N. Y., Jan. 1 raises base hour from \$475 to \$550, min. \$85 to \$100. WALA-TV, Mobile, has added class AA hour (7-9:30 p.m. Mon.-Sat. & 6-9:30 p.m. Sun.) at \$450, min. at \$90, Class A hour remaining \$400. WHYN-TV, Springfield, Mass., Jan. 1 raises base hour from \$300 to \$400, min. \$75 to \$100. WCHS-TV, Portland, Me., has raised base hour from \$350 to \$400, min. \$70 to \$80. Spot increases: KOIN-TV, Portland, Ore., raises Class AA min.-only rate from \$175 to \$200; WTAO-TV, Boston, base min. from \$50 to \$60.

Network Accounts: Avco (Crosley-Bendix home appliances), Andrew Jergens Co. (hair preparation) and Brown & Williamson Tobacco Co. (Viceroy) to share sponsorship of new NBC-TV comedy program, as yet untitled, which will replace *Colgate Variety Hour* starting Jan. 8, Sun. 8-9 p.m. NBC says new program will be "a showcase for new comedy talent and will feature comedy in all its forms." Respective agencies are Compton Adv., Robert W. Orr Adv., Ted Bates & Co. . . . **Marital turnabout:** Frigidaire, which dropped *My Favorite Husband*, is replacing it with *Do You Trust Your Wife?*, new quiz program starring Edgar Bergen & Charlie McCarthy, on CBS-TV starting Jan. 3, Tue. 10:30-11 p.m., thru Kudner . . . **Armstrong Cork Co.** to sponsor *Nightmare in Red*, first of NBC's "Project 20" telementaries, as substitute for its own *Armstrong Circle Theatre* on NBC-TV Dec. 27, Tue. 9:30-10:30 p.m., thru BBDO . . . **Johnson & Johnson** and **Dow Chemical** each buys 13 partic. on NBC-TV's color *Matinee Theatre* starting in Jan., Mon.-thru-Fri. 3-4 p.m., former thru N. W. Ayer, latter thru MacManus, John & Adams . . . **Easy Washing Machine** to sponsor Wed. 10:30-10:45 a.m. portion of *Arthur Godfrey Time* on CBS-TV starting Jan. 11, thru BBDO; **Bristol-Myers** adds Thu. 10:30-10:45 a.m. segment, starting Jan. 5, to its current Mon. & Wed. 10:45-11 portions, thru Young & Rubicam . . . **Prudential** to become full sponsor of *You Are There* on CBS-TV Sun. 6:30-7 p.m. starting next month, when **Electric Companies Advertising Program** drops as alt. sponsor . . . **Block Drug** buys 104 partic. on NBC-TV's *Today*, Mon.-thru-Fri. 11-noon, starting in Jan., thru Harry B. Cohen Adv., N. Y. . . . **American Meat Institute** to buy series of spots on NBC-TV next year to promote sale of pork products, thru Lennen & Newell . . . **New public affairs** program, *CBS Sunday News*, featuring Eric Sevareid, starts Jan. 8, 3:30-4 p.m., unsponsored as yet . . . **Ernie Kovacs** to have own comedy show on NBC-TV starting Dec. 12, Mon.-thru-Fri. 10:30-11 a.m. . . . **New Disney show**, *Walt Disney's Magic Kingdom*, starts on ABC Radio Dec. 5, Mon.-thru-Fri. 11:35-noon.

Automatic estimators, permitting timebuyers to calculate quickly audience sizes and cost-per-thousand in specific markets, were distributed this week by both NBC Spot Sales and WBNS-TV, Columbus, O. NBC's "Spot Estimator" consists of a paper disc 10-in. in diameter, with 2 scales on each side. On one side are scales headed "Number of Homes" and "Rating Points". By placing given rating for program or announcement under scale for number of homes in market, one can find in a tiny window the number of homes reached. On reverse side are scales headed "Audience Size" and "Cost Per Spot or Schedule." By placing cost-per-announcement figure under audience size, the cost-per-thousand figure will appear in window. Inquiries about it should be addressed to Morton Gaffin, mgr. of new business & promotion, NBC Spot Sales, N. Y. The "TV Cost Calculator" of WBNS-TV, devised by Blair TV's Otto Ohland and Martin Katz, is 6-in. in diameter, has calibrated figures, maneuvered by moving circle within a circle to reveal cost-per-thousand by matching program rating with number of TV homes.

New reps: WTTG, Washington, to Raymer (from H-R Television); KTVI, St. Louis, to Weed (from Radio-TV Representatives); WEAT-TV, West Palm Beach, to H-R Television (from Walker).

FCC chairman George C. McConaughy will be principal speaker at annual Sylvania TV awards dinner in the Waldorf-Astoria, N. Y. Nov. 29.

Revenue and expense figures for all TV-AM-FM stations for 1954, giving usual detailed breakdowns, will be issued by FCC week of Nov. 28.

NETWORK STUDY by FCC, undertaken by direction of Congress, is designed to explore every possible facet of the network business, as indicated by "Network Study Committee Order No. 1" issued this week—but big question is just how much zip Commission will put into the job. Few people expect a duplication of the tough network probe FCC conducted in 1938-43.

Pace of study is expected to pick up, now that objectives have been laid down. In addition, staff director Roscoe Barrow, dean of Cincinnati U Law School, has been hampered by difficulty in obtaining enough competent help. However, he expects to announce appointment of several attorneys and economists next week.

Congress gave FCC \$80,000 for the job, to last until next June 30, but it's considered likely that more money and time will be needed—and that funds will be appropriated.

In issuing "Order No. 1" (Public Notices 55M-977 & 978), Commission noted that it has made no re-evaluation of networks since 1938-43 and stated that changes in radio and addition of TV justify new study. Committee comprises Chairman McConnaughey, Comrs. Hyde, Bartley & Doerfer.

Basically, the FCC notice states, the network study "will concern itself with the broad question whether the present structure, composition and operation of radio and TV networks and their relationship with their affiliates and other components of the industry, tend to foster or impede the maintenance and growth of a nation-wide competitive radio and TV broadcasting industry." Accordingly, it sets forth these "detailed facts required":

(A) What has been and will continue to be the effect on radio and TV broadcasting of the following:

(1) Ownership and operation of both radio and TV networks by the same person, or persons affiliated with, controlled by, or under common control with the same person;

(2) Ownership and operation of radio and TV broadcasting stations by persons who, directly or indirectly, own or operate radio or television networks;

(3) The production, distribution or sale of programs or other materials or services (including the providing of talent) by various persons, both within and outside of the broadcasting industry, for (1) radio and TV network broadcasting, and (2) radio and television non-network broadcasting;

(4) The representation of stations in the national spot field by various persons;

(5) The relationships between networks and their affiliates including but not limited to those having to do with (1) selection of affiliates, (2) exclusivity, (3) option time, (4) free hours, (5) division of revenue, and (6) term of contract;

(6) The contracting for or lease of line facilities used in the operation of networks by persons who, directly or indirectly, own and operate networks;

(7) Related interests, other than network broadcasting, of persons who, directly or indirectly, own or operate networks;

(8) The ownership of more than one radio or television broadcast license by any one person.

(B) Under present conditions in the radio and television broadcasting industry, what is the opportunity for and the economic feasibility of the development of a multiple-network structure in terms of (1) the number of broadcast outlets available, (2) national advertising potential, (3) costs of network establishment and operation, and (4) other relevant factors.

(C) Under present conditions in the radio and television broadcasting industry, what is the opportunity for and economic feasibility of effective competition in the national advertising field between networks and non-network organizations in terms of (1) the number and type of broadcast outlets available, (2) national advertising potential, (3) needs of the advertiser, and (4) other relevant factors.

National Assn. of Christian Broadcasters is new non-denominational organization composed of TV-radio broadcasters and ministers and educators interested in broadcasting. Pres. is Frank Bush, Greenville, Ill., religious TV producer; v.p., G. B. Gordon, TV director, WICS-TV, Springfield, Ill.; secy., Bob Vernon, producer, KOAM-TV, Joplin, Mo.; treas., Jocelyn Dutton, ex-WXLW, Indianapolis & WLW, Cincinnati.

THREE TV GRANTS were awarded by FCC to uncontested applicants: (1) Buffalo's Ch. 59 to local group comprising attorney Richard Oblatz, v.p. Richard Levy of Philco distributor W. Bergman Co. and metal salvage dealer Daniel A. Roblin (Vol. 11:40). (2) Billings, Mont., Ch. 8 to local KGH, owned by oilmen P. N. Fortin and W. J. & Kenneth L. Hancock. (3) Memphis' non-commercial Ch. 10 to Memphis Community TV Foundation, educational group.

Commission gave ABC-TV the go-ahead to transmit its programs to Tijuana's XETV, overruling long-standing opposition of San Diego's KFMB-TV & KFSD-TV. FCC said that ABC showed service is needed; that San Diego stations hadn't sufficiently justified claim they would be injured; that "maintenance of a free interchange of programs" with Mexican stations outweighs arguments of the objectors. San Diego stations are expected to file "economic injury" protests.

FCC also granted permission to Lansing's WJIM-TV to move to 980-ft. tower at new site 8 mi. southeast of city.

Triangle Publications Inc. (Walter Annenberg) asked Commission's permission to drop its application for Ch. 18 satellite at Elmira, N. Y., stating that it has found that a co-channel booster is best method to provide service from its WNBC-TV, Binghamton (Ch. 12). It said it will ask FCC to change its rules to permit the booster.

U of Nebraska and banker Byron J. Dunn, who as trustee operates university's non-commercial KUON-TV, on Lincoln's Ch. 12, asked FCC to classify channel as non-commercial and release educational Ch. 18 for commercial use. They explained that university wants to assume full charge of station, and operation on non-commercial channel would make it easier by exempting it from minimum hours of operation, helping it get films not available to commercial stations, assisting it in securing funds from state legislature, foundations, etc.

Comments on FCC hearing manual proposal (Vol. 11:43), favorite project of Chairman McConnaughey, were filed with Commission this week with 2 opposing the idea and 2 endorsing it with modifications. Washington law firms of Scharfeld & Baron and Cohn & Marks saw little merit and much potential trouble in manual, said it might be amended to remove ambiguities and confusing sections, then used only as a guidebook for new examiners and counsel. Both were opposed to proposed rule limiting argument on objections to evidence to 3 minutes, contending that specific cases should dictate time limit. Dow, Lohnes & Albertson and CBS favored adoption, but both suggested changes. Neither objected to 3-min. proposal. Manual is proposed "to promote uniformity in matters concerning the introduction and use of evidence in comparative broadcast proceedings."

Canadian Bestg. Corp. earned \$4,267,668 on income of \$34,735,788 during year ended March 31, with TV service accounting for entire profit in operations. TV earnings were \$4,479,421 on income of \$21,275,805 compared to radio's deficit of \$211,753 on \$13,459,983. Commercial telecasting increased \$2,822,559 over preceding year and advertising revenue was almost double that for radio. Annual report released Nov. 23 by A. Davidson Dunton, chairman of board of governors, placed heaviest emphasis on growth of TV, citing advancement in engineering, programming, coverage, revenue.

H. Scott Killgore, manufacturer's rep and consulting engineer, who owns radios WARE, Ware, Mass. & WKXL, Concord, Mass., has bought daytimer WKXV, Knoxville.

SPECTACULAR SUCCESS of 60-&-90-min. one-shot program "specials" prompted one important movie industry publication to cry out in anguish this week that "toll TV is here—for free." In editorials Nov. 22 & 23, *Film Daily* reviewed recent and planned top-notch programs and concluded that TV is now providing more formidable competition than ever to the movie houses. Editorial Nov. 22 contained this pointed comment:

"Mark this down in your book. The TV competition which only was to come with the advent of the pay-as-you-see variety is actually here—for the mere twisting of the dial, and *no charge.*"

No longer a bold new experiment, TV's spectaculars are now an established part of the programming picture—they are "events," to be looked forward to, and to be discussed for days afterward. There is no question that the top-hole spectaculars are keeping more folks at home—particularly on the biggest going-out night, Saturday.

And there's little question that Nov. 19-27 has been TV's biggest 8-day programming triumph in its history—thanks to the 60-&-90-min. "specials." Broadway cast of "Caine Mutiny Court Martial" on CBS-TV Nov. 19 (in color) was followed next day by Maurice Evans' Broadway cast in "Devil's Disciple" on NBC-TV (also in color) and by CBS-TV's "She Stoops to Conquer" on *Omnibus*. Same evening saw hilarious J. Arthur Rank film feature "Lavender Hill Mob" on ABC-TV. On Thanksgiving Day, NBC-TV's color teleumentary on India showed again what TV can do in field of educating public to current problems. In same vein, Edward R. Murrow's *See It Now* treats problems of raising money for schools in special 90-min. show Nov. 27. And another Broadway play was Nov. 26 NBC-TV's "Dearest Enemy," Rodgers & Hart musical (in color) featuring Cornelia Otis Skinner & Cyril Ritchard.

NBC-TV also has 2 ballets in color on its Yuletide season roster—Dec. 12 performance of "Sleeping Beauty" by Sadler's Wells Ballet and a tentative Xmas afternoon show featuring New York City Ballet's "Nutcracker Suite," during its run at New York City Center. "Thus

THE DEFICIT STORY of uhf WBUF-TV, Buffalo (Ch. 17), whose transfer to NBC has been protested by WGR-TV (Ch. 2) on "economic injury" grounds and set for hearing Dec. 19, is disclosed in detail in financial statement filed this week as requested by the FCC. It shows that the uhf outlet, which began operation in Aug. 1953, quit the air in Feb. 1955, then resumed in March when deal to sell to NBC for \$312,500 was made (Vol. 11:11), had a net operating deficit of \$363,994 as of Oct. 31, 1955. For the 9 months ended Oct. 31, its income from the sale of time was only \$33,663, operating expenses \$171,218, net loss from operations \$166,155.

On basis of the Oct. 31 balance sheet, pres. Sherwin Grossman tells FCC, if the total purchase price of \$312,500 from NBC were paid to the corporation, none of that money could be made available to the stockholders of WBUF-TV Inc. because these obligations must first be paid: current notes payable, \$25,000; purchases of equipment secured, \$103,112; current accounts payable, \$90,796; accrued accounts, \$25,424; long-term indebtedness \$123,380—for total of \$371,714.

WGR-TV, whose NBC affiliation expires next Aug., charges that the NBC acquisition promotes monopoly and asked for stay of transfer until after hearing (Vol. 11:45). Meanwhile, it has affiliated with ABC-TV while some NBC-TV programs are going to WBUF-TV. Latter has told FCC that it can't hold out beyond Dec. 31, may have to quit air again, and Commission deferred final decision until it inspects balance sheet.

the nation's video audience will be seeing, again for free, a current Broadway attraction scaled at the Center up to \$3.80," comments *Film Daily*.

The movie trade paper also looks with considerable alarm at ABC-TV's plans for 90-&-120-min. filmed dramas next season (Vol. 11:47). "Do you have to be told," it asks, "that to all intents and purposes, these [will] be new feature motion pictures? And of course for free . . .

"The advent of the 90-min. dramatic show—and the looming 2-hour dramatic telefilm later—suggests a highly interesting question," Nov. 23 editorial comments. "What happens now to the value of the major studio libraries?"

Semi-annual Christopher program awards for "family entertainment," covering 6 months ended Sept. 30: "Judge Contain's Hotel" on NBC-TV's *Kraft Theatre* (Maury Holland, producer-director; Wm. Mourné, writer); "The Narrow Man" on NBC-TV's *Armstrong Circle Theatre* (David Susskind, producer; Paul Bogart, director; Anne Howard Bailey, writer); "Deal a Blow" on CBS-TV's *Climax* (Martin Manulis, producer; John Frankenheimer, director; Robert Dozier, writer); "Pajama Game" on ABC-TV's *Ozzie & Harriet* (Ozzie Nelson, producer-director; Leo Pepin, assoc. producer; Dick Bensfield, Perry Grant & Don Nelson, writers).

Judges for "Mike" awards to women in TV & radio, announced by *McCall's Magazine*: Mrs. Lorena B. Hahn, U. S. representative to UN Commission on Status of Women; Dr. Anna Hawkes, pres., American Assn. of University Women; Mrs. Bea Johnson, winner of 1953 award and women's dept. director, KMBC-TV, Kansas City; Mrs. Jean Wade Rindlaub, v.p., BBDO; Otis Lee Wiese, editor & publisher, *McCall's*. Winners will be announced in magazine's May issue.

Another hit tune built up by TV is "Love and Marriage"—from NBC spectacular *Our Town*—which was on *Lucky Strike Hit Parade* last week. Song-plugging is rampant on TV, but as yet it has created few hits. According to *Billboard*, the only others to turn the trick were "Let Me Go, Lover," "Ballad of Davy Crockett," "Hard to Get."

A TV prize contest uncovered a murder in a real-life situation that would do credit to any mystery writer. Promotion was conducted by KONA, Honolulu (Ch. 2), which hid a replica of its new tower on the rugged slopes of Koko Head, gave rhymed clues on the air and offered \$2500 worth of cash and prizes to finder. As more than 5000 viewers combed area last week, eager searchers uncovered a grisly treasure: an unidentified corpse, shot twice through the head. Police said he had been murdered. Next day, pair of lucky Honolulu brothers found the treasure after crowd of more than 10,000 caused "worst traffic jam in Oahu history".

As part of KDKA's 35th anniversary celebration Nov. 2, Westinghouse Broadcasting Co. has published 38-p. reprint of Aug. *American Heritage's* symposium by 14 pioneers of American radio, each giving his recollections of some aspect. It's one of the best collections of radio memorabilia ever published. Authors are H. V. Kaltenborn, Wm. S. Hedges, Lyman L. Bryson, E. L. Bragdon, Dorothy Gordon, Lawrence Ashley Hawkins, Donald G. Little, Herbert Hoover, Chester H. Lang, Arthur Judson, Thomas H. Cowan, Walter C. Evans, O. H. Caldwell.

Fort Pearson, veteran Chicago announcer, realized profit of \$30,000 on sale this week of KVON, Napa, Cal. (500-watts, 1440 kc, U). Pearson bought station last February from Gibson Radio & Publishing Co. for \$45,000 (Vol. 11:8), sold it this week for \$75,000 to Jack L. & Alyce M. Powell.

ANOTHER SMALL MARKET station goes on the U. S. roster—KRBB, El Dorado, Ark. (Ch. 10), which began test patterns last week end and shortly will get NBC service. It's 54th new starter this year, bringing total to 458. Near state's southern border, located approximately 60 mi. from Monroe, La., 80 mi. from Shreveport, new KRBB has 5-kw RCA transmitter acquired from Terre Haute's WTHI-TV (Ch. 10), with 6-bay RCA antenna and 600-ft. Skyline tower. Ownership interlocks with radio KVMA, Magnolia, Ark. Wm. H. Bigley is 1/2 owner & gen. mgr.; Dudley Walker, from KVMA, western sales mgr.; W. C. Womack, eastern sales; Vernon Williamson, ex-KFDX-TV, Wichita Falls, production mgr. Base hour is \$200. Rep is Pearson.

RCA shipped multiple section (stacked) antenna Nov. 26 to Little Rock for use by KARK-TV (Ch. 4) and KTHV (Ch. 11) on new 1175-ft. Ideco tower—KARK-TV to use 6-section superturnstile unit, KTHV 12-section superturnstile. RCA also reports these superturnstile antenna shipments: 12-section, sent Nov. 1 to upcoming WDMJ-TV, Marquette, Mich. (Ch. 6), due in Dec.; 12-section, Nov. 1 to WKRC-TV, Cincinnati (Ch. 12); 6-section, Nov. 4 to WJBK-TV, Detroit (Ch. 2); 6-section, Nov. 7 to KCMO-TV, Kansas City (Ch. 5). Shipped Nov. 18 was 18-gain 240-ft. custom-built rectangular slot antenna to WHTN-TV, Huntington, W. Va. (Ch. 13). GE shipped 6-bay antenna Nov. 23 to upcoming KHPL-TV, Hayes Center, Neb. (Ch. 6), due on air in Dec.

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In our continuing survey of upcoming stations, these are latest reports from principals:

WREC-TV, Memphis, Tenn. (Ch. 3) plans to test by early Dec. and be on air regularly by Jan. 1, reports owner Hoyt B. Wooten. It has 25-kw RCA transmitter on hand, will use 6-bay antenna on 1077-ft. Ideco tower, now virtually completed. Transferring from radio WREC are Charles Brakefield, commercial mgr., and Jack Michael, program director. WREC-TV will be CBS basic, will have \$800 base hourly rate. Rep will be Katz.

KLEW-TV, Lewiston, Ida. (Ch. 3), delayed several times by bad weather, now hopes to start with test patterns by Dec. 1, reports gen. mgr. Charles R. White. GE 5-kw transmitter is installed and ready, but storms have slowed installation of 50-ft. 3-bay GE antenna on 250-ft. Fisher tower. CBS programming will start about week after test patterns. KLEW-TV is owned by same interests (headed by A. W. Talbot & Tom Bostic) as KIMA-TV, Yakima, Wash. (Ch. 29), which operate satellite KEPR-TV, Pasco, Wash. (Ch. 19), hold CP for KBAS-TV, Ephrata, Wash. (Ch. 43), are applicants for Ch. 8 satellite in Walla Walla. Base hour will be \$150. Reps will be Weed and Moore & Lund (Northwest).

WITI-TV, Glendale, Wis. (Ch. 6), with 25-kw DuMont transmitter due for delivery Dec. 15, was due to install 6-section superturnstile RCA antenna on 963-ft. Kimco tower Thanksgiving Day, according to v.p.-gen. mgr. Soren H. Munkhof. But building construction is not far enough advanced to set specific target, he advises, although Feb. date was reported earlier (Vol. 11:33). Planned as Milwaukee area independent, it expects to carry about 10 hours weekly of local live color, plus feature and syndicated TV films. Rates have not been set yet. Rep will be H-R Television.

KHPL-TV, Hayes Center, Neb. (Ch. 6), planned as satellite by KHOL-TV, Kearney, Neb. (Ch. 13), has changed target to mid-Dec., reports promotion mgr. Mrs. Violet M. Aspegren for principal owner Dr. F. Wayne Brewster, head of hospital & clinic in Holdrege. GE 5-kw transmitter has been installed and 6-bay antenna, due to

MORE THAN 65% of Ohio's farms have TV, according to U. S. Census Bureau's county-by-county tabulation just completed as part of 1954 Census of Agriculture. This is highest farm TV penetration of the 38 states whose tabulations have been released so far, except for New Jersey and the New England states. Ohio had 115,363 TVs on 177,074 farms. County-by-county picture:

OHIO					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	2,304	1,059	Logan	2,056	1,452
Allen	2,097	1,010	Lorain	2,644	2,096
Ashland	2,048	1,311	Lucas	1,824	1,485
Ashtabula	3,376	1,955	Madison	1,249	943
Athens	1,734	755	Mahoning	1,946	1,280
Auglaize	1,963	1,251	Marion	1,417	1,139
Belmont	1,997	1,050	Medina	2,353	1,841
Brown	2,828	1,677	Meigs	1,757	990
Butler	2,331	1,910	Mercer	2,389	1,201
Carroll	1,557	870	Miami	2,253	1,861
Champaign	1,866	1,373	Monroe	1,709	580
Clark	1,723	1,405	Montgomery	2,583	2,156
Clermont	2,487	1,831	Morgan	1,469	471
Clinton	1,594	1,298	Morrow	2,085	1,550
Columbiana	2,893	1,966	Muskingum	2,584	1,427
Coshocton	1,781	606	Noble	1,457	481
Crawford	1,746	1,108	Ottawa	1,392	945
Cuyahoga	1,145	920	Paulding	1,357	687
Darke	3,885	2,880	Perry	1,388	896
Defiance	1,776	1,116	Pickaway	1,582	1,411
Delaware	2,045	1,735	Pike	1,308	645
Erie	1,151	915	Portage	2,667	2,041
Fairfield	2,514	2,168	Preble	2,216	1,605
Fayette	1,373	1,094	Putnam	2,379	1,400
Franklin	2,051	1,802	Richland	2,394	1,591
Fulton	2,354	1,580	Ross	2,176	1,440
Gallia	2,212	1,105	Sandusky	1,953	1,550
Geauga	1,682	1,096	Scioto	1,321	752
Greene	1,784	1,376	Seneca	2,288	1,555
Guernsey	2,032	705	Shelby	1,926	1,496
Hamilton	1,481	1,132	Stark	3,214	2,091
Hancock	2,338	1,517	Summit	2,119	1,770
Hardin	1,883	1,225	Trumbull	2,932	1,917
Harrison	977	534	Tuscarawas	2,350	1,065
Henry	2,072	1,606	Union	1,775	1,281
Highland	2,555	1,705	Van Wert	1,800	840
Hocking	1,089	644	Vinton	984	431
Holmes	2,104	611	Warren	1,962	1,633
Huron	2,018	1,324	Washington	2,576	810
Jackson	1,427	791	Wayne	3,080	1,668
Jefferson	1,273	763	Williams	1,959	1,105
Knox	2,100	1,370	Wood	2,766	2,246
Lake	1,225	922	Wyandot	1,537	989
Lawrence	1,883	1,152			
Licking	3,144	2,327			
			State Total	177,074	115,363

Note: In our farm census table for Virginia (Vol. 11:46), totals for Washington County should read: farms, 4,317; farms with TV, 906. Elizabeth City and Warwick should be deleted from county tabulation as they are now classified as independent cities rather than counties. State totals are unchanged.

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:29); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37); N. J., Tenn. (Vol. 11:39); Ark., Conn., Mass., R. I., Texas, Wash. (Vol. 11:40); Me., N. M., Ore. (Vol. 11:41); Ariz., Fla. (Vol. 11:42); Del., Ill., Ind., N. C. (Vol. 11:43); Miss. (Vol. 11:44); W. Va. (Vol. 11:45); Ga., Va. (11:46).

arrive Nov. 28, is to be installed Dec. 7 on 500-ft. Stainless tower. Residents of tri-state area near Nebraska's southwest border, which will get new service, contributed gifts totaling \$140,000 of estimated \$188,000 building cost (Vol. 11:39). KHOL-TV plans to increase base hour from \$200 to \$250 after KHPL-TV has been in operation 6 weeks. Rep is Meeker.

KINY-TV, Juneau, Alaska (Ch. 8), which got CP Nov. 2, expects to get on air by Jan. if equipment delivery isn't delayed, writes owner & gen. mgr. Wm. J. Wagner, who also is v.p. & 6% owner of KTVA, Anchorage & KTVF, Fairbanks, and is sole owner of radio stations KINY, Juneau; KFQD, Anchorage; KFRB, Fairbanks; KTKN, Ketchikan; KIFW, Sitka; KIBH, Seward. Antenna now is installed on 260-ft. Blaw-Knox tower, also used by KINY. Adler transmitter is due to be shipped by end of Nov. Studios being built in downtown Juneau will connect via microwave with TV-radio transmitter house. Joe Mangan will be sales mgr., coming from Wagner-owned Alaska Radio-TV Sales, rep firm which will be KINY-TV rep.

SALES FORECAST CUT; LEADERS' SHARE OF MARKET: A slight dip in retail TV sales in last month or so below last year's corresponding period has caused some revisions downward in estimates for full year. Oct. sales were 2% under Oct. 1954, and evidence accumulated so far points to a similar reduction for Nov.

Upshot is that trade's statistical pundits are scaling down their forecasts of retail sales this year to about 7,750,000 -- whereas they were talking in terms of 8,000,000 some 2 months ago. The 7,750,000 total will be a record, of course -- exceeding the previous high of 7,300,000 in 1954.

Danger of excessive inventories at year's end doesn't appear to be too strong -- despite fact that production will approximate 8,000,000 (also a record). The 2,300,000 TVs in inventory at all levels at end of Oct. are being gradually worked off as production shows seasonal tapering.

"We're not particularly alarmed by the sales dip," said marketing director of a major manufacturer. "We rather anticipated that sales would recede a little in the fourth quarter. We've been going like a house afire all year and still are. But remember that the industry sold 2,673,000 TV sets in the fourth quarter of 1954, so a slight reduction from that level isn't going to hurt anyone."

Big metropolitan centers like N.Y., Chicago and Philadelphia are said to be experiencing biggest rates of declines, with smaller communities holding their own.

Brief highlights of other major trade developments this week:

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Radio Is Red Hot: Overshadowed somewhat by TV's record 1955, radios are quietly enjoying a boom of their own this year, which may see over 14,000,000 sets produced and 13,000,000 sold at retail. Radio production has been breaking records consistently in last month or so, spurred primarily by high demands of auto industry. It's expected that 8,000,000 passenger cars will be produced this year (coincidentally, about the same number as TVs) -- and of that number, 7,000,000 will have radios installed at factory. Auto sets are currently running about 45% of all radio output. Though the 14,000,000 sets would be far under 1947's record 20,000,000, they represent a big comeback from 10,400,530 turned out last year.

Share of the Market: How the TV set makers rank on the industry ladder in terms of dollar volume and unit sales has never been officially revealed -- though it's generally acknowledged that RCA and Philco rank 1-2. After that, the picture gets cloudy, with Admiral the probable No. 3 and Motorola and Zenith vying for No. 4. A reputable research firm recently credited RCA with 18% of TV unit sales in the 15 months to June 30, 1955, giving Philco 11%, Admiral over 8%, Motorola under 8% (Vol. 11:38) -- but it did not undertake to rank them by dollar values.

Some light on RCA's position, at least dollar-wise, was shed recently when it filed SEC prospectus in connection with sale of \$100,000,000 worth of debentures (Vol. 11:47). RCA stated its TV set sales accounted for 17% of its total revenues of \$488,510,000 in first half of 1955, which would mean about \$83,000,000 at factory level. Projected for full year, assuming TV sets continue to account for 17% of RCA volume, which will exceed \$1 billion this year, the figure would go to \$170,000,000. Actually, TV set sales may account for an even higher percentage in light of statement last week by Robert A. Seidel, exec. v.p. for consumer products, that Oct. was best month in RCA history for TV-radio sales.

If factory value of entire industry's TV output runs \$1.1 billion this year, as anticipated, the RCA slice could account for a minimum of 15%, which is what the prospectus also said was its 1954 figure. This is nearest to a public figure on its TV volume ever revealed by RCA, though it must be borne in mind that the figure is dollar volume, not units. It's interesting to note that, in its reply to Dept. of

Justice civil action on its patent pool (Vol. 11:14), RCA claimed its percentages of "total electronics industry sales" were 10% in 1954; 10.5%, 1953; 10.3%, 1952; 11.3%, 1951; 12.8%, 1950. No breakdown for TVs was given for those years.

Since RCA is generally regarded as bellwether for the industry, it's significant that the prospectus also points out that 21-in. sets account for 80% of current production; that broadcasting activities (meaning NBC) accounted for 24% of first half revenues, which probably means at least \$250,000,000 for the year.

Philco's position is subject of 8-p. analysis just released by Argus Research Corp., 61 Broadway, N.Y., which states: "Philco, as a manufacturer of TV receivers, seems to account for about 11% of the total industry output at this stage." Study notes that TV accounts for 40% of Philco's volume, govt. business 20%. Total electronics represents about 70%. Philco spokesman said company cooperated with Argus, but did not initiate the survey and doesn't necessarily agree with its conclusions.

Motorola TV sales this year are expected to be around \$100,000,000 out of total company sales of \$225,000,000. This means something like 9% of industry volume.

On-the-Cuff Prosperity: Though installment buying stood at record \$34.2 billion at end of Sept., latest month for which figures are available, there seems to be no disposition by Govt. to ask for reimposition of direct controls on consumer credit. Federal Reserve Board appears determined, instead, to strike at all inflationary tendencies by indirect means, such as increasing discount rate to banks. This week, it raised from 2¼% to 2½% the interest on money loaned by its district banks to commercial banks, thus putting pressure on latter to curb their own lending. Economic authorities believe the increase in discount rate is a good sign -- pointing to a new business upturn following momentary pause after President's heart attack.

Spending Spiral: Commerce Dept., in Nov. Survey of Current Business, estimates that business spending for new factories and equipment this year will probably beat 1953's record \$28.3 billion and that consumer expenditures will exceed the 1954 high of \$256 billion. Other business indices from report: Employment at end of Oct. was 65,200,000, highest on record for that month, with only 2,100,000 unemployed; auto output in Oct. was "back virtually on full production schedule," with steel up to 98% of capacity, commercial construction "by far the most active on record." Labor Dept. Bureau of Labor Statistics reported average take-home pay of factory workers rose to new high of \$72.18 for those with 3 dependents, \$64.85 for single employes. Both figures rose by \$5 over Oct. 1954. Leading business services are in virtual agreement that coming months will see a continuation of economic upbeat. Comments American Institute for Economic Research: "All signs point to further gains in business activity well into next year. Demand continues strong at all levels, and inflationary pressures are increasing." Cleveland Trust Bulletin: "Favorable prospects for auto and steel bolsters near-term outlook for general business. Inventories are not excessive -- but will bear watching." Brookmire Service: "Federal Reserve Board [production] index may work higher, but chances are against any great change from present plateau."

Production: TV output tapered off to 167,137 week ended Nov. 18, compared to 171,921 preceding week and 173,042 week ended Nov. 4. It was year's 46th week and brought output for year to date to about 7,000,000 vs. 6,400,000 same 1954 period. Radio production soared to 438,651 (204,664 auto) week ended Nov. 18, compared to 403,488 (188,314 auto) preceding week and 382,527 (178,064 auto) week ended Nov. 4. For 46 weeks, radio output was 12,700,000 vs. 9,500,000 in same period of 1954.

New use for TV: "Drive-in service" for hotel registrants—which brings motorist face-to-face with desk clerk without leaving car—has been installed by DuMont at Temple Hotel, Pendleton, Ore. Novel closed-circuit system uses 2-way camera-receiver setup which enables tourist to drive to selected spot at special curbside booth where he can be seen via TV by clerk and, in turn, can see desk man as he arranges for rooms. Bellhop brings registration card and key, permitting guest to go directly to room without trouble of going through lobby in driving garb.

National Assn. of Music Merchants reappoints K. G. Gillespie, Jenkins Music Co., Kansas City, as chairman of TV-radio committee; Fielder K. Lutes, Thearle Music Co., San Diego, named vice-chairman, succeeding T. T. Leyden.

Scope of RETMA activities, including description of organization and achievements in 31-year history, is detailed in new 38-p. booklet, *RETMA Membership Services and Activities*, available free from headquarters.

Western Winter Market in San Francisco is scheduled Feb. 6-10, with TV-radio-appliance banquet Feb. 8.

Trade Personals: George K. Bryant, controller of RCA Victor TV div., promoted to operations mgr., reporting to gen. mgr. Charles P. Baxter . . . Gordon P. Hentz, ex-gen. sales mgr. of RCA Estate Appliance Corp., and Wm. P. Mackle, ex-Admiral electric range sales mgr., join Norge as regional sales mgrs. of eastern territory, headquartering in Philadelphia . . . Forrest W. Price, national sales mgr. of Columbia Records, joins CBS-Columbia as mgr. of factory branch distributing operations . . . J. V. Deacon appointed director of consumer products sales div., Westinghouse International, succeeded by J. A. Jaeger as adv. & sales promotion director . . . Morton E. Ornitz rejoins Emerson as special staff asst. to pres. Benjamin Abrams; he left firm as v.p. in 1946 to become management consultant & investment counselor . . . Frank A. Mitchell resigns as sales mgr. of Emerson air conditioning div. . . . Cyrus T. Read rejoins Hallcrafters as director of amateur relations, communications equipment div., having resigned in 1945 to join Montgomery Ward as buyer of electronic equipment . . . James R. Kerr, director of Avco west coast div., elected a v.p. . . . Arthur H. Forbes promoted to asst. distributor sales mgr., Standard Coil . . . Hugh Englemann promoted to Motorola local adv. mgr., supervising all co-op campaigns . . . Thomas C. Andersen transferred from Schenectady to San Francisco as district sales mgr. of GE tube dept. distributor sales office, reporting to regional mgr. W. C. Walsh . . . Donald M. Strathearn resigns as engineering director of Crosley-Bendix home appliances . . . Howard Berk named to new post of adv. & sales promotion mgr., Columbia Records electronics products div. . . . Bert W. Reynolds appointed mgr. of N. Cal. Electrical Bureau. San Francisco, succeeding LeRoy H. Bennett, retired . . . John C. Nash named Sparton Los Angeles district TV merchandiser by sales mgr. R. M. Marberry . . . Wm. Herrman, ex-Retailing Daily TV-radio staff, joins Hoffman Electronics as editor of company organ, *The Transmitter* . . . Frank W. Guthrie named sales mgr. of tape recorder div., Magnecord Inc. . . . Maurice L. Levy, technical asst. to Emerson manufacturing v.p., promoted to director of commercial engineering div.

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DISTRIBUTOR NOTES: Admiral appoints E. T. Donohue Inc., 13 Canal St., Rochester, N. Y. (Edward T. Donohue, pres.), replacing Fay-San Distributors Inc. . . . Whirlpool-Seeger appoints RCA distributor Frank Lyon Co. Inc., 208 E. Markham St., Little Rock (Frank Lyon, pres.), replacing Admiral outlet Orgill Bros. Arkansas Co. Inc. . . . CBS-Columbia appoints Nash Ringel Inc., 1451 Central Ave., Albany (Morton Nash, pres.) . . . CBS-Columbia of Detroit reports resignation of gen. mgr. Wm. Rutherford, who becomes pres. of Specialties Distributing Co., Detroit, succeeding Leonard Turnbull, now chairman . . . Capehart-Farnsworth appoints newly formed Schattinger Distributing Co., 1621 Belmont St., Fresno, headed by Richard Schattinger, ex-Don Anderson Inc., Fresno (Raytheon) . . . Philco Distributors, Cleveland, promotes Frank Moore to operations mgr. . . . Frank Edwards Co., San Francisco (CBS-Columbia) appoints Ralph Stoddard, ex-McCormack Corp., as sales mgr., replacing Richard Southworth, resigned . . . Appliance Distributors Inc., Chicago (Admiral) promotes Arnold Wisnie to appliance sales mgr., succeeding Jack Zink, now sales mgr. of Admiral range div. . . . Main Line Cleveland Inc. (RCA) appoints James Shipley, ex-Paul Warner Adv., as adv. mgr. . . . Grabell Lyons Inc., Hartford (Crosley-Bendix) extends territory to include western Mass., replacing Western Massachusetts Distributors Inc. . . . Polk Bros., big Chicago retail appliance chain, reports resignation of exec. v.p. Harry Huebner; he's onetime sales mgr. of Harry Alter Co., Chicago (Crosley-Bendix) . . . Vornado Distributing Co., N. Y., appoints T. J. Hodgens v.p. in charge; he's ex-v.p. & gen. mgr. of Admiral Distributors-Boston.

Topics & Trends of TV Trade: TV shipments to dealers totaled 5,174,732 in first 9 months, when production was 5,760,506, according to RETMA state-by-state report released this week. They represent 16% increase over the 4,469,596 of first 9 months of 1954, when production was 4,733,315. New York led shipments, with 498,625; California second, 448,095; Pennsylvania third, 327,772. Sept. shipments totaled 1,019,191 vs. 605,664 in Aug. and 1,005,725 in Sept. 1954. Here's 9-month report (county-by-county tables available to members from RETMA on request):

State	Total	State	Total
Alabama	89,564	New Jersey	167,236
Arizona	27,609	New Mexico	17,825
Arkansas	57,809	New York	498,625
California	448,095	North Carolina	131,684
Colorado	39,864	North Dakota	17,429
Connecticut	71,928	Ohio	271,212
Delaware	11,710	Oklahoma	75,380
District of Columbia	48,881	Oregon	62,636
Florida	178,658	Pennsylvania	327,772
Georgia	113,265	Rhode Island	25,658
Idaho	20,233	South Carolina	72,719
Illinois	285,858	South Dakota	18,772
Indiana	137,253	Tennessee	103,183
Iowa	74,527	Texas	290,099
Kansas	65,262	Utah	18,908
Kentucky	85,782	Vermont	15,387
Louisiana	110,833	Virginia	92,824
Maine	36,854	Washington	87,697
Maryland	72,577	West Virginia	55,807
Massachusetts	144,428	Wisconsin	112,471
Michigan	213,501	Wyoming	5,164
Minnesota	86,422		
Mississippi	46,579	U. S. TOTAL	5,155,378
Missouri	135,191	Alaska	5,865
Montana	14,494	Hawaii	13,489
Nebraska	44,059		
Nevada	6,761	GRAND TOTAL	5,174,732
New Hampshire	18,893		

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Suit seeking \$1,625,000 treble damages was filed in Chicago Federal Court this week by 8 local TV-radio-appliance dealers, charging 12 manufacturers and distributors and 2 big retailers with violations of anti-trust laws. They contend that the 2 retail defendants, Polk Bros. and Grossi Bros. Inc., were granted lower prices and were furnished paid salesmen and demonstrators by manufacturers. In addition to Polk and Grossi, defendants are Philco, RCA, Westinghouse, Remco Inc., Magic Chef, Sampson Co., Graybar, RCA Victor Distributing Corp., Westinghouse Electric Supply Co., Maytag-Chicago, R. Cooper Jr. Inc., Central Appliance & Furniture Co.

Muntz TV, operating under Chapter X of Bankruptcy Act since March 1954, earned \$728,653 for year ended Aug. 31, according to trustees' report filed this week in Chicago Federal Court. Total income was \$8,377,741, including \$8,050,351 from sale of TV sets; expenses were \$7,649,088. About 70,000 sets were produced in year. Report noted that a govt. claim for \$2,700,000 was settled for about \$1,312,000 and that a large debt involving air conditioning units was also cleared.

Probe of electronic tube & component imports, requested by Eitel-McCullough, was suspended this week by U. S. Tariff Commission pending lower court decision in Md. in suit by Eitel-McCullough against Amperelex Electronic Corp., subsidiary of Philips of Eindhoven. Suit charges infringement of Eimac patents.

Westinghouse will raise prices of all sets in its "Riviera" series except Model 938, a 21-in. open-face console at \$250, when it introduces its "Westinghouse Presidential" TV line in Jan. The "Westinghouse Presidential" line comprises "Catalina," "Convention" & "Riviera" series.

American Television & Radio Co., St. Paul (Albert A. Goffstein, pres.), which entered TV production earlier this year after 24 years as radio manufacturer (Vol. 11:26), introduces new 21-in. full-door console at \$495 in mahogany, walnut & blonde korina.

Meeting of phono manufacturers has been called by RETMA for Dec. 5 at Chicago's Conrad Hilton Hotel to discuss proposed statistical service covering all record playing equipment.

Financial & Trade Notes: Television-Electronics Fund Inc. net assets were \$105,847,907 (9,574,053 shares) when fiscal year ended Oct. 31, with provision for \$5,936,699 in distributions payable Nov. 30. At end of third quarter July 31, assets were \$104,639,370 (9,132,272 shares). These stocks were added during Oct. 31 quarter: 30,000 shares of General Telephone Corp., with market value of \$1,102,500; 1000 Industrial Electronics, \$25,000; 5000 Neptune Meter Co. of N. J., \$140,625; 12,000 United Aircraft rights, \$6375; \$188,000 AT&T 3/8% convertible debentures; \$150,000 Litton Industries 5% conv. deb.; \$100,000 TelAutograph Corp. 4/4% conv. deb. Also included are \$2,000,000 in Treasury notes.

Fund added to holdings in following stocks during quarter ended Oct. 31: ACF Industries, Addressograph-Multigraph, AT&T, Babcock & Wilcox, Bell & Gossett, Bell & Howell, Bullard Co., Bulova Watch, Burroughs, Carborundum, Chance Vought, Chemical Products, Cincinnati Milling Machine, Clevite Corp., Columbia Pictures, Consolidated Electronics, Corning Glass, Curtiss-Wright, DuMont "A", duPont, Eastman Kodak, Electric Controller & Mfg., Elgin National Watch, Ex-Cell-O, Federal Sign & Signal, Food Machinery & Chemical, Friden Calculating Machine, General Mills, General Tire & Rubber, G. M. Giannini, Goodyear, Hazeltine, Hoffman Electronics, Lockheed Aircraft, Mallory, W. L. Maxson, National Acme, National Cash Register, Northrop Aircraft, Oak Mfg., Otis Elevator, Paramount Pictures, Pullman, RCA, Royal McBee, Ryan Aeronautical, Servomechanisms, Square D, Stewart-Warner, Taylor Instrument, Technicolor, TelAutograph, United Aircraft, Walt Disney, Warner Bros., Zenith.

Part of holdings were sold in Admiral, Aerovox, Aircraft Radio, Allis-Chalmers, AB-PT, American Chain & Cable, American Phenolic, Bendix Aviation, Boeing, Borg-Warner, CBS "A", Douglas Aircraft, Eaton Mfg., Electronic Assoc., Electronics Corp. of America, General Controls, General Dynamics, GE, Hammond Organ, Indiana Steel Products, International Resistance, IT&T, Magnavox, Marchant Calculators, Minneapolis-Honeywell, Minnesota Mining & Mfg., Motorola, North American Aviation, Penn Controls, Philco, Raytheon, Robertshaw-Fulton Controls, Sperry Rand, Storer Bestg., Sylvania, Thompson Products, Tung-Sol, Western Union, Westinghouse Electric.

Eliminated were Fund's 6000 shares of Arvin Industries, 21,000 Theo. Gary & Co. (exchanged for General Telephone), 5500 Precision Radiation Instruments, 1200 Top Industries, 2100 United Shoe Machinery, 75 G. M. Giannini 6% cumulative conv. pfd. (converted to common).

(For similar report on May 1-July 31 quarter, see Vol. 11:34, p. 14).

* * * *

Among officers' & directors' stock transactions reported to N. Y. and American stock exchanges in Oct.: Edward J. Noble reduced AB-PT 5% preferred holdings to 232,528 shares through redemption of 92,073 by company; Joseph A. Zock bought 2900 General Precision Instrument common, holds 18,201; Harry Landsiedel bought 25,800 Sperry Rand, holds 38,040 jointly, 13,904 directly; Bernard O. Reuther acquired 46,000 Sperry Rand, holds 56,734; Frank J. Atwood bought 3000 Sperry Rand, holds 6242; T. F. Allen bought 3000 Sperry Rand, holds 4726; J. A. W. Simson bought 5000 Sperry Rand, holds 10,332; A. R. Rumbles bought 47,688 Sperry Rand, holds 47,688; Albert H. Rumble acquired 5000 Sperry Rand, made gift of 200, holds 13,056; Arnold Facius bought 1000 Sperry Rand, holds 2000; Alfred H. Avery made gift of 6000 Electronics Corp. of America, holds 37,334.

SEC's TV-radio stock index for week ended Nov. 18 was up 1.8% over closing price of previous week—576.5 vs. 566.5, based on 1939 figure of 100.

Though still beset by strikes and a decline in first 9 months' earnings (Vol. 11:44), Westinghouse orders this year to date are 10% above last year's, treas. George Main told Cleveland Society of Security Analysts this week. While avoiding any predictions on sales or profits for 1955, he forecast that 1956 sales would top \$1.55 billion with earnings better than \$4 per share (1954 earnings were \$5.06 on sales of \$1.631 billion). Westinghouse had set sights earlier on approximating that sales figure, but with lower earnings this year (Vol. 11:31)—before the 6-week-old strike at 30 plants upset its apple cart. According to Main, 1955 consumer goods orders are up 10%, heavy apparatus up 25%, but defense orders are down 9-10%. He pointed out that company has protected itself on recent orders with "escalation"—price-at-time-of-shipment—provisions to offset price cutting and said Westinghouse next year anticipates "nice increase" in billings of general products and consumer goods, with defense orders down.

Stock dividends were declared by these TV-radio-electronics firms since Oct. 31, 1955: CBS "A", 2%; Sprague Electric, 50%; Eitel-McCullough, 10%; Corning Glass, 2 1/2 for 1; Magnavox, 5%; Indiana Steel Products, 2 for 1; Storer, 2 for 1; General Dynamics, 100%; Electronic Associates, 100%; Raytheon, 5%; P. R. Mallory, 3 for 2; Oak Mfg., 25%; Aerovox, 5%; DuMont, one share new DuMont Broadcasting Corp. for each 2 1/2 shares of Allen B. DuMont Labs; Airborne Instruments Lab, 5%.

Twentieth Century-Fox earnings went down to \$4,446,851 (\$1.68 per share) in 39 weeks ended Sept. 24 from \$5,732,063 (\$2.17) in corresponding 1954 period. Third quarter earnings were \$1,656,051 (62¢) vs. \$2,635,518 (\$1) in same period of 1954. Pres. Spyros Skouras reported that 7 oil wells on studio lot are producing 3000 barrels per day and that 8th is being drilled.

American Phenolic Corp. earned \$688,346 (\$1.72 per share) on sales of \$17,140,936 in 9 months ended Sept. 30, 1955 vs. \$414,361 (\$1.03) on \$18,735,166 in same period of 1954. Earnings for third quarter were \$245,362 (61¢), representing 4.61% of net sales, highest ratio since 1950.

Howard W. Sams & Co., leading industry technical publishing service, reports sales for fiscal year ended June 30, 1955 were \$3,262,161, up 16% from \$2,798,979 for preceding year. Net profit after taxes was \$140,027 (\$2.34 per share) vs. \$87,218 (\$1.09), up 60%.

Davega Stores showed net loss of \$27,114 on sales of \$12,135,548 in first half of fiscal year ended Sept. 30 vs. loss of \$242,124 on sales of \$11,568,252 in same 1954 period.

Electrical & Musical Industries (EMI) earned \$386,071 (37¢ per share) in year ended last June 30 vs. \$247,857 (25¢) in preceding year.

* * * *

Dividends: Philco, 40¢ payable Dec. 12 to stockholders of record Dec. 3; Airborne Instruments Lab, 5% stock div. Dec. 19 to holders of record Dec. 5; Sprague Electric Co., 30¢ Dec. 14 to holders Nov. 30; General Precision Equipment, 60¢ Dec. 15 to holders Dec. 5; Globe-Union, 30¢ Dec. 10 to holders Dec. 1; Sperry Rand, 20¢ Dec. 31 to holders Dec. 5; Paramount Pictures, 50¢ Dec. 15 to holders Dec. 1; 20th Century-Fox, 40¢ Dec. 24 to holders Dec. 9; Reeves-Ely Labs, 10¢ Dec. 31 to holders Dec. 15; Hoffman Electronics, 25¢ Dec. 31 to holders Dec. 12; Wells-Gardner, 20¢ quarterly (increase) plus 20¢ extra, Dec. 15 to holders Dec. 5; WJR, The Goodwill Station, 15¢ Dec. 16 to holders Dec. 7.

Sir Godfrey Ince, 64, permanent Secretary for Ministry of Labor, succeeds Maj. Gen. Sir Leslie Nicholls Feb. 1 as chairman of the nationalized Cable & Wireless Ltd., operating most of Britain's external communications.

Electronics Reports: Sylvania's spectacular rise in electronics under dynamic leadership of chairman-pres. Don G. Mitchell is cover story in Nov. 1 *Forbes Magazine* which calls firm a "War Baby Grown Up." With sales at \$300,000,000 clip for 1955 and first 9 months' earnings of \$9,556,210 already well ahead of any previous full year (Vol. 11:44), *Forbes* says Sylvania now is "up with the giants" in electrical products—GE & Westinghouse. Under the 50-year-old Mitchell, Sylvania has diversified from lamps into atomic and rocket fuels, photo flashbulbs, TV etc., now is eyeing "white goods" field with possibility of buying established line—but biggest items are picture and receiving tubes. However, *Forbes* says, these growth prospects haven't yet impressed Wall St. with quite same feeling held for GE, et al. Sylvania stock is selling at about 15 times 1954 earnings, 11 times projected 1955 earnings, while GE is bringing 21 times last year's earnings and about 18 times projected 1955 earnings. Also, Sylvania has sought fresh capital from Wall St. 7 times since World War II. However, magazine states, sheer size of firm's \$92,700,000 plant investment will solve some capital problems; depreciation and amortization amount to about \$9,000,000 yearly. Together with plowed-back earnings, this sum is considered sufficient for most expansion needs. But *Forbes* concludes there's still question whether Sylvania can finance projected expansion "without further transfusions of outside capital."

* * * *

Reallocation of 9800-13,225-mc band was proposed by FCC this week in rule-making which would: (1) Assign 9800-9900 mc exclusively to govt. use. (2) Eliminate allocation of 10,600-mc to industrial, scientific & medical use. (3) Provide 10,500-10,550-mc band for govt. and non-govt. use in emissions other than pulsed. (4) Make no change in 9900-10,000, 10,000-10,500, 10,700-13,200-mc bands. Comments are due Jan. 23.

Transistorized army field telephone "repeater"—about 1/5 size and weight of World War II tube-type counterpart and many times tougher—has been developed at Signal Corps' Ft. Monmouth labs, is expected to cost about \$30, much less than older version. Printed circuit unit is hermetically sealed in plastic, can give good performance up to 30 miles by splicing into line about every 6 miles.

United Business Service, Boston, advising its subscribers that "every investor should have some participation in this [electronics] field," lists the following as representative firms to consider: AT&T, Bendix Aviation, Boeing, Burroughs, CBS, Douglas, GE, IT&T, IBM, Minneapolis-Honeywell, Motorola, National Cash Register, North American Aviation, Philco, RCA, Raytheon, Sperry Rand, Sylvania, Thompson Products, Westinghouse. In addition, it lists these as companies "largely in electronics": Allied Control, American Electronics, Beckman Instruments, Collins Radio, Consolidated Electrodynamics, Daystrom, ElectroData, Electronic Associates, Electronics Corp. of America, G. M. Giannini, Hoffman Electronics, Laboratory for Electronics, Litton Industries, P. R. Mallory, W. L. Maxson, Norden-Ketay, Servomechanisms, Sprague Electric, Texas Instruments, Tung-Sol.

Development of metallized paper capacitors is subject of report on Signal Corps research prepared by Sprague Electric Corp, released to industry this week in 52-p. illustrated booklet titled *Investigation of Metallized Paper Capacitors*. Copies of report, PB111715, are available from Commerce Dept. Office of Technical Services, Washington, D. C., price \$1.50.

GE reports largest single order ever placed for commercial two-way radio equipment—a new contract just signed with U. S. Navy. Order includes 1100 mobile radios, 100 base stations, 500 station control units, 600 portable 2-way radios to be used at naval air stations.

Corning Glass to add 20,000-sq. ft. to its components plant at Bradford, Pa. for expansion of resistor and capacitor production. It's first step in eventual concentration of all components facilities at Bradford.

Stromberg-Carlson started construction recently on new administration headquarters and research labs north of present site in Rochester, as part of \$5,000,000 expansion program.

Charles Sumner Fess, 58, industrial specialist and expediting officer of Electronics Div. of Commerce Dept.'s Business & Defense Services Administration, died of heart attack Nov. 23 at his Arlington, Va. home. Son of the late Sen. Simeon P. Fess (R-Ohio), he is survived by wife.

Network Color Schedules (Nov. 28 - Dec. 12, 1955)

Nov. 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Nov. 29—NBC: *Howdy Doody*, 5:30-6 p.m.; *Milton Berle Show*, 8-9:30 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
 Nov. 30—NBC: *Howdy Doody*, 5:30-6 p.m.; *Kraft TV Theatre*, "Once a Genius," starring Eva Gabor, 9-10 p.m.
 Dec. 1—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Shower of Stars*, 8:30-9:30 p.m.
 Dec. 2—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 3—CBS: *Gene Autry Show*, 7-7:30 p.m.
 Dec. 4—NBC: *Color Spread*, Maurice Chevalier variety show, 7:30-9 p.m.
 Dec. 5—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 6—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
 Dec. 7—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 8—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Climax*. "The Passport," starring Frank Lovejoy and Katy Jurado, 8:30-9:30 p.m.
 Dec. 9—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 10—CBS: *Gene Autry Show*, 7-7:30 p.m.
 Dec. 12—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.; *Producers Showcase*, "The Sleeping Beauty," starring Margot Fonteyn and Sadler's Wells Ballet, 8-9:30 p.m.

Revised edition of RCA's 35-p. brochure on color TV, profusely illustrated and ideal for explaining to laymen what color TV is all about and how it works, has been published and is available from RCA information dept., 30 Rockefeller Plaza, N. Y.

More than 100 TV technicians have enrolled in color service school of Philadelphia's big RCA distributor, Raymond Rosen & Co., which offers novel plan to stimulate interest in color set servicing. After serviceman takes course, Rosen offers him 15-in. color set for training other shop personnel; set may be paid for by picture tube purchases. Dealers are urged to knock it out of adjustment to give servicemen experience.

NBC-TV schedules colorcast of Tournament of Roses parade from Pasadena, Cal., 12:15-1:45 p.m. EST Mon. Jan. 2, followed by black-&-white telecasts of Cotton Bowl game at 1:45 and Rose Bowl game at 4:45. On Dec. 31, Blue-Gray game will be telecast at 2:15 p.m. and East-West game at 4:45 p.m., both monochrome.

Color nomenclature is treated exhaustively in new volume by Bureau of Standards' Kenneth L. Kelly & Deane B. Judd. Titled *The ISCC-NBS Method of Designating Colors and a Dictionary of Color Names*, it's 158-pp., available from Govt. Printing Office, Washington 25, D. C., \$2.

"The ABC's of Color Television," by Bell Labs' J. M. Barstow, carried in Nov. *Proceedings of the IRE*, is good roundup for students and others to whom color is new.

Demonstration of Lawrence-tube sets to industry and press is reportedly planned for near future by Chromatic TV Labs, Paramount Pictures subsidiary.

COMMUNITY ANTENNA systems continue to crop up and expand despite fact industry's "growing pains" are giving it twinges currently (p. 2). Largest equipment maker, Jerrold Electronics Corp., Philadelphia, reports it has supplied equipment for following new towns in last 4 months:

Sunnyside-Drageron, Utah; Hobart, Okla.; Del Rio & Marfa, Tex.; Cutbank, Mont.; Hancock, Iron Mountain & Iron River, Mich.; Claremont, N. H.; Cooperstown, N. Y.; Sheridan & Rawlins, Wyo.; Bend, Ore.

Commenting on rate of growth, Jerrold reports that Dubuque (Ia.) system, started last May 13, has 2145 connections, waiting list of 259; that Uvalde, Tex. operations, started June 24, has 252 subscribers; that Tupelo, Miss., began June 18, has 275. For older systems, Jerrold gives following examples of increases during last 12 months: Flagstaff, Ariz., from 325 to 834; Ellensburg, Wash., 360 to 728.

Just this week, Jerrold announced purchase of controlling interest in broadcaster (WKWF) John Spottswood's system in Key West, Fla., Spottswood to remain as pres. Jerrold plans microwave from Miami, hopping Florida keys and installing CATV systems on several of the islands. Company is planning to wire up military housing project at Key West Naval Base, expects to complete systems and microwave by end of 1956.

Radio, then and now: Tremendous audience appeal of TV was vastly underrated by radio industry 5 years ago, U. S. Chamber of Commerce's Sept. *Advertising Newsletter* reveals in reporting results of poll of broadcasters on predictions of 1950 vs. facts of 1955. Except for TV, their prognostications—substantiated by Radio Advertising Bureau figures—showed surprising acumen in peering half-decade around corner in their own bailiwick. On percentages of nighttime audiences, broadcasters predicted 63% for radio, 37% for TV in '55; were exactly backwards, according to RAB which gives TV 63%, radio 37%. The 1950 poll found 2 out of 5 broadcasters sure TV and radio would specialize on types of advertising, but RAB opines they missed on that one, too, since most advertisers use both media. On future of radio programming, broadcasters hit nail on head with prediction that, 5 years later, materialized to great degree in NBC's *Monitor* format.

Russian TV set prices "slashed"! NBC Moscow correspondent Irving R. Levine reports 12-in. models marked down from 3000 to 2300 rubles (\$750 to \$575), 17-in. sets now \$675 and 6-in. \$400. Price cuts apparently indicate mass production by Soviet TV industry, Levine says, but set ownership still is such novelty that vast crowds continue to gape at displays in dept. stores; beyond Moscow, sets are limited to workers' clubs. Note: Visiting Soviet housing delegation recently inspected N. Y. homes and apartments, "vetoed" our TV antenna forests as "spoiling appearance" of buildings, and proposed solution in true Communist style—"collective" or community antennas.

Uruguay's first TV station, in Montevideo, is scheduled to go on air early next year. Owned by Govt., it will be operated "for educational use." The 5-kw Ch. 5 transmitter was shipped last week by International GE, will be followed by complete GE studio equipment, including 3 cameras, 16 & 35mm slide equipment. Using 6-bay GE antenna, station will radiate 32.5 kw.

Don't let kiddies watch grunt-&-groan matches on TV, because "professional wrestling doesn't teach fair play." That's advice of Minneapolis mayor Eric Hoyer. He says he's been swamped with complaints from parents. So has City Council, which is due to vote on proposal to ban wrestling from Municipal Auditorium and Armory.

Members of Radio Propagation Advisory Committee, joint FCC-industry group studying allocations problems (see p. 3): Edward W. Allen, FCC chairman; Ralph Harmon, Westinghouse, vice chairman; Wm. Boese, FCC, secy.; Harry Fine, FCC, treas.; Stuart Bailey, Jansky & Bailey Inc.; Ross Bateman, of Page, Creutz, Garrison & Waldschmidt; E. W. Chapin, FCC; J. H. Chisholm, Lincoln Labs (MIT); A. Earl Cullum, consulting engineer; A. L. Durkee, Bell Labs; A. G. Kandoian, Federal Telecommunication Labs; Dr. Frank Kear, Kear & Kennedy; J. C. McNary, Assn. of FCC Engineers; Dr. Philip Newman, Air Force Cambridge Research Center; K. A. Norton, Central Radio Propagation Labs, NBS; Clure Owen, ABC; James D. Parker, CBS; J. P. Veatch, RCA; R. P. Wakeman, DuMont; G. V. Waldo, FCC; A. Prose Walker, NARTB; R. M. Wilmotte, consulting engineer.

Puerto Rico, which has lured many industries from the mainland through tax concessions and free-plant program, is now making big pitch for film production for TV and theatres. Govt. offers to provide new modern studios, financing by private Puerto Rican investors, lower costs, complete freedom from taxes on profits or income—and promises that Mother Nature will provide Hollywood-type climate, sans smog. Paramount, RKO, Jose Ferrer and Brandt Theatres reportedly are seeking to get franchise from govt.-owned Puerto Rican Development Co.

National Lutheran Council, composed of 8 Lutheran church bodies, is setting up TV-radio dept. under its div. of public relations. It will be supervised by Rev. O. H. Hove, Minneapolis, secy. of Evangelical Lutheran Church and chairman of NCL's div. of public relations; Robert E. A. Lee, New York, exec. secy. of Lutheran Church Productions Inc.; Dr. John Bachmann, New York, head of speech dept. & audio-visual center, Union Theological Seminary.

Application to set up "scatter" TV networking service between Homestead, Fla. and Havana, Cuba, submitted by v.p. Clive M. Beckwith of Florida Micro-Communications, Miami, was returned this week by FCC as "defective." It proposed use of 5-kw transmitter at 750 mc, and said Cuban TV stations had indicated they would be interested in subscribing to the service.

Due to increased TV activity, membership in Screen Actors Guild rose from 8370 to record 9832 during year ended Oct. 31, treas. George Chandler reported this week at annual Hollywood meeting. During year, \$565,639 was distributed to members in residual payments on TV entertainment films and \$140,159 was disbursed for TV rights in theatrical pictures. Walter Pidgeon was re-elected pres.

Three Armed Forces TV stations went on air this week, all on Ch. 8, with 100 watts ERP using Dage equipment: Nov. 22, KANU-TV, Asmara, Eritrea; Nov. 24, stations at Clark Air Base, Philippines, and Guantanamo Bay, Cuba. Armed Forces TV Service now has 10 stations in operation, with 3 more due to go on air by Jan. 20.

Third AT&T TV microwave channel from Denver to Omaha was authorized this week for installation by next summer to provide adequate facilities for transmission of telecasts of Republican national convention in San Francisco next Aug.

Upcoming meetings at NARTB headquarters: Insurance Committee, Nov. 29 (Gilmore Nunn, WLAP, Lexington, chairman); Broadcast Engineering Conference Committee, Nov. 30 (Willard J. Purcell, WGY, Schenectady, chairman).

Michigan State U has scheduled its 11th annual TV-radio conference for high school & college students and teachers, March 10, 1956, under direction of TV-radio director Robert P. Crawford.

Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS — December 3, 1955

RECORD \$1 BILLION in TV-radio revenues for 1954 confirmed by FCC—TV rising 37% to \$593,000,000, radio dropping 5.4% to \$449,500,000 (p. 1).

ACTION ON KEY VHF DECISIONS blocked by late uhf petitions, but expected soon; examiner reversals due in Fresno, Madison & Peoria (p. 2).

EDUCATIONAL CHANNELS in jeopardy, but educators' drive for TV stations has lost most of its steam, due to high costs and more pressing school needs (p. 3).

CLOSED-CIRCUIT TV spreading fast as reasonably priced teaching aid. Over 60 schools using it, as large-scale tests prove its educational effectiveness (p. 4).

RESTRAINT OF ABUSES in programs and commercials is up to public, not Govt., says FCC chairman at Sylvania Awards dinner; 17 AM renewals held up (p. 6).

NO FEE-TV DECISION in immediate future, FCC Chairman McConnaughey tells minor leagues; lists procedural problems, legal uncertainties (p. 6).

SHARE-TIME UHF sought by vhf share-time WVET-TV & WHEC-TV, Rochester; 2 CPs issued as FCC holds up CBS purchase of WGTH-TV, Hartford (p. 9).

"FULL LINE" CONCEPT behind GE's transfer of TV-radio dept. REA foresees big market for TV-radio-appliances on farms in next decade (p. 11).

PRODUCTION CUTBACK of electronics items may be forced by shortage of nickel, RETMA tells Govt. in plea for more materials to tube manufacturers (p. 14).

RAYTHEON'S DAVID T. SCHULTZ offered presidency of DuMont, arousing unverifiable rumors that merger is in making; financial & trade reports (p. 15).

COLOR TV IN HOTEL ROOMS has boomed demand for higher priced rooms and room service at New York's Governor Clinton, which will buy more sets (p. 17).

SATELLITE ON MAUI, Hawaii, is 459th U. S. station on air. Canada's 32nd starts in Jonquiere, Que. Notes on upcoming new stations (p. 9).

FARM TV CENSUS shows New York with 68.4% TV penetration of farm homes, Pennsylvania 55.4%, Maryland 61.9%, Kentucky 23.7%, South Carolina 20% (p. 10).

NEWHOUSE ACQUIRES WABT and radio WAPI in \$18,700,000 Birmingham News deal; Augusta newspapers buy WRDW-TV & WRDW for \$1,000,000 (p. 18).

THE OFFICIAL TV-RADIO REVENUE STORY—1954: Broadcasting industry cracked \$1 billion in revenues for first time in 1954, thanks to TV's phenomenal upsurge and despite a sliding radio business, according to the FCC's complete figures released this week. Specifically, networks & stations took in \$1,042,500,000 last year -- TV accounting for \$593,000,000, radio for \$449,500,000. Matter of fact, FCC's auditors noted, when you add the \$133,000,000 paid as commissions and \$193,000,000 paid to organizations other than networks and stations (such as talent, program & production people) the grand total spent on all TV-radio broadcasting ran about \$1.4 billion.

[That would be just about what McCann-Erickson figured was the over-all total in the revised estimates it recently made for Printers' Ink (Vol. 11:34) when it put grand total of advertiser expenditures on all TV last year at \$803,600,000, on all radio at \$564,900,000. From the TV figure, we adduced that TV alone would go well above \$1 billion this year (Vol. 11:39) -- an estimate we'll stand by until proved or disproved by the next McCann-Erickson and the next FCC "audits."]

Standing out markedly is fact that TV revenues rose 37% from 1953, while its profits before taxes climbed 32.8% to \$90,300,000. This, while radio revenues went down 5.4% and its profits broke sharply (down 24%) to \$41,800,000. Following are additional salient features of 18-p. report:

(1) The 4 TV networks & their 16 o-&-m stations had revenues of \$306,688,000 vs. \$213,700,000 in 1953, before-taxes profit of \$36,521,000, more than double 1953's \$18,000,000. Revenues of national & regional AM networks and their 21 stations fell to \$88,593,000 from \$97,300,000 in 1953, profit to \$8,149,000 from \$10,400,000.

(2) Total TV time sales were broken down as follows: \$241,225,000 network, \$176,766,000 spot, \$120,131,000 local. In radio, network sales were \$83,684,000, spot \$120,168,000, local \$247,478,000.

(3) TV revenues break down to \$452,205,000 from time sales, \$140,732,000 from sale of talent, program material and production. Radio's time sales came to \$404,117,000, talent, etc. to \$44,668,000.

(4) Average pre-freeze station (other than the 16 network-owned) achieved a revenue of \$2,183,326 in 1954, up from \$1,896,456 in 1953. Its profit before taxes increased to \$734,395 from \$657,609 preceding year.

(5) New York was more profitable than any other 2 TV markets put together -- its 7 outlets netting \$13,870,212 on sales of \$42,035,793. Only other 7-station market, Los Angeles, had total station profits of only \$1,611,932 on \$23,718,677 gross. Chicago's 4 TVs made \$8,227,849 profit on \$24,924,357 sales. Detroit was third in profits, its 3 stations garnering \$5,710,860 on revenues of \$12,523,110. Runners-up in order of profits were Boston, Philadelphia, Cleveland, San Francisco.

(6) Investment in tangible TV station property ran \$315,009,000 original costs, \$229,178,000 depreciated cost. Investment in networks and their stations was \$87,346,000 original, \$59,691,000 depreciated. Other 92 pre-freeze stations represented \$104,985,000 original cost, \$64,420,000 depreciated cost. Total for 177 post-freeze vhfs was \$82,259,000 original cost, \$71,169,000 depreciated cost; for 125 uhfs, \$40,420,000 original cost, \$33,898,000 depreciated cost.

(7) All TV networks and stations employed total of 29,412 people -- 25,324 full-time, 4088 part-time. Pre-freeze stations with revenues under \$1,250,000 averaged 57 full-time employes, 14 part-time. Those with revenues over \$1,250,000 had average of 93 full-time, 12 part-time. Pre-freeze average was 86 full, 12 part-time.

Report comprises 22 tables, including detailed breakdowns of expenses and revenues for whole industry and for markets with 3 or more stations each, classification by income groups and by size of city, age of stations, etc. Report treats post-freeze stations briefly because earlier report had given detailed breakdowns, with emphasis on differences between vhf and uhf (Vol. 11:34). This week's report is Public Notice 26134, available from Commission -- or we'll get you copy.

KEY FINAL DECISIONS STILL HANG FIRE: No action yet at FCC on final vhf decisions in intermixed vhf-uhf areas where uhf operators are seeking to stave off action. Both Fresno Ch. 12 and Madison Ch. 3 cases came before Commission Nov. 30 -- but last-minute petitions filed by uhf operators in both cities blocked action temporarily. FCC staff will digest latest filings, and the vital final actions are due next week.

Commission did make one final vhf decision, affirming examiner's initial decision and granting CP for Ch. 12 in Richmond to WRVA-Thalhimer Theatres, denying WRNL (see p. 9). In this case, however, no one sought to block action.

Though examiner was affirmed in Richmond case, it's understood that FCC has lined up to reverse examiners in at least 3 others -- preparing to grant Fresno's Ch. 12 to KFRE, Madison's Ch. 3 to WISC, Peoria's Ch. 8 to WMBD. This assumes, of course, that Commission majority decides to make the decisions now -- and opinion around FCC is that the assumption is correct.

FCC Broadcast Bureau is urging Commission to act, has filed opposition to petitions filed by uhf operators in Madison, Peoria, Corpus Christi, Raleigh, Evansville & Springfield, Ill., and presumably will oppose others as they are filed.

Bureau says such petitions are "much too late" and "would be fruitless"; that they're filed to prevent grants; that they wrongly assume FCC didn't mean what it said Nov. 10 when it stated that general allocations rule-making would give deintermixture fair consideration regardless whether new vhfs were authorized.

Court of Appeals is moving fast, meanwhile, to give uhfs their day in court. Appellant uhfs WTRI, Albany, and WMGT, Adams, Mass. will get hearing Dec. 8 on their requests that FCC's drop-in of Ch. 10 in Albany area (Vail Mills) be frozen pending allocations rule-making. Court went to unusual measure of asking FCC whether it is planning quick action on Ch. 10 applications; FCC assured court it wouldn't act for 30 days after Dec. 15. The Dec. 8 hearing could be a real whing-ding.

Court also denied motions of Pittsburgh's WWSW and City of Pittsburgh which asked that WWSW be permitted to finish construction on Ch. 11 but not go on the air.

Earlier in week, FCC ordered rehearing on details of WWSW-WJAS merger which led to grant, made uhf WENS an intervenor, but refused to halt construction. Obviously, a lot of legal mish-mash is yet to be conducted before situation is clear.

Sen. Magnuson (D-Wash.), chairman of Interstate Commerce Committee, spoke up for first time in months. He said little. Issuing press release, he noted that 10 months ago he asked FCC what it was doing about deintermixture, then stated:

"It is a shameful situation that the Commission has not established an over-all policy which would assure a realistic nationwide competitive TV service so that all segments of the public, the licensee, the applicant and the viewers, would know, once and for all, where and what type of channels are assigned. This critical situation must be solved and our committee proposes to see that it is done as quickly as possible." He reiterated that his Committee would begin hearings Jan. 17; that he'd expect "full report" from FCC at that time. His statement didn't indicate pro or con attitude about deintermixture or allocations generally--except that he wants speed.

Adhering to the "Vail Mills pattern," Commission authorized another drop-in this week -- adding Ch. 9 to Elmira, N.Y. but turning down request of WTVE (Ch. 24) that it be given the new channel. Voting lineup was same as in Vail Mills case -- Comrs. Hyde, Webster & Bartley dissenting.

In another allocations action, Commission finally cancelled its new rule which would have permitted Zone I vhf stations to operate with full power at 1250-ft. It decided to throw concept into pot of general rule-making. It did make one exception, however. Stations which had built towers over 1000-ft. between March 21, 1951 and April 14, 1952 in reliance upon conditions of FCC's "Third Report" are permitted to go to full power. But it looks as if only one station -- WBEN-TV, Buffalo -- is qualified. WSAZ-TV, Huntington, which had joined WBEN-TV in pushing for the rules change originally, is left out. Same goes for 16 others (for list, see Vol.11:30).

FCC Chairman McConnaughey and Comr. Doerfer conferred with ODM officials this week, setting up machinery for exploring possibility of getting more vhf channels (Vol.11:47). Current predictions in and out of FCC are that there's better than 50-50 chance at least 3 channels will be obtained eventually.

SCHOOLS' INACTION PERILS RESERVED CHANNELS: At a time when non-commercial channel reservations are in greatest jeopardy, educational leaders' drive for school-owned TV stations seems to have lost most of its steam. But educators are showing an increasing interest in closed-circuit TV -- much better suited to their budgets -- with at least 60 systems now operating and many more planned.

Educational TV wasn't on the agenda at this week's White House Conference on Education in Washington, though in closing minutes group approved report on public relations which recommended "the setting aside and more effective use of additional channels for educational TV." Only other allusion to TV in conference's discussions and records was contained in report on school building needs, which lumped "visual aids" with swimming pools as items which are "desirable, but not mandatory."

The educators we talked to at the conference hadn't lost their interest in TV as "powerful educational medium." But there was no optimism about the possibilities of obtaining funds for stations from tight-fisted legislatures and boards of education while there are so many more pressing educational needs. The tribulations of the 18 non-commercial pioneers now on air have had their influence, too.

Educators' lack of drive for TV stations is more significant today than ever. While FCC ponders how to stretch existing vhf channels, prospective commercial telecasters can't be blamed for hungrily eyeing the 67 reserved vhf channels which are completely unoccupied. And the Commission today is more amenable than it ever has been in the past to removing the educational asterisks from these channels.

Of the 258 reserved channels, 86 are vhf, 172 uhf. There are 18 non-commercial stations on air, 16 of them on reserved channels. Twelve reserved vhf channels and 4 uhf are occupied. Nineteen more have been granted, of which 7 are vhf.

If educational channels aren't selling like hotcakes, closed-circuit TV systems are. Survey just released by American Council on Education lists 60 colleges and school systems using closed-circuit (see p. 4) -- and it's only the beginning.

"Closed-circuit TV is spreading like wildfire," said Dr. Franklin P. Dunham, TV-radio chief of U.S. Office of Education. Other educators we queried at the conference this week were divided as to closed-circuit's ultimate place in education. Some felt it might be good substitute for educational stations, particularly in the small towns. Others, like Dr. Dunham, saw it as a means to an end -- as a stimulus and training ground for institutions which later would use the experience and equipment as nucleus for their own educational stations.

Closed-circuit systems at \$2000 and up are well within reach of many schools and colleges -- unlike TV stations at \$50,000-\$200,000 with an insatiable appetite for upkeep capital and program material. And the educators point out that closed-circuit is tailor-made relief for today's crowded schools and teacher shortages.

There are still plenty of missionaries for educational TV station operation. But today they're looking for "reappraisals" and "evaluation" and "experimentation" -- honestly seeking to find education's true place in TV, and vice versa.

"It's past time for an inventory and reappraisal of educational TV," said Dr. Dunham. "We should know our limitations and we surely should know we can't compete for audiences with the many fine educational programs now on the networks."

Dr. James E. Allen Jr., Commissioner of Education for New York State, whose 6 CPs have been stranded by lack of funds since they were granted in 1952, told us he expects legislature to allot money this winter for "pilot" station to help educators learn true value of educational TV through experimentation.

Pres. John A. Hannah of Michigan State U, whose non-commercial WKAR-TV is on commercial uhf channel, says he feels TV's educational potential has hardly been tapped. "No one knows where it's going," he adds. "There's much more to be done before its true value can be assessed."

CLOSED-CIRCUIT TV is now being used by schools and colleges (see above) for virtually everything from freshman orientation to complex lab demonstrations. Many of the educational wired-TV systems are classified as "experimental"—but the results which have been announced to date indicate educators are enthused over value of closed-circuit as a teaching tool.

Stephens College, Columbia, Mo., has one of the most extensive closed-circuit systems in use, enabling one instructor to lecture to as many as 50 classrooms simultaneously. This project is financed by grants from RCA and Fund for the Advancement of Education. Latter foundation is also sponsoring closed-circuit work at NYU, where 500 students are taking televised courses in creative composition and English literature.

Perhaps most thorough report and handbook on use of closed-circuit in college instruction is Penn State U's 102-p. bulletin, *An Investigation of Closed Circuit TV for Teaching University Courses.* After year's trial, university says it found no "significant differences in informational learning" between students taking "live" courses and those taking same courses by closed-circuit. Project has been expanded this year, 2500 students taking TV courses.

Military has been a leader in use of closed-circuit for training purposes. Recent experiments by George Washington U Human Resources Office with Signal Corps trainees at Camp Gordon, Ga. found TV was as effective as direct teaching, sometimes even better.

Joint Committee on Educational TV is currently making exhaustive survey of educational uses of closed-circuit, due to be released early next year. A preliminary list, compiled on basis of earlier JCET survey, shows 60 school & college installations, plus 8 instructional TV systems at military posts. Here is list, as released by American Council on Education:

- Alabama—*U of Alabama, University; Alabama Polytechnic Institute, Auburn.
- California—San Jose State College, San Jose; U of So. California, Los Angeles; College of Physicians & Surgeons, San Francisco.
- Colorado—Denver public schools.
- Connecticut—Yale University, New Haven.
- District of Columbia—Georgetown University, institute of languages and linguistics, Washington.
- Florida—Dade County public schools, Miami.
- Idaho—Idaho State College, Pocatello.
- Illinois—Chicago Teachers College; Illinois Institute of Technology, Chicago; U of Chicago, Nathan Goldblatt memorial hospital, Chicago; *U of Illinois, Urbana; Loyola University school of dentistry, Chicago; Northwestern University, Evanston.
- Indiana—U of Indiana, Bloomington; Indiana State Teachers College, Terre Haute.
- Iowa—*Iowa State College, Ames; U of Iowa, Iowa City.
- Kansas—Roosevelt High School, Emporia; Kansas State College, Manhattan; Kansas State Teachers College, Pittsburg; U of Kansas medical school, Kansas City.
- Louisiana—Louisiana State University, Baton Rouge; Southwestern Louisiana Institute, Lafayette.
- Maryland—U. S. Naval Academy, Annapolis.
- Massachusetts—Boston University; Emerson College, Boston; Hamilton public schools, South Hamilton.
- Michigan—*Michigan State University, East Lansing; U of Michigan, Ann Arbor; U of Detroit school of dentistry.
- Minnesota—U of Minnesota, Minneapolis.
- Missouri—Stephens College, Columbia; *U of Missouri, Columbia.
- New Jersey—State Teachers College, Montclair.
- New York—Albany Medical College; Cornell University, Ithaca; New York University, N. Y. City; Syracuse University.
- North Carolina—*Consolidated U of North Carolina, Chapel Hill, Raleigh, Greensboro.
- Ohio—Case Institute of Technology, Cleveland; South High School, Columbus.
- Oregon—Oregon State College, Corvallis; U of Oregon, Eugene; Oregon Technical Institute, Oretech.
- Pennsylvania—Pennsylvania State University, University Park; U of Pennsylvania hospital, Philadelphia.
- South Carolina—South Carolina Area Trade School, West Columbia.
- South Dakota—U of South Dakota, Vermillion.
- Texas—Texas Western College, El Paso; U of Texas, Austin.
- Washington—Washington State College, Pullman; Vancouver High School.
- Wisconsin—Milwaukee Vocational & Adult Schools; *U of Wisconsin, Madison.
- Military installations—Walter Reed Army Medical Center, Washington; Signal Corps Training Center, Camp Gordon, Ga.; Chanute Air Force Base, Rantoul, Ill.; Strategic Air Force Command, Lewiston, Me.; Signal Corps, Ft. Monmouth, N. J.; Army Chaplain School, Ft. Slocum, N. Y.; Signal Corps Pictorial Center, Long Island City, N. Y.; Army Transportation School, Ft. Eustis, Va.

* Facilities also used for TV station operation.

Personal Notes: Newly elected NBC-TV v.p.'s: Michael Dann, program sales; Matthew J. Culligan, national sales director; Walter D. Scott, national sales mgr.; Mort Werner, national programs; Jules Herbuveaux, v.p.-gen. mgr. of WNBQ & WMAQ, Chicago . . . New Westinghouse Broadcasting Co. v.p.'s: Richard M. Pack, programming; Rolland V. Tooke, Philadelphia (WPTZ & KYW); Harold C. Lund, Pittsburgh (KDKA-TV & KDKA). W. C. Swartley had previously been elected v.p., Boston (WBZ-TV & WBZ-WBZA) . . . New ABC Film Syndication v.p.'s: Richard P. Morgan, in charge of business affairs; John Burns, director of national sales; Wm. Clark, director of western sales div. . . . Walter M. Koessler, ex-exec. v.p. of WITV, Ft. Lauderdale, later sales mgr. of Storer's WGBS-TV, Miami, promoted to WGBS-TV managing director, succeeding Francis Riordan, transferred to managership of KPTV, Portland, succeeding Russell K. Olsen . . . Daniel P. Weinig, from Katz Agency, named eastern radio sales mgr. for Storer stations, succeeding John R. Porterfield, resigned . . . Mort Werner, director of NBC-TV partic. programs, promoted to national program director, succeeding Samuel Fuller, now director of special projects, starting with new comedy show replacement for *Colgate Variety Hour* starting Jan. 8, Sun. 8-9 p.m. . . . Michael Rastovich, ex-KPTV, Portland, named chief engineer of upcoming KLEW-TV, Lewiston, Ida. (Ch. 3) due soon . . . Fred D. Adair Jr., ex-Richard Nelter Adv., San Francisco, named mgr. of Headley-Reed Co. San Francisco office . . . Morton J. Wagner, station mgr. of Madison's WMTV, elected exec. v.p. and will also supervise Gerald A. Bartell radios WOKY, Milwaukee; WAPL, Appleton, Wis.; WBGE, Atlanta; KCBQ, San Diego . . . Edward G. Smith, ex-gen. mgr. of WTVH-TV, Peoria, now with WEEK-TV, Peoria . . . Jack Wells, ex-KCSJ-TV & KCSJ, Pueblo, to station coordinator of radio KGA, Spokane, replacing Richard Godon, now sales mgr. . . . Richard Anderson promoted to chief engineer of KOVR, Stockton, succeeding Stanton D. Bennett . . . Jack P. Reeder promoted to director of promotional media, Crosley stations; Roy Shannon named promotion director of WLWT . . . Gene E. Stout, ex-editor, local *TV Guide*, joins WPTZ, Philadelphia, as publicity

director, succeeding Fred E. Walker, now gen. mgr. of radio WTTM, Trenton . . . Cy Kaplan, ex-gen. sales mgr. of WGTH-TV, Hartford, recent midwest sales mgr. World Broadcasting System, appointed eastern director of national sales, National Telefilm Assoc. . . . Frank Brill named eastern sales mgr., MCA-TV Ltd., succeeding Tom McManus, now international sales mgr. . . . Don Sharpe resigns as pres. of 4-Star Productions, attorney Wm. Cruikshank becoming acting pres.

ADVERTISING AGENCIES: Milton Biow, who stepped down as head of the agency bearing his name last Jan. 1, resumes active direction of Biow-Beirn-Toigo, with pres. F. Kenneth Beirn leaving the agency as of Jan. 6 . . . John J. Seery, ex-McCann-Erickson and Cecil & Presbry, promoted to head new TV dept. of Cellomatic Corp., 756 Seventh Ave., N. Y., set up to expand Cellomatic animation technique for TV shows . . . Charles E. Claggett, who organized Gardner Adv. radio dept. in 1935 and rose to gen. mgr. of big St. Louis agency last year, has been elected pres., succeeding Elmer G. Marshutz, now chairman . . . Wm. E. Macke, ex-Zenith adv. mgr., appointed v.p.-gen. mgr. of Detroit office, Kenyon & Eckhardt . . . David Hayes promoted to acting TV-radio director, W. E. Long Co., Chicago agency specializing in bakery accounts, replacing Edwin C. Fritz Jr., resigned . . . Fred Flanagan, copy supervisor on several major accounts, elected Kenyon & Eckhardt v.p. . . . Jeanne Harrison, ex-Ziv, joins Emil Mogul as exec. TV producer-director . . . Miss Nina Flinn, ex-Doyle Dane Bernbach, joins Robert W. Orr & Assoc. as timebuyer . . . Peter S. Pell, ex-CBS-TV, joins exec. staff of Roy S. Durstine Inc., N. Y. . . . Arthur Wilkins, ex-Young & Rubicam, joins Dancer-Fitzgerald-Sample Inc. as head of new copy & motivational research.

Frederick B. Ryan Sr., 72, who with the late Wilbur Ruthrauff founded Ruthrauff & Ryan in 1912, died of coronary thrombosis Nov. 29 in Ft. Lauderdale, Fla. He had resigned as chairman of board early this year. Surviving are his wife and 2 sons—Frederick B. Ryan Jr., present chairman of the agency; Quincy, a v.p.

"The Inside Story of Person to Person," titles lively story in Dec. 13 *Look Magazine* on behind-the-scenes problems of Ed Murrow's Fri. 10:30-11 p.m. program on CBS-TV. Written by Joe McCarthy, it reveals pressures on Murrow and his staff of 35 to get individual "visits," the million-and-one technical problems of placing equipment in homes, the pickups from microphones hidden under clothing, etc. Oddest reaction: Groucho Marx, "stiff and restrained." Homes most requested by audience for visits: Liberace and Edward R. Murrow. Visit to former is probable, says Murrow, ruling out latter as "too dull."

Fascinating article about General Tire & Rubber empire, "The O'Neils' Money Machine" by Robert Coughlin, in Dec. 5 *Life*, reveals Tom O'Neil's General Teleradio staff studies indicated "a hypothetical profit of \$9,000,000" in the \$25,000,000 purchase of RKO Radio Pictures from Howard Hughes. Estimates included \$5,000,000 potential value of films completed but not yet in theatres, \$15,000,000-plus "wholesale value" of feature film backlog for TV, \$5,000,000 in studio property and distribution facilities.

National Assn. of TV-Radio Farm Directors, at annual convention, elects: pres., John McDonald, WSM-TV & WSM, Nashville; v.p., Jack Timmons, KWKH, Shreveport; secy.-treas., Dix Harper, WLS, Chicago; historian, Herbert Plambeck, WHO-TV & WHO, Des Moines.

Pat Weaver steps out—and was due to be among the folks interviewed on Igor Cassini's *Million Dollar Showcase* on DuMont's WABD night of Dec. 2 as it remotes from society's famed Knickerbocker Ball in New York's Ambassador Hotel.

Six Dallas business men have joined with Sidney A. Grayson & Nat Levine, co-owners of radio KSYD, Wichita Falls, in setting up KSYD Television Co. Inc. for purpose of buying KWFT-TV, Wichita Falls (Ch. 6), along with radio KWFT (Vol. 11:46). Rowley theatre chain family and Kenyon Brown, latter one-third owner of KWFT stations, are getting \$825,000 for stations, with Brown authorized to re-acquire KWFT for \$75,000, according to application filed this week. Buying firm comprises: Mr. Grayson, pres. & gen. mgr., 5%; Nat Levine, secy.-treas., 25%; Irving L. Gold, v.p., 12½%; Murray Gold, 12½%; Ben Aaron, v.p., 6.67%; Roy Aaron, 6.67%; Leon Aaron, 6.67%; Theodore Shanbaum, 25%. In addition to Grayson as gen. mgr., proposed TV staff includes Billy Richie, program director; Lambert Cain, commercial mgr.; Herbert Wiley, chief engineer.

Jack O. Gross, who founded KFMB-TV San Diego, and sold it in 1950 with radio KFMB for \$925,000 and other considerations to John Kennedy (Vol. 6:46 & 7:17), this week acquired KXOC, Chico, Cal. (10-kw, 1060 kc, MBS) for \$150,000 from Harold T. Gibney. Blackburn-Hamilton was broker.

Wilton E. Hall, publisher of *Anderson* (S. C.) *Independent* and owner of WAIM-TV & WAIM there, has been voted 1955 Man of the South, winning award of *Dixie Business*, Atlanta magazine. He's ex-pres. of So. Carolina Press Assn. and for a time served out an appointment as U. S. Senator.

Initial decision in Lamb case is due week of Dec. 5 from FCC examiner Herbert Sharfman.

APPEALING TO PUBLIC to be "articulate" in making its needs known to TV-radio industry, FCC Chairman McConnaughey got off one of his best speeches to date, addressing Sylvania Awards dinner in N. Y. Nov. 29. He reiterated his repugnance of "big-stick" Govt. regulation by stating:

"I respect with near-reverence that part of our legislation that keeps Govt. away from prescribing programs . . . Let me reassuringly add that we bureaucrats at the Commission do not pretend to feel that we know what is good for the people."

Bulk of his talk was a moral-suasion appeal. He said Commission is "thankful" for licensees who have produced well-rounded schedules and is glad that "very, very few" have not made such efforts. Most fertile area for general improvement, he said, lies in the "large middle ground of average licensees who have neither done anything outstanding nor anything particularly wrong." "It poses a serious question to us at the Commission," he added, "to determine whether we are the proper group to make the constructive suggestions or to set up the criteria for guidance of this group. . . . It is my sincere hope that the industry will be able to solve their own program problems and maintain high standards."

"I like TV," McConnaughey confessed, "not everything, but enough to afford me many enjoyable and informative hours during the week." However, he stated, "with unforgiveable frequency the American living room is being fed material more appropriately reserved for the barroom or midway. . . . Is good taste so elusive a concept as to be improbable of agreement among writers, producers, directors and performers on what to avoid? I think not."

Attacking "bait-&-switch" commercials, the chairman asked: "Will not our broadcasting system suffer substantial long-run losses for creating general suspicion of the things it recommends for purchase?" He also opined: "I do not believe that the long commercial carries greater selling impact than the short, punchy message. Nor do I believe that piling up commercials is a significant accomplishment."

TOLL-TV DECISION still isn't in sight, FCC chairman George C. McConnaughey told minor leagues' convention in Columbus, O. Nov. 28. Leagues have been looking hopefully to pay-TV to offset declining gate receipts—while leagues' pres. George M. Trautman told convention that free telecasts of major league games are minors' chief worry, "a distinct menace to our operations." But McConnaughey gave them little hope for immediate succor when he said:

"Because of the voluminous nature of the record, mandatory procedures and issues involved, the Commission itself cannot be expected to reach any speedy decision. Also, there is a great deal of opinion that no pay-as-you-see TV can be authorized by the Commission without legislation by the Congress. If that develops, I am sure that you know the added difficulties that would be presented to any speedy action. . . . I believe it but fair to warn against any false hopes of an immediate solution."

McConnaughey took no pro or con stand on issue, but he made it clear that he's not merely casually interested in it and that he'll do his utmost to see that TV presents maximum amount of baseball for the "stay-at-home audience." Another point he made is that it's technically impossible, currently, to present both pay and free programs on same channel simultaneously. "Any given channel or

Curbs on abuses, he concluded, must come from forces outside Govt. "Too few people are aware," he said, "that they have right to demand that broadcasting stations serve their needs, wants and interests. This force must be awakened to its potential influence and made articulate so that those who create, produce and sponsor programs may know what is expected of them."

* * * *

Though Commission eschews censorship and program control, it has held up license renewals of 17 Illinois & Wisconsin radio stations, asking them to explain what appears to be overcommercialization and too few programs on education, religion, agriculture, etc. The stations:

Illinois—WBBM, WCFL, WEDC, WGES & WIND, Chicago; WHFC, Cicero; WKRS, Waukegan; WPEO, Peoria; WMOK, Metropolis. Wisconsin—WAPL, Appleton; WATK, Antigo; WBEV, Beaver Dam; WEAU, Eau Claire; WEMP, Milwaukee; WGEZ, Beloit; WHVF, Wausau; WOKW, Sturgeon Bay. Next batch of renewals—Missouri & Iowa—comes up Feb. 1.

✓ Broadcasts of horse-racing information brought denial of license renewal, one of FCC's rarest actions, to radio WWBZ, Vineland, N. J. Station was first set for hearing Feb. 1952 to determine whether its extensive racing information was aiding illegal bookmakers. At various stages of the proceeding, station cut racing information more and more until it was dropped altogether early this year. Commission ruled, however, that improvement came too late and was too clearly tied to FCC moves. FCC once denied renewal to radio WTUX, Wilmington, Del. for carrying race information but later reconsidered, reversed itself. Comr. Lee dissented in WWBZ case, said decision wouldn't stand up in court. "There is no evidence in this record," he said, "of programming before 1952, as requested by the Commission in originally setting it for hearing. On the contrary, much of the evidence on which the decision is based refers to a period after the hearing commenced. It seems to me that the Commission is acting in a punitive manner to try to punish a station for not conforming to its every suggestion." Station will ask ✓ for reconsideration, undoubtedly appeal to courts if denied.

TV station at any particular time," he said, "must be utilized wholly either for toll TV or free TV programs."

Major leagues, as well as minor, have been mighty interested in toll-TV possibilities. Brooklyn Dodgers pres. Walter O'Malley has been outspoken advocate, stating flatly that he'd like to charge subscription-TV viewers 50¢ epr set per game. Currently, however, he's suggesting that free TV be put on a game-of-the-week basis (see p. 18).

Other toll-TV developments: (1) N. Y. City Council rules committee plans early Jan. meeting on anti-pay resolution introduced last March 1 by Council pres. Abe Stark. (2) Station-theatre owner Joe Floyd (KELO-TV, Sioux Falls, S. D.) is working on "Exhibivision"—simultaneous presentation of movies in theatres and closed-circuit community system; he plans discussions with film producers, distributors and community antenna equipment manufacturers. Apparently, his goal is same kind of operation tested several years ago by Paramount Pictures' Telemeter in Palm Springs, Cal. (3) Zenith publicist Ted Leitzell told Poor Richard Club in Philadelphia that Zenith is merely seeking fair test of system; that "if it proves to be a service of value to the public, we will prosper. If the public says 'no thank you,' we will lose our investment. That is the traditional American way of doing business."

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FCC chairman George C. McConnaughey speaks at Philadelphia's Poor Richard Club Dec. 6.

Station Accounts: National Assn. of Retail Clothiers & Furnishers, 200 Fifth Ave., N.Y., reporting in Nov. bulletins on several success stories of clothing stores on local TV indicates many more could be won over by aggressive stations. Phil Gibson, pres. of Ray Beers Clothing Co., Topeka, a pioneer in radio advertising, reports great success with 15-min. TV program *Ray Beers Show*, opening with picture of 3-way mirror as commercial and featuring music & sports. Tate Brown Co., Charlotte, sponsoring 15-min. program irregularly, comments: "TV advertising is most gratifying and its direct response is phenomenal. Sometimes for months later it pulls in sales." Edward Stern, pres. of Straus Co., Fargo, is equally enthusiastic about his twice-weekly 5-min. sports program on local WDAY-TV . . . Milner Products, Jackson, Miss., plans biggest campaign in its history next year for Perma Starch div., thru Gordon Best Co., Chicago . . . John B. Stetson Co., with biggest sales year in its history assured for 1955, plans big all-media campaign next year to push "ventilated" straw hats, thru Gray & Rogers, N.Y. . . . Carnation Milk (Albers div.) buys *Waterfront* from MCA-TV for 16 western markets starting early next year, thru Erwin Wasey Co. . . . First National Bank of Milwaukee buys 17-week Big 10 basketball schedule, offered by CBS-TV as co-op, on WXIX starting Dec. 12, thru Cramer-Krasselt Adv., Milwaukee . . . National Assn. of Better Business Bureaus plans to produce series of TV films for its 100 local bureaus in effort to fight bait-switch ads . . . Among other advertisers currently reported using or preparing to use TV station time: Doyle Packing Co., Long Branch, N. J. (Strongheart dog food), thru Roy S. Durstine, N. Y.; Englander Co., Chicago (mattresses), thru Leo Burnett Co., Chicago; Thomas Leeming Co., N. Y. (Ben-Gay pain reliever), thru Wm. Esty & Co., N. Y.; Kentile Inc., Brooklyn (Kentile floors & walls), thru Ruthrauff & Ryan, N. Y.; Chanel Inc., N. Y. (perfume & cologne), thru Norman, Craig & Kummel, N. Y.; Hebrew National Kosher Sausage Co., Brooklyn (meat products), thru Rockmore Co., N. Y.; Alkaid Corp., N. Y. (Alkaid antacid tablets), thru Emil Mogul Co., N. Y.; Chock Full O'Nuts, N. Y. (coffee), thru Grey Adv., N. Y.; D. P. Harris Hardware & Mfg. Co., N. Y. (Rollfast roller skates & bicycles), direct; Kasco Mills Inc, Kasco, N. Y. (Kasco dog food & farm feed), thru Clark & Bobertz, Detroit;

Rate increases: WXYZ-TV, Detroit, raises base hour from \$1700 to \$1800, min. \$325 to \$450. WBRC-TV, Birmingham, raises hour from \$750 to \$800, min. \$185 to \$210. KZTV, Reno, Feb. 1 raises base hour from \$225 to \$300, min. \$37.50 to \$60. KRGV-TV, Weslaco, Tex. has added new Class AA hour (6:20-10:01 p.m. daily) at \$250, min. at \$45, Class A hour going from \$200 to \$187.50. Combination base hour for KRDO-TV, Colorado Springs & KCJS-TV, Pueblo, raised from \$175 to \$225, min. \$45 to \$52. CHEX-TV, Peterborough, Ont., hour from \$200 to \$230, min. \$40 to \$46. Spot increases: WLWT, Cincinnati, Jan. 1 raises Class AA min. from \$190 to \$250, 8 Sec. \$85 to \$125; WLOS-TV, Asheville, raises min. from \$50 to \$60.

New reps: DuMont's WABD, New York, to Raymer Jan. 1 (from Avery-Knodel), Raymer also being new rep for WTTG, Washington; KOA-TV, Denver, to NBC Spot Sales Feb. 1 (from Petry); WITV, Ft. Lauderdale-Miami, to Forjoe (from H-R Television); WNOW-TV, York, Pa., to Forjoe (from Robert S. Keller); KNTV, San Jose, Cal., to Bolling; WTOV-TV, Norfolk, to McGillvra; KOAT-TV, Albuquerque, to Hollingbery; KDUB-TV, Lubbock, Tex., to Branham (from Avery-Knodel).

NBC-TV affiliates hold annual convention in Chicago's Drake Hotel, Dec. 7-8.

Network Accounts: Trend to multiple sponsorships is detailed in just-completed Nielsen study showing 11% increase in last 6 months in programs with at least 2 sponsors. Multiple sponsors are most prevalent in drama shows (20), variety (18), audience partic. (9), situation comedies (8), children's (6), news (5), sports (3), educational (2), panel (2), how-to-do-it (1) . . . Tournament of Roses Parade from Pasadena Jan. 2 will be on 2 networks 11:45 a.m.-1 p.m., Quaker Oats buying ABC-TV coverage this week thru Lynn Baker Adv., N. Y.; Minute Maid (frozen juices) will sponsor in color on NBC-TV, where parade has been an "exclusive" for last 3 years . . . Procter & Gamble to sponsor Mon. 3:45-4 p.m. portion of *Bob Crosby Show* on CBS-TV starting Dec. 5, thru Compton Adv.; it's 9th CBS-TV show in which P&G is at least part sponsor, others being *Guiding Light*, *Brighter Day*, *Lineup*, *Search for Tomorrow*, *I Love Lucy*, *Love Story*, *On Your Account*, *It's Always Jan* . . . Colgate-Palmolive, cancelling *Colgate Variety Hour* on NBC-TV Dec. 25, Sun. 8-9 p.m., apparently still likes that time period, buying series of partic. on J. Arthur Rank's *Famous Film Festival* on ABC-TV starting in Jan., Sun. 7:30-9 p.m., thru Ted Bates . . . American Chiclet (Dentyne gum) buys 2 partic. on *Famous Film Festival* on ABC-TV Sun. 7:30-9 p.m., thru Dancer-Fitzgerald-Sample; Florists Telegraph Delivery Assn., Detroit, one partic., thru Grant Adv., N. Y.; Lewis-Howe Co., St. Louis (Tums), 2 partic., thru Dancer-Fitzgerald-Sample, N. Y.; National Presto Industries, Eau Claire, Wis. (pressure cookers), 3, thru Gourfain-Cobb & Assoc., Chicago; Procter & Gamble (Shasta shampoo), 1, thru Biow-Beirn-Toigo; Tony (Bobbi pin curl permanent), 2, thru Tatham-Laird, Chicago; Zenith (hearing aid div.), 2, thru BBDO, Chicago . . . Pharmaceuticals Inc. to sponsor *Sunday News Special* on CBS-TV starting Jan. 8, Sun. 11-11:15 p.m., succeeding Norwich Pharmacal, thru Edward Kletter Assoc. . . . Scott Paper to sponsor Mon. portion of *Valiant Lady* on CBS-TV starting Dec. 5, Mon.-thru-Fri. 12-12:15 p.m., thru J. Walter Thompson . . . Gurney Products Ltd., Montreal (ranges & heaters) to sponsor MCA-TV's 30-min. weekly *Life With Elizabeth* in all CBC-TV markets except Montreal . . . Norwich Pharmacal to sponsor every 4th week of *Ozzie and Harriet* on ABC-TV starting Jan. 6, Fri. 8-8:30 p.m., thru Benton & Bowles . . . Time slotting: NBC-TV planning to push *Dragnet* up 30-min., to start Thu. 8:30, opposite hour-long *Climax* 8:30-9:30 on CBS-TV, with *People's Choice* shifted to old *Dragnet* time of 9-9:30.

NBC-TV's "Program Extension Plan" to help smaller markets get top network programs at minimum cost to advertiser (Vol. 11:41) now has 47 member stations, with 21 sponsors feeding 19 programs weekly. Seven sponsors are on all stations: Armour & Pet Milk (*George Gobel Show*); L&M Cigarettes (*Dragnet*); RCA, Whirlpool-Seeger & Sunbeam (*Milton Berle Show* & *Martha Raye Show*); Chevrolet (*Chevvy Show*). Additions to member stations in last 2 weeks: KTVO, Kirksville, Mo.; WSIL-TV, Harrisburg, Ill.; WCTV, Thomasville, Ga.-Tallahassee, Fla.; KRBB, Eldorado, Ark.; KMID-TV, Midland-Odessa, Tex.; KHAD-TV, Laredo, Tex. (CP). These stations have dropped out: KBES-TV, Medford, Ore.; KIEM-TV, Eureka, Cal.; KVDO-TV, Corpus Christi, Tex.

Named co-chairmen of national TV-radio committee of 1956 March of Dimes campaign; John H. Mitchell & Don Durgin, ABC; Hubbell Robinson Jr. & Howard G. Barnes, CBS; Robert A. Monroe, MBS; Tom McAvity & Charles T. Ayres, NBC.

Network switches: KMTV, Omaha, to NBC Jan. 1; WOW-TV, Omaha, to CBS same day.

Telecasting Notes: Trouble with TV commercials, says current Grey Adv. Agency's ever-sprightly newsletter *Grey Matter*, is "parental influence": radio, theatre, movies, podium. "It would have been better, lots better, if the TV commercial had been the issue of a house-to-house salesman and a retail store clerk," it opines, while urging a course in selling for announcers in order to get the more personal approach. "The TV commercial is the blood brother of the in-the-home salesman," it says—but this apparently hasn't gotten over to the sponsors despite the shining examples of Arthur Godfrey, Dave Garroway, Steve Allen, et al. . . . Some seasoned announcers, handed a piece of commercial copy to recite, are complaining bitterly against "commercials which lecture, rave, orate, talk the viewer to death, are pompous, irritating, wildly exaggerated, and result in burying the product they have come to praise," according to *Grey Matter* . . . Success of feature films as network programming on ABC-TV's Sun. evening *Famous Film Festival* (J. Arthur Rank photographs) has prompted ABC-TV to buy 100 more of that big British producer's features at price reportedly between \$1,500,000 & \$2,000,000 for 3-5 p.m. daily slot immediately preceding *Mickey Mouse Club*, beginning in Jan. Package includes such top British oldies as Sir Laurence Olivier's *Hamlet & Henry V*, *Genevieve*, *The Cruel Sea*, *The Lady Vanishes*, *Tonight at 8:30*—though most are not as well known. Rank is now said to have only 30 films in vaults not now being shown on U. S. TV . . . Snags have developed in nearly-consummated purchase of 600 RKO oldies by Matty Fox for \$12,000,000 (Vol. 11:48), and while the veteran TV film distributor still is said to be favorite to get the package, deal is less certain than it appeared to be last week. Meanwhile, General Teleradio this week announced that "showing of certain selected films in the RKO inventory will begin on TV in Jan. 1956," but added that no plans have been "finalized." Release, obviously aimed at soothing disturbed movie exhibitors, pledged that "disposition of the library to TV would be accomplished in a controlled manner that would simply replace other films already in TV distribution" . . . How TV plugs help movies is illustrated by Nov. 30 *Variety* story

SYLVANIA AWARDS for 1955 were highlighted by these citations: to broadcasting industry as a whole, in recognition of its coverage of the New England-Pennsylvania flood disasters; to White House news secy. James C. Hagerty for opening presidential news conferences to TV; to NBC-TV's *Peter Pan*, as "Show of the Year," performance adjudged "most entertaining to the whole family"; to NBC-TV's Pat Weaver, for "greatest contributions to creative TV techniques"; to Gillette for excellence of sports coverage. Other awards:

Best New TV Series—\$64,000 *Question* (CBS-TV).
 Best Performance by an Actor—Sidney Poitier, in "A Man Is Ten Feet Tall" on *Philco TV Playhouse* (NBC-TV).
 Best Performance by an Actress—Julie Harris, in "Wind from the South" on *U. S. Steel Hour* (CBS-TV).
 Best Performance in Classical Role—Jose Ferrer, for "Cyrano de Bergerac" on *Producers' Showcase* (NBC-TV).
 Best Performance by an Actor in Supporting Role—Ed Begley, for "Patterns" on *Kraft TV Theatre* (NBC-TV).
 Best Performance by an Actress in Supporting Role—Mildred Dunnington, for "A Child Is Born" on *Kraft TV Theatre* (ABC-TV).
 Best Comedy Show—Phil Silvers' *You'll Never Get Rich* (CBS-TV).
 Most Original Teleplay—"A Man Is Ten Feet Tall" on *Philco TV Playhouse* (NBC-TV).
 Best Dramatic Show—"Patterns" on *Kraft TV Theatre* (NBC-TV).
 Variety Entertainment—*Ed Sullivan Show* (CBS-TV).
 Best Musical Series—*Voice of Firestone* (ABC-TV).
 Best Dramatic Series—*Kraft TV Theatre* (NBC-TV).
 Best Documentary—"The Vice Presidency—the Great American Lottery" on *See It Now* (CBS-TV).
 Network Public Service—*The Search* (CBS-TV).
 Local Public Service—*Our Religious Roots* (KPX, San Francisco) and *Dateline Washington* (WDSU-TV, New Orleans).
 Local News and Special Events—WBZ-TV, Boston.
 Network Educational Series—*Omnibus* (CBS-TV).

on recent Disney pictures—all plugged mightily on *Disneyland* (ABC-TV). "Davy Crockett," shown 3 times on TV before release to theatres (and which presumably recouped its entire cost on TV alone) grossed \$2,000,000—extremely high for a "western." Disney's "20,000 Leagues Under the Sea" already has passed \$7,000,000-mark and is still running in theatres. (Only 153 pictures have grossed more than \$4,000,000). "Lady & the Tramp" reaped \$4,000,000 on its first 2500 dates . . . Another moviemaker follows MGM's lead in toning down blurs on its network series (Vol. 11:42): Irving Asher, new gen. mgr. of 20th Century-Fox's TV unit, said this week he's "trying to devise a new formula" for the 9-min. "behind the scenes at the studio" segment of GE-sponsored *20th Century-Fox Hour* (CBS-TV). He said studio will step up TV activities next year, adding 5-7 TV film series to the 2 currently being produced . . . Some 42 half-hour film series which had first runs on networks are now in syndication, according to tabulation in Dec. 3 *Billboard*; list of 2577 films shows MCA-TV has largest collection, with 10 series totaling 642 films . . . Ford Foundation negotiating with CBS-TV Film Sales for syndication of half-hour filmed segments originally shown on *Omnibus*, under tentative title of *Under the Sun* . . . New comedy talent, writing and ideas unearthed by NBC's "comedy development plan" will be given TV exposure on new *KRCA Kapers*, Mon.-thru-Thu. 6:15-6:45 p.m. on network's Los Angeles outlet . . . African safari, in search of zoo animals, will be televised in color on 9 Sun. afternoon telecasts of *Zoo Parade* on NBC-TV beginning Dec. 18; film was shot this summer specially for the show . . . "No TV," says Danny Kaye, denying last week's reports that he's available and negotiating for spectaculars (Vol. 11:48).

NBC-TV Opera Co. has been formed as a road company to present concerts in leading cities in U. S. and eastern Canada starting next fall. Announcement was to be made by chairman David Sarnoff Sun. Dec. 4 on *NBC-TV Opera Theatre*, which will continue its regular schedule. Samuel Chotzinoff, NBC music director, will transpose opera from TV for theatre presentation. Judson, O'Neill & Judd Co. will manage tour under 4-year contract.

Best Local Educational Series—*Your Future Unlimited* (WMCT, Memphis).

Best Network Children's Show—*Mickey Mouse Club* (ABC-TV).

Best Local Children's Show—*Children's Corner* (educational WQED, Pittsburgh).

Best Network Women's Show—*Arlene Francis' Home* (NBC-TV).

Best Commercials—Sanka Coffee, Schweppes Quinine Water and Dow Chemical (Saran Wrap).

Judges were: Deems Taylor, composer & music authority, chairman; Dean Kenneth Bartlett, director of TV-radio center, Syracuse U; Seymour Berkson, publisher of *New York Journal-American*; Gilmore Brown, pres., Pasadena Playhouse; Judge Samuel S. Leibowitz; Leonard Bernstein, conductor & composer; Hon. James A. Farley; Dr. Frank Bradley, past pres., American Hospital Assn.; Jackie Robinson, Brooklyn Dodgers; Dorothy Draper, decorator & designer; Mrs. Roy F. Layton, pres., Girl Scouts of America; Mrs. John E. Hayes, past pres., National Congress of Parents & Teachers.

New low-priced closed-circuit TV package for industrial and commercial use was announced this week by Television Utilities Corp., New Hyde Park, N. Y. Price was not disclosed. Company says it has supplied closed-circuit installations to United Nations, Consolidated Edison, Roosevelt & Yonkers Raceways, U of Michigan, U of Illinois, Michigan State U, Iowa State College, Emerson College (Boston), U of Houston, Navy, Signal Corps, Army Proving Grounds, Army Black Hills Ordnance Depot.

UNIQUE SHARE-TIME UHF application was filed this week when Rochester's WVET-TV & WHEC-TV, already profitably sharing vhf Ch. 10 and CBS & ABC affiliations, asked FCC for Ch. 27. They're the only share-time TV stations still operating of the several once on air. For precedent, stations can point to radios WBAP, Ft. Worth & WFAA, Dallas, which have long shared 820 & 570 kc—only setup of the kind. Rochester stations propose to alternate both time and channels.

Commission final decision on Richmond's Ch. 12 (p. 2) was first since Odessa, Tex. decision of July 15, is regarded as precursor of host of important grants; there are 15 ready for action (for list, see Vol. 11:46). In picking Larus (WRVA)-Thalhimer Theatres over WRNL (*Richmond Times-Dispatch* and *News-Leader*), Commission's decision listed superior proposed programs, past record, experience of principals, local residence, ownership-management integration and diversification of local communications interests. One additional CP was issued, an uncontested Ch. 12 grant to WJMS, Ironwood, Mich., headed by Wm. L. Johnson.

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FCC is questioning CBS's proposed purchase of uhf WGTH-TV, Hartford (Ch. 18), as it did NBC's efforts to buy WKNB-TV, New Britain (Ch. 30), by sending principals a McFarland Letter. Commission says that sales contract appears to violate 3.658(a) of rules (concerning affiliations); that purchase raises questions of concentration of control because CBS would have stations serving 30,000,000 people; that competition may be "substantially restrained" because CBS would own the only Hartford station.

SATELLITE KMVI-TV, Wailuku, Hawaii (Ch. 12) starts programming Dec. 4 after week of test patterns—second "repeater" TV station on Maui island and 459th outlet in U. S. and possessions. It has 5-kw GE transmitter and 6-bay RCA superturnstile antenna atop Haleakala Crater, where it picks up and re-transmits programs of Honolulu's KONA in much same way that satellite KMAU picks up programs of parent KGMB-TV, Honolulu (Vol. 11:16). Neither station has studio on Maui, but KMVI-TV will originate slide commercials with audio, has set base rate of \$27 plus art & photography costs. Owner is semi-weekly *Maui News* (KMVI). Radio staffers functioning for TV are Richard E. Mawson, mgr.; Frank Kovacic, commercial mgr.; George Tam, chief engineer.

CKRS-TV, Jonquiere, Que. (Ch. 12), covering headwaters of Saguenay River area, started Dec. 1 as part of CBC's French-language net after running test patterns previous weekend. It's 32nd outlet in Canada, 24th privately-owned. It has 2-kw RCA transmitter, 250-ft. wavestack antenna. Henry LePage, gen. mgr. of Quebec City's CHRC, is pres., with Tom Burham, ex-CKRS mgr.; Gerard Lemieux, technical director; Jean M. Dugas, program director; Paul Audette, production mgr. Base hour is \$160. Reprs are Adam Young and Jos. A. Hardy & Co.

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In our continuing survey of upcoming new stations, these are latest reports from principals:

KHAD-TV, Laredo, Tex. (Ch. 8) has changed test pattern target to Dec. 15, reports gen. mgr. Shaun Murphy

NBC went to Court of Appeals, meanwhile, over FCC's action in setting its purchase of WBUF-TV, Buffalo (Ch. 17) for hearing on protest of WGR-TV (Ch. 2).

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Allocations changes sought: (1) WEEK-TV, Peoria, asked that Ch. 25 be substituted for its Ch. 43, Ch. 77 replacing Ch. 40 in Galesburg, Ill. Reason for shift, it said, was that lower channels are better and that it would be closer on dial to WTVH-TV's Ch. 19, easing conversion and reception problems. (2) Aaron B. Robinson requested addition of Ch. 11 to St. Joseph, Tenn., Ch. 49 to be substituted for Ch. 11 in Lexington, Tenn.; he said he'd apply if shift were made.

Application for 840-watt Ch. 29 on-channel booster to repeat signals of KIMA-TV, Yakima, Wash. (Ch. 29) was sought this week by Kittitas Valley TV Assn. which proposes to support station in Ellensburg by public subscription. It asked for waiver of rules on directional, monitors and operators. Plant cost is estimated at \$14,830, yearly operating \$6000. Since Commission hasn't finalized proposed booster rules, it's presumed application will be returned.

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An "executive director" of FCC, a top administrator of staff such as several other govt. agencies have, will be appointed if Chairman McConnaughey has his way. At Commission meeting last week, however, he was unable to persuade majority to go along with him. McConnaughey has in mind classifying job Grade 18, paying \$14,800.

Three new FCC attorneys, recently hired: Richard M. Zwolinski, ex-Covington & Burling, Washington firm, to Renewal & Transfer Div.; James E. Faust, ex-private practice in Washington, to Broadcast Facilities Div.; Miss Natalie R. Yaeger, June 1955 graduate of Catholic U, to Broadcast Facilities Div.

for co-owners Hank Avery & David H. Cole. Studio building at Convent & Houston Sts. is ready, 500-watt Gates transmitter is on hand and 8-bay Prodelin antenna, due Dec. 4, is scheduled for installation on Hamilton Hotel roof following day. It has signed with CBS under Extended Market Plan, will be area's second outlet—XEFE-TV (Ch. 11), across border in Nuevo Laredo, having begun as Spanish-language outlet last Sept. (Vol. 11:40). Rep will be Pearson.

CHLT-TV, Sherbrooke, Que. (Ch. 7) plans start late next spring, reports mgr. A. Gauthier. RCA transmitter & antenna have been ordered and station is seeking to lease site in Mont-Orford Provincial Park. Outlet will be about 60 mi. NE of Newport, Vt. Base rate not set. Rep will be Jos. A. Hardy & Co. Ltd.

KAVE-TV, Carlsbad, N. M. (Ch. 6), planning mid-1956 start, has ordered DuMont transmitter, reports gen. mgr. John Battison, whose wife heads group which recently acquired CP and radio KAVE for \$150,000 (Vol. 11:39, 45). Existing 291-ft. tower will be used. Base rate hasn't been set. Rep not chosen.

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CBC Board of Governors Dec. 1 recommended grant of experimental Ch. 10 in Belleville, Ont. to Stewart-Warner Corp. of Canada Ltd., but deferred action on Ch. 2 application for Kamloops, B. C. by Twin Cities Television Ltd. Stewart-Warner wants to use experimental station to test receivers. CBC approved these power increases: CKCW-TV, Moncton, N. B. (Ch. 2), to 25-kw visual, 15-kw aural; upcoming CFCY-TV, Charlottetown, P. E. I. (Ch. 13), due next spring, to start with 38.6-kw visual, 19.3-kw aural, using directional antenna 771-ft. above av. terrain.

FARM TV CENSUS figures released by Census Bureau for 43 states to date show 1,564,470 farms TV-equipped out of total of 4,030,600—penetration of about 38.8%. The Oct.-Nov. 1954 county-by-county figures are yet to be tabulated for Alabama, California, Louisiana, Michigan, Missouri. States tabulated this week were New York, with 72,293 TVs on 105,714 farms (68.4% penetration); Pennsylvania, with 71,369 on 128,876 farms (55.4%); Maryland, with 20,099 on 32,500 farms (61.9%); Kentucky, with 45,926 on 193,487 farms (23.7%); South Carolina, with 24,861 on 124,203 farms (20%).

Interesting sidelight on New York State figures is fact that of New York City's 221 farms, only 81 have TV sets. None of the farms are in Manhattan (New York County), and none of Bronx's 13 farms have TV, though 10 of them are run by operators living on them. The county-by-county figures:

NEW YORK

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Aibany	1,175	780	Oneida	3,281	2,656
Alleghany	2,180	1,235	Onondaga	2,539	2,027
Bronx	13	—	Ontario	2,371	1,878
Broome	2,022	1,622	Orange	2,129	1,586
Cattaraugus	3,040	2,160	Orleans	1,536	1,195
Cayuga	2,491	1,800	Oswego	2,858	2,239
Chautauqua	4,621	3,283	Otsego	2,823	1,711
Chemung	1,090	711	Putnam	220	183
Chenango	2,280	1,494	Queens	83	31
Clinton	1,967	1,055	Rensselaer	1,616	1,202
Columbia	1,440	1,003	Richmond	72	40
Cortland	1,134	888	Rockland	134	115
Delaware	2,865	1,530	St. Lawrence	4,380	1,389
Dutchess	1,310	891	Saratoga	1,768	1,395
Erie	3,963	3,131	Schenectady	448	271
Essex	839	246	Schoharie	1,458	1,103
Franklin	1,771	711	Schuyler	958	560
Fulton	742	526	Seneca	1,089	851
Genesee	1,944	1,500	Steuben	3,219	1,938
Greene	1,098	677	Suffolk	1,464	1,208
Hamilton	32	—	Sullivan	1,450	844
Herkimer	1,719	1,291	Tioga	1,580	1,118
Jefferson	2,978	1,713	Tompkins	1,409	972
Kings	43	10	Ulster	1,915	1,245
Lewis	1,541	927	Warren	580	295
Livingston	1,612	1,170	Washington	2,043	1,373
Madison	2,057	1,474	Wayne	2,913	2,263
Monroe	2,721	2,211	Westchester	555	452
Montgomery	1,296	965	Wyoming	2,063	1,563
Nassau	329	285	Yates	1,224	861
New York	—	—			
Niagara	3,223	2,440	State Total	105,714	72,293

SOUTH CAROLINA

Abbeville	1,774	349	Hampton	1,501	216
Aiken	2,657	752	Horry	6,918	782
Allendale	687	144	Jasper	971	110
Anderson	5,043	1,316	Kershaw	2,233	477
Bamberg	1,239	285	Lancaster	2,119	860
Barnwell	1,353	377	Laurens	2,752	757
Beaufort	1,201	140	Lee	2,339	266
Berkeley	2,965	475	Lexington	2,526	540
Calhoun	1,403	273	McCormick	821	100
Charleston	1,841	422	Marion	2,820	285
Cherokee	2,357	964	Marlboro	2,207	337
Chester	2,036	628	Newberry	2,223	551
Chesterfield	3,240	702	Oconee	2,799	530
Clarendon	3,813	298	Orangeburg	5,237	923
Colleton	2,751	310	Pickens	2,601	593
Darlington	3,887	582	Richland	2,043	494
Dillon	3,001	271	Saluda	1,964	322
Dorchester	1,908	343	Spartanburg	5,547	2,111
Edgefield	1,688	334	Sumter	3,441	392
Fairfield	1,441	302	Union	1,328	506
Florence	6,891	828	Williamsburg	5,875	520
Georgetown	1,593	207	York	3,109	1,133
Greenville	4,520	1,512			
Greenwood	1,540	237	State Total	124,203	24,861

MARYLAND

Allegany	864	348	Howard	881	654
Anne Arundel	1,187	828	Kent	711	566
Baltimore ¹	2,331	1,807	Montgomery	1,455	1,105
Calvert	1,248	752	Prince Georges	1,786	1,329
Caroline	1,396	924	Queen Annes	977	723
Carroll	2,571	1,729	St. Marys	1,443	741
Cecil	1,185	930	Somerset	801	247
Charles	1,440	710	Talbot	747	556
Dorchester	1,027	548	Washington	1,934	1,180
Frederick	2,792	1,903	Wicomico	1,560	593
Garrett	1,438	454	Worcester	1,178	363
Harford	1,548	1,109			
			State Total	32,500	20,099

KENTUCKY

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adair	2,743	240	Larue	1,357	522
Allen	2,252	535	Laurel	3,008	155
Anderson	1,071	430	Lawrence	1,554	653
Ballard	1,133	218	Lee	866	25
Barren	3,822	921	Leslie	1,062	30
Bath	1,324	235	Letcher	1,574	90
Bell	1,034	55	Lewis	1,657	441
Boone	1,306	881	Lincoln	2,241	276
Bourbon	1,530	682	Livingston	912	70
Boyd	646	346	Logan	2,524	853
Boyle	1,132	352	Lyon	695	91
Bracken	1,303	715	McCracken	1,477	225
Breathitt	2,076	111	McCreary	906	50
Breckinridge	2,193	555	McLean	1,026	177
Bullitt	792	445	Madison	2,866	269
Butler	1,490	172	Magoffin	1,718	330
Caldwell	1,289	155	Marion	1,653	668
Calloway	2,292	320	Marshall	1,653	200
Campbell	874	610	Martin	919	265
Carlisle	884	115	Mason	1,448	827
Carroll	822	356	Meade	1,003	631
Carter	2,136	676	Menifee	779	125
Casey	2,772	381	Mercer	1,823	746
Christian	2,160	577	Metcalfe	2,024	245
Clark	1,356	293	Monroe	1,945	361
Clay	2,365	65	Montgomery	1,295	258
Clinton	1,416	101	Morgan	2,074	522
Crittenden	1,157	110	Muhlenberg	1,413	243
Cumberland	1,451	68	Nelson	1,647	726
Daviess	2,481	685	Nicholas	1,345	460
Edmonson	1,362	255	Ohio	2,318	370
Elliott	1,074	245	Oldham	656	354
Estill	1,341	70	Owen	1,668	662
Fayette	1,418	538	Owsley	1,052	20
Fleming	1,993	541	Pendleton	1,568	745
Floyd	2,532	567	Perry	1,625	55
Franklin	1,188	496	Pike	3,913	746
Fulton	940	160	Powell	705	42
Gallatin	525	275	Pulaski	4,126	281
Garrard	1,778	258	Robertson	659	220
Grant	1,602	850	Rockcastle	1,514	85
Graves	3,763	415	Rowan	740	137
Grayson	2,319	397	Russell	1,884	161
Green	2,008	295	Scott	1,573	430
Greenup	1,457	572	Shelby	2,150	1,172
Hancock	835	206	Simpson	1,439	330
Hardin	2,513	1,040	Spencer	966	491
Harlan	944	50	Taylor	1,712	466
Harrison	1,901	941	Todd	1,484	385
Hart	2,577	546	Trigg	1,289	167
Henderson	1,399	458	Trimble	894	540
Henry	1,556	771	Union	895	242
Hickman	983	107	Warren	3,145	831
Hopkins	1,516	170	Washington	1,804	736
Jackson	1,813	90	Wayne	1,682	56
Jefferson	1,742	1,423	Webster	1,326	177
Jessamine	1,187	291	Whitley	1,899	85
Johnson	1,528	406	Wolfe	992	87
Kenton	1,167	920	Woodford	877	345
Knott	1,842	85			
Knox	2,363	71	State Total	193,487	45,926

PENNSYLVANIA

Adams	2,376	1,218	Lackawanna	1,054	642
Allegheny	1,897	1,402	Lancaster	7,951	2,656
Armstrong	2,026	1,257	Lawrence	1,609	1,050
Beaver	1,266	1,045	Lebanon	1,762	805
Bedford	2,570	1,384	Lehigh	1,671	1,253
Berks	4,130	2,643	Luzerne	1,990	997
Blair	1,350	825	Lycoming	2,095	595
Bradford	3,237	2,056	McKean	796	512
Bucks	2,730	2,019	Mercer	3,271	1,705
Butler	3,048	2,097	Mifflin	1,068	397
Cambria	1,542	1,088	Monroe	687	464
Cameron	92	50	Montgomery	2,505	1,799
Carbon	570	379	Montour	553	195
Centre	1,350	738	Northampton	1,858	1,348
Chester	3,383	2,305	Northumb'and	1,855	546
Clarion	1,663	933	Perry	1,612	462
Clearfield	2,017	1,272	Philadelphia	76	36
Clinton	565	250	Pike	335	283
Columbia	1,785	750	Potter	999	458
Crawford	3,590	1,823	Schuylkill	1,802	915
Cumberland	2,325	1,135	Snyder	1,344	290
Dauphin	1,695	658	Somerset	2,861	1,699
Delaware	493	401	Sullivan	462	264
Elk	504	265	Susquehanna	2,144	1,454
Erie	3,318	2,484	Tioga	1,926	958
Fayette	*	*	Union	924	185
Forest	173	90	Venango	1,416	656
Franklin	2,556	836	Warren	1,241	585
Fulton	1,124	401	Washington	3,423	2,352
Greene	2,091	978	Wayne	2,061	1,103
Huntingdon	1,554	707	Westmoreland	3,905	2,774
Indiana	2,691	1,634	Wyoming	1,118	634
Jefferson	1,491	920	York	5,549	3,206
Juniata	1,205	382			
			State Total	128,876	71,369

¹ Includes Baltimore City

* Not available at press time.

STORY BEHIND GE's CONSUMER PRODUCTS SHIFT: Significance of GE's action this week in transferring its TV-radio dept. from electronics div. into a new consumer products group goes beyond a mere organizational realignment. (Details of changes on p. 13).

It's an extension of the "full line" merchandising concept, as practiced by RCA and Westinghouse, among GE's major competitors. Furthermore, it represents a desire by high company brass to give TV the benefit of the same merchandising and promotional push that has put GE white goods close to the top in sales. Finally, it's reflection of confidence that the company can at long last compete successfully with industry leaders in TV merchandising -- a confidence based on GE's admittedly good name in white goods field and apparently stimulated by huge success of its 14-in. portable (at \$99.95 & \$129.95).

There's also possibility that GE tube facilities will give it a running start toward developing and marketing the much-talked-about lightweight TV set with a 120-degree deflection tube (Vol. 11:44-45).

Method of future distribution of GE's TV receivers is still under company study. Roy W. Johnson, exec. v.p. in charge of new consumer products group, said no decision had been reached yet on whether TV would continue to be distributed exclusively through GE Supply Co. or would follow the white goods pattern of "dual distribution" through Gesco, GE Appliances and independent distributors. GE pres. Ralph J. Cordiner is known to favor keeping TV exclusively with Gesco on grounds that it requires "specialized selling."

GE is also expanding "full line" concept on limited basis at retail level. The 400-odd Goodyear tire stores, which together constitute GE's biggest customer, will henceforth carry full line of GE consumer products, instead of just some.

Note: Admiral also announced reorganization this week, creating separate sales divs. for electronic products and home appliances, in move which spokesman said resulted from increase in appliance business. It introduced freezers & ranges in 1953. Two new vice-presidents were elected as result of shifts (see p. 13).

Brief highlights of other major trade developments this week:

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Big Farm Market: Further evidence of the huge and still wide open market for appliances on farms was presented this week by Rural Electrification Administration market study showing farmers expected to spend \$5.34 billion for electrical appliances and equipment in next 5 years, \$11.3 billion in 10 years, \$24 billion in 20. For TV sets, some \$472,000,000 would be spent in 1956-60 -- \$156,000,000 in initial purchases, \$316,000,000 in replacements; in 1961-65, \$579,000,000 would be spent -- \$154,000,000 in initial purchases, \$425,000,000 in replacements. At current average retail price of about \$205, it would be equivalent to some 2,300,000 TV set sales on farms in next 5 years, 2,800,000 in 1961-65. No product breakdowns are given after 1965. Radio sales are expected to total \$105,000,000 in 1956-60, \$102,000,000 in 1961-65. Other appliances: refrigerators, \$535,000,000 & \$523,000,000; washing machines, \$439,000,000 & \$437,000,000; home freezers, \$363,000,000 & \$499,000,000; air conditioners, \$102,000,000 & \$145,000,000; ranges, \$213,000,000 & \$232,000,000. California offers top market for appliances and equipment, with sales expected to reach \$297,000,000 in next 5 years; Tennessee second, \$284,000,000; Iowa, \$278,000,000; Ohio, \$270,000,000; Wisconsin, \$241,000,000.

Consumer Confidence: U of Michigan Survey Research Center's Oct. study, released this week, adds fuel to general belief that consumers feel pretty good about their individual economic outlook in next 12 months. It said 71% of the 2000 families questioned in all sections of nation expect "good times" will continue through next Oct. at least. That figure rises to 82% among consumers with incomes over \$5000.

Only about 15% indicated uncertainty about future, 8% anticipated downward trend. To test strength of their confidence, this question was asked: "Do you happen to know about any unfavorable developments which may make the country's business situation worse?" Only about third of families would name any such development. Among things mentioned were President's illness, upcoming elections, high consumer installment debt. Plans to buy homes, appliances, autos were as numerous as in June. However, many who expressed hopes to buy homes said they are counting on continuation of liberal credit terms. Same is true of plans to make major improvements on their homes.

Consumer Credit: Even as Federal Reserve Board disclosed that consumer credit rose to all-time high of \$26.963 billion as of Oct. 31, FRB chairman Martin told a Senate subcommittee on housing that his agency's objective is to "moderate the inordinate demand for credit with all the tools at our disposal." Recent restrictions on bank credit (Vol.11:48) are one example of this "policy of restraint," he added. He said the demand for credit "is not out of hand yet" but expressed fears that it must be watched closely. "Under prevailing conditions, demands for funds are running far ahead of the supply of savings," he said. "To meet these demands by creating new supplies of money through the commercial banking system with assistance of the Federal Reserve System would invite dangerous inflationary repercussions throughout the entire country." Meanwhile, one top consumer finance official challenged view that the installment-buying public was living beyond its means. E. F. Wonderlic, administrative v.p. of General Finance Corp., addressing annual bank correspondents' conference sponsored by First National Bank of Chicago, said only 1.18% of consumer loans would be defaulted this year for non-payment -- about same rate as 1954, adds: "Only if there is a breakdown of known and accepted practice on the part of lenders will an unexpected flood of unstable credit transactions peril today's prosperity."

Production: TV output dropped to 132,331 in Thanksgiving week ended Nov. 25, compared to 167,137 preceding week and 171,921 week ended Nov. 11. It was year's 47th week and brought output for year to date to about 7,130,000 vs. 6,560,000 units in same 1954 period. Radio production declined to 376,079 (168,422 auto), compared to 438,651 preceding week and 403,488 week before. For 47 weeks, radio production totaled 13,100,000 vs. 9,750,000 in corresponding period in 1954.

BUYING HABITS of the 40,000 residents of "Video-town," Cunningham & Walsh's experimental pilot city of New Brunswick, N. J., are detailed in full text of eighth annual survey released this week and supplementing previously published information (Vol.11:37,42). Among findings:

Set Sales—About 60% of sets sold in 1954 were consoles, less than 33% table models, 5% combinations. [Ed. Note: This is somewhat higher than RETMA's national average for consoles, slightly lower for table models.]

Service Contracts—Some 12% have service contracts, same as in 1954. [This compares to estimated national average of 8%.]

Service Calls—Average repair on TV set is made once in 11 months, and average bill is \$7.83 (\$7.81 for pre-'51 sets), exclusive of service contract cost. [The national average for service call is \$12.50.]

Color—"Buying interest is being stifled by both the original cost of the color set and by the further shock to a potential buyer when he inquires about the cost of repairs." Many dealers aren't sold on color, believe image isn't as clear as black-&-white, are apprehensive about servicing problem—consequently they don't push color.

Copies of report are available from Cunningham & Walsh, 260 Madison Ave., N. Y.

Excise tax collections on TV-radio-phonos totaled \$136,849,000 in fiscal year ended June 30, compared to \$135,435,000 in preceding fiscal year, reports Internal Revenue Service.

"Bargain on a String" is title of unusual 3-p. press release issued this week by Federal Trade Commission condemning "bait advertising" as result of staff interviews with hundreds of victims. Chairman John W. Gwynne commented: "We know that the unscrupulous merchant who advertises 'nailed to the floor' bargains simply to lure customers into buying high-priced products they can't afford, is a menace to the honest business community and to the public." FTC statement said "bait" ads were most prevalent in sale of sewing machines, vacuum cleaners, furniture, electrical appliances and TV-radio sets—plus TV-radio servicing. It lists 5 "warning signs" to alert prospective purchasers: (1) A product priced at a "startlingly" lower figure than in comparable stores. (2) Reluctance by salesmen to show advertised product. (3) Disparagement of advertised product and insistence by salesman on showing more expensive items. (4) Explanations that advertised product is only a "floor sample" and that "long delays" will be encountered in getting others like it. (5) A sell-out of the "bargain" in a suspiciously short time—"but let me show you something else even better."

Dates to remember: U. S. Chamber of Commerce's new publication *Special Days, Weeks & Months, 1956* lists 325 events, holidays & industry self-promotion periods which lend themselves to special advertising campaigns, including National TV & Radio Week, date not set; National TV Servicemen's Week, March 5-10; National Portable Radio Month, June; National Advertising Week, Feb. 19-25. Copies can be procured from Chamber, Washington, D. C.; price 50¢.

Trade Personals: Clifford J. Hunt resigns as v.p.-gen. mgr., Stromberg-Carlson TV-radio div., to become Zenith v.p. & mgr. of distribution, replacing Norman C. Owen, now sales v.p., CBS-Columbia; Stromberg has moved Sidney R. Curtis, v.p.-govt. contracts, into Hunt's former post, with duties of sales mgr. F. Leo Granger and rest of TV-radio staff remaining unchanged . . . Hal Conklin resigns as Admiral gen. sales mgr. . . . Frederick J. Willard, v.p. of Philco International Corp. for Europe-Asia-Africa, transferred from Philadelphia headquarters to London, and elected to boards of Philco (Overseas) Ltd. and Philco (Great Britain) Ltd.; he will assist in expansion of those companies planned under Col. Allan S. Dayton, their managing director . . . Harry A. Ehle promoted from sales-adv. v.p. to exec. v.p., International Resistance Co., engineering v.p. Jesse Marsten moving up to senior v.p. . . . Walter L. Stickel, ex-Hoffman gen. sales mgr., opens rep offices at 1709 W. 8th St., Los Angeles . . . Verne C. Roberts named Raytheon radio sales mgr.; he's succeeded by E. H. Applegate as distributor sales mgr. of Regency div., I.D.E.A. Inc. . . . John M. Englisby, ex-Electronics Corp. of America, named Raytheon asst. district sales & service mgr. for N.Y. area, reporting to district mgr. Donald B. Whittemore . . . Jack T. Miller promoted to asst. production control mgr., DuMont technical products div., succeeding F. Wm. Scharpwinkel, now service mgr. . . . Mourie Housel Jr. transferred from Richmond to Cleveland as Magnavox regional mgr., succeeded by Henry N. Muller Jr. . . . Arthur W. Volck promoted to Crosley-Bendix adv. mgr., replacing Joseph A. Schulte, now asst. merchandising mgr. of Whirlpool-Seeger . . . Lee Cowan, from Philadelphia headquarters, named gen. mgr. of tubemaker Continental Electronics' new branch at 2724 Leonis Blvd., Los Angeles; J. David Peters, ex-Sheldon Electric, named gen. sales mgr. of branch . . . Bruce Vinkemulder, ex-Sangamo Electric, named distributor sales mgr. of Globe-Union's Centralab div. . . . John Upp, ex-Proctor Electric, named Amphenol's TV accessory sales mgr.

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DISTRIBUTOR NOTES: Motorola appoints Copeland Co., 900 E. 5th Ave., Knoxville (E. B. Copeland, pres.), replacing Moore-Handley Hardware Co. Inc., which continues as Motorola outlet in Chattanooga . . . Hoffman Electronics appoints Appliance Merchandisers Inc., Boston; Gautreaux's Electronics Supplies Inc., New Orleans; Stack Electronics Inc., Binghamton, N. Y. . . . Admiral Distributors Inc., San Francisco, names A. J. McGettrick gen. mgr., in addition to duties as mgr. of Los Angeles and San Diego branches; Wm. M. Casey promoted to gen. sales mgr. of San Francisco branch, replacing Edward F. Sweeny, resigned . . . Admiral Distributors-Oklahoma City promotes W. C. Henderson to gen. mgr., replacing C. E. Rogers, resigned . . . CBS-Columbia appoints Irving E. Russell gen. mgr. of Detroit factory branch . . . Hough-Wylie Co., Charlotte (Philco) expands territory to include western N. C., replacing John Mobley Appliances Inc., Asheville . . . Harry Knodel Distributing Co., Cincinnati (Zenith) appoints J. H. Tygrett sales v.p. . . . GE Supply Co. promotes Glenn E. McFarling, Memphis district mgr., to head 8-state region, headquartering in St. Paul . . . L. H. Appliance Wholesalers Inc., 930 Manchester Ave., Pittsburgh, is new TV-radio-appliance distribution outlet formed by Frank H. Stiening, ex-refrigeration mgr. of Hamburg Bros., Pittsburgh (RCA-Whirlpool); lines to be carried will be announced later, said Stiening.

RCA pres. Frank M. Folsom to address NARDA banquet Jan. 16 as feature of annual convention at Chicago's Conrad Hilton Hotel Jan. 15-17.

Kendrick H. Wilson Jr. promoted to Avco financial v.p., Frank S. Larson to treas., succeeding Walter Mogensen, retiring from both positions.

MAJOR REORGANIZATION at GE (see p. 11) transfers TV-radio dept. from electronics div. into new consumer products group headed by exec. v.p. Roy W. Johnson. The electronics div., headed by Dr. W. R. G. Baker, was expanded through addition of industrial electronics lab (Dr. George L. Haller, mgr.), industrial computer section (Wm. J. Morlock, mgr.), and electronics business study headed by Dr. Baker—and the entire division was transferred to new electronic, atomic & defense system group headed by v.p. C. W. La Pierre.

Consumer products group, with headquarters in N. Y., comprises 5 divisions; Appliances & TV receivers, housewares & radio receivers, air conditioners, Hotpoint Co., lamp. Headquarters for appliance & TV receiver div., headed by v.p. Charles K. Rieger, will be in Louisville. TV receiver dept. headquarters and production, however, will continue in Syracuse, under gen. mgr. Herbert Riegelman. Headquarters for housewares and radio receivers, headed by v.p.-gen. mgr. Willard H. Sahloff, will be in Bridgeport, Conn. New radio dept. is headed by Wm. P. Von Behren, from GE management consultant staff, with production continuing at Utica, N. Y. All other appliances are unchanged.

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Admiral's creation of separate sales divisions for home appliances and electronic products (see p. 11) resulted in these changes: George A. Bodem, founder-pres. of Admiral Minneapolis distributor George Spencer Inc., becomes v.p. in charge of electronics div., Chicago, supervising TV-radio & electronic products; James R. Oberly, pres. of Admiral International, assumes additional duties of v.p. in charge of parent company's appliance div., supervising refrigerators, ranges, freezers & air conditioners. Joe Marty Jr. remains as gen. mgr. of electronics div., reporting to Bodem. Both Bodem and Oberly will report to sales v.p. W. C. Johnson, who simultaneously announced that number of regional sales mgrs. would be doubled from 15 to 30 as result of reorganization.

Salary slash of 40-50% was imposed on all Westinghouse elected officers and other key management officials this week by pres. Gwilym Price as result of 7-week IUE strike at 30 plants, including TV-radio factory at Metuchen, N. J. In addition, he said at least 40% of non-striking administrative & technical employes will be furloughed weekly on rotation basis. "With absolutely no progress in negotiations, we can only conclude we are settling down for a long strike," he said. Union is seeking 15¢ hourly wage increase over current average \$2.10.

Panel on servicemen's training will be sponsored by RETMA Dec. 8 as part of annual convention of American Vocational Assn. Dec. 5-9 at Haddon Hall Hotel, Atlantic City, N. J. John Winant, Sprague Electric, will discuss "Industry Requirements for Electronic Technicians." Lawrence Lipp, coordinator of Philadelphia vocational schools, will talk on "RETMA's Course in Advanced Servicing Techniques for TV Service Technicians." Paul M. Zbar, chief RETMA instructor at N. Y. Trade School, will outline contents of new course in basic electronic servicing.

Chris J. Witting, newly named Westinghouse v.p. in charge of consumer products (Vol. 11:46), on Nov. 29 was presented Westinghouse Order of Merit, highest honor bestowed by the company, at dinner of its broadcasting company executives addressed by chairman-pres. Gwilym A. Price; until recently Witting was pres. of the broadcasting subsidiary.

Dr. Alan M. Glover, in charge of transistor operations of RCA tube div., promoted to gen. mgr. of newly formed semi-conductor div., reporting to W. W. Watts, exec. v.p. electronic products. He headquarters at Harrison plant pending completion of new \$3,000,000 plant at Somerville, N. J., due to be occupied by his division in mid-1956.

Topics & Trends of TV Trade: Fill-in TV models, as opposed to full lines, will be the rule at big Chicago winter furniture markets Jan. 9-20, judging from announcements by set manufacturers thus far. Some will show no new models—primarily because the market dates conflict with or precede their own distributor conventions.

RCA, Philco, Admiral, GE, DuMont, Crosley and perhaps Motorola are among companies planning to show some new models at Chicago to "sweeten" their lines. CBS-Columbia, Hallicrafters, Capehart-Farnsworth, Magnavox, Raytheon and strike-bound Westinghouse have not announced plans yet. Only Olympic Radio has disclosed plans for full line. Here is lineup of exhibitors at Chicago:

Merchandise Mart (all on 11th floor)—Admiral, Capehart-Farnsworth, CBS-Columbia, Crosley, GE, Magnavox, Motorola, RCA, Raytheon, Westinghouse, Zenith. American Furniture Mart—Philco, Bendix Radio, Hallicrafters, Sperton. Several others will exhibit at Loop hotels—among them DuMont at Drake and St. Clair, Olympic at Congress, Sentinel at Sheraton.

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Found guilty of coin-TV fraud this week by Chicago Federal Court jury were 7 men identified with Preview TV Corp., United States Sign Corp. and American Institute of TV Manufacturers, all organizations now defunct (Vol. 8:24, 40; 9:39, 41; 11:46). Sentencing was delayed pending Dec. 12 hearing on motions for new trial. Govt. had charged defendants with fraud and conspiracy in \$2,000,000 motel TV swindle involving franchises for "Previewer"-equipped coin-TV sets. Convicted were Wm. F. Robichaud, pres. of American Institute of TV Manufacturers, Washington; Eugene R. Flitcraft, Oak Park, Ill.; and Lyman Jones, D. J. Maxim, Blanchel L. Murrelle, Earl C. Raphael, Milton G. Severinghaus, all of Chicago. Earlier in trial 3 others pleaded guilty—Bruce Hantover, Houston, pres. of Preview TV Corp.; Nathan James Elliott (also known as J. Matt Thompson), pres. of United States Sign Corp.; Edward C. MacReady, Chicago, identified as inventor of "Previewer."

TV set sales by Canadian factories in first 10 months totaled 575,639, production 654,567, reports RETMA of Canada. They compare with 436,701 & 404,186 in first 10 months of 1954. Projected production estimate is for 287,389 more sets in Nov.-Jan. period. Oct. sales totaled 111,295 at average price of \$301, production 114,703. Inventory at end of Oct. was 126,812 vs. 123,404 at start of month. Montreal led in 10-month sales, with 109,918; Toronto, 79,779; British Columbia, 55,407; other Ontario, 50,902; Manitoba, 43,264; Alberta, 38,705; Ottawa & eastern Ontario, 36,326; Quebec City, 34,900; Nova Scotia, 33,357; Hamilton-Niagara, 28,638; New Brunswick & Prince Edward Island, 18,842; Saskatchewan, 16,376; Windsor, 15,079; Newfoundland, 7834; other Quebec, 6312.

RETMA appealed to Federal Trade Commission this week for amendment to 2 trade practice rules on methods of designating TV screen sizes and requirement that picture tubes using repossessed glass be labeled as "used" (Vol. 11:28, 47). RETMA petition said the FTC rule offers "perhaps 20 different methods of measurement" of screens, declared "the resulting confusion would be enormous." It also contended that there is no difference in quality of CR tubes with used and new containers if both have new functional parts. Marking former tubes as "used" would deceive customer into believing they are less desirable, it said.

Assets of Kaye-Halbert Corp., Culver City, Cal., recently adjudicated bankrupt, were sold for \$44,000 this week. Trustees reported \$130,438 in cash at end of Oct., with accounts receivable totaling \$100,000.

Electronics Reports: Immediate action to relieve nickel shortage was sought this week by RETMA pres. H. Leslie Hoffman in letter to Secy. of Commerce Weeks. If more nickel is not made available to electronics industry, he said, "a severe cutback will occur in the production of receiving tubes and of the full range of electronics equipment in which they are incorporated. This in turn will cause the loss of skilled manpower throughout the entire electronics industry, reaching serious proportions some months hence."

Accompanying letter was report outlining industry's nickel requirements and summarizing steps taken to conserve nickel. It estimated tube industry's 1956 nickel requirements at 262,000 lbs. a month, and pointed out that if industry had not put conservation program into effect, monthly requirements would be 600,000 lbs. At week's end, Commerce Dept. had not replied, but a spokesman said RETMA's request was being weighed.

Govt.'s diversion of strategic materials to industry to prevent severe shortages has many precedents. During 1955, Office of Defense Mobilization funneled 23,950,000 lbs. of extra nickel to American industry to help relieve crisis. "If these diversions had not occurred," said Hoffman, "the electronics industry would have suffered more seriously this year from the nickel shortage."

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Hupp Corp., Cleveland holding company, announced this week it has acquired business and assets of Pioneer Electric & Research Corp., Chicago, for 16,000 common shares to be issued by Hupp. Pioneer, which will become Hupp division, is now manufacturing remote control electronic equipment used primarily in teletype communications. Company plans to adapt it to TV program switching, power transmission control, pipeline regulation, railroad signal control and other fields. Earlier this year, Hupp entered electronics field through purchase of electronics business of Brown Allen Chemicals Inc. (crystals, phototubes, transistors, TV components). This month it purchased Typhoon Air Conditioning Co. & Typhoon Prop-R-Temp Corp.

Van Norman Industries is new name approved by stockholders for former Van Norman Co., Springfield, Mass. machine tool manufacturer now diversifying into electronics through purchase of Insuline Corp. of America and Transatron Inc. (Vol. 11:47). Stockholders also voted to increase capitalization to 400,000 shares of convertible preferred stock and 2,000,000 shares of common. Among company's directors is Roger L. Putnam, part owner and pres. of WWLP, Springfield (Ch. 22).

Spencer-Kennedy Labs has completed move into new plant on Soldiers Field Road, Boston, more than doubling its engineering & manufacturing space.

J. E. Harris Jr., Dayton engineering rep of Emerson Research Labs, div. of Emerson Radio, and Joseph D. Shantz, chief electronics engineer, Bell Aircraft Corp., named delegates to Radio Technical Commission for Aeronautics, to which their companies have been newly elected. Their alternates are Dr. Harry Goldberg and John P. Chisholm, respectively.

Dr. S. J. Begun, authority on magnetic recording and v.p.-director of Clevite Research Center, appointed director of marketing for Clevite Corp., succeeding Willard W. Brown, now pres. of company's Clevite Graphic Bronze Div.

M. C. Mack, from Baltimore electronics plant, named mgr. of engineering services, Westinghouse electronic tube div., Elmira, N. Y., reporting to engineering mgr. C. E. Ramich.

Financial & Trade Notes: Apropos our discussion of mergers and acquisitions in TV-radio-electronics fields last week (Vol. 11:48), it leaked out this week that David T. Schultz, Raytheon senior v.p. & treas., has been offered the presidency of Allen B. DuMont Laboratories Inc. In light of previously avowed expansion intentions of the banking interests who engineered recent spinoff of DuMont telecasting from manufacturing operations (Vol. 11:33, 34, 39), it was bruited about that this was prelude to eventual merger of Raytheon-DuMont, especially inasmuch as Schultz is 61 years old. This was supposed to be reason for flurry in Raytheon stock this week; it opened at 16 Mon., closed at 17% Fri. Year's high was 25%, low 13%.

Careful inquiry indicates that Schultz has indeed been offered the job, but there was no substantiation of any merger rumors. Quite the contrary, Raytheon's pres. Charles F. Adams told us flatly, "There's no such prospect, there have been no negotiations." He added: "Maybe it's a gleam in somebody's eye, but it's not a gleam in mine." Said Armand G. Erpf, partner of Carl M. Loeb, Rhoades & Co., who is sparking the changes at DuMont: "No comment."

It's understood Schultz is the choice not only of Chairman DuMont and Mr. Erpf, but also very acceptable to Paramount Pictures Corp., largest single DuMont stockholder (about 26%). Deal offered him is undisclosed, but presumably it includes stock options and possibly better salary than at Raytheon, where last year his remuneration was \$55,650. He is listed as owning 7594 shares of Raytheon common. He's a 1918 chemistry graduate of Cornell, joining Raytheon in 1927 as v.p. & treas. after serving in executive and technical capacities with Atlantic Refining Co. and New England Oil Refining Co. He's a director of Union Market National Bank, Metals & Controls Inc., Spencer Thermostat Co.

Note: With merger-acquisition rumors rampant, it was significant that Stewart-Warner pres. Bennett Archambault told N. Y. Society of Security Analysts this week that his company, which got out of TV-radio manufacture & distribution late last year (Vol. 10:51-52), is planning to acquire other businesses; its electronics div., he said, has backlog of \$40,000,000 in defense orders. Also disclosed this week was fact that Stromberg-Carlson, recently merged into General Dynamics as a div. (Vol. 11:18), is currently making a study of the TV-radio field with avowed purpose of deciding whether it's worthwhile to stay in it. Stromberg meanwhile has authorized TV production through first quarter 1956. Clifford J. Hunt, v.p.-gen. mgr. of Stromberg's TV-radio div., resigned this week to become Zenith v.p. (see Personal Notes).

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Allen B. DuMont Laboratories reports sales during 40 weeks ended Oct. 9 were \$51,964,000, net loss \$2,019,000 (89¢ per share). During corresponding 1954 period, sales were \$67,593,000, net profit after taxes \$612,000 (22¢). The 1954 period included operations of DuMont Network and of highly profitable WDTV, Pittsburgh which was sold early in 1955 to Westinghouse. The 1955 period includes only 10 days of WDTV ownership, though network was in operation until last summer.

Mailed to DuMont stockholders this week were approximately 944,000 shares and scrip of new DuMont Broadcasting Co. common on basis of one for each 2½ shares held in Allen B. DuMont Laboratories Inc. as of Nov. 14. This is in accordance with recently approved spinoff of telecasting from manufacturing (Vol. 11:33, 34, 39). New DBC will have 2,500,000 authorized shares, will shortly make pro rata offer to DBC stockholders in order to acquire \$1,500,000 more capital. Dr. DuMont is chairman; Bernard L. Goodwin, pres.; Ted Cott, v.p.

Among officers' and directors' stock transactions reported during Oct.-Nov. to SEC and to N. Y. & American stock exchanges: Frank M. Folsom bought 100 Whirlpool-Seeger, holds 200; L. W. Teegarden bought 260 RCA, holds 501; Mildred McA. Horton bought 100 RCA, holds 300; Robert E. Kintner sold 620 AB-PT, holds 1900; Julius F. Brauner bought 100 CBS "B", holds 100; Benjamin Abrams bought 2400 Emerson, holds 227,000; Louis G. Pacent Jr. bought 100 Emerson, holds 400; Laurence B. Dodds bought 100 Hazeltine, holds 300; George E. Burens bought 1350 GE, holds 2700; Harold E. Strang bought 2700 GE, holds 5363; R. E. Carlson bought 500 Tung-Sol, holds 1772; Wm. I. Myers bought 100 Avco, holds 500; E. R. Piore bought 100 Avco, holds 100; Harry D. Belock bought 100 Belock Instruments, holds 230,166; Helen Neuschaefer bought 700 Belock, holds 127,628; Thomas F. Hanley bought 1400 Belock, holds 40,126; John D. Stout Jr. bought 100 Consolidated Electronics, holds 100; Harold I. Thorp sold 500 Decca, holds 1000; John Jay Hopkins made gifts of 3940 General Dynamics, holds 58,496; Albus Durham sold 3500 Lear, holds 256; Jack Stadler sold 200 Norden-Ketay, holds 15,400; Y. Frank Freeman bought 200 Paramount, holds 1600; Edward W. Avery bought 500 RKO Theatres, holds 4000; Harold E. Newcomb bought 300 RKO Theatres, holds 2200.

Olympic Radio, which has just changed control and plans new expansion by acquisitions (Vol. 11:47), reports net profit for 9 months ended Sept. 30 totaling \$211,584 (46¢ per share) on sales of \$12,254,574 vs. \$105,215 (24¢) on \$12,939,893 in same 1954 period. There were 453,522 shares outstanding Sept. 30 vs. 431,925 year before. Pres. Morris Sobin said fourth quarter prospects are good since it's usually peak sales period for TVs, radios, phonos.

Zenith Radio earned \$5,004,069 (\$10.16 per share) on sales of \$108,468,108 in first 9 months, compared to \$2,573,954 (\$5.23) on \$90,968,450 in corresponding period of 1954. Third-quarter earnings were \$1,878,008 (\$3.81) on sales of \$37,012,406 vs. \$1,285,708 (\$2.61) on \$34,287,041 in same period year ago. Pres. E. F. McDonald Jr. said TV shipments set records for both periods.

Servomechanisms Inc. earned \$322,120 (42¢ per share) on sales of \$9,019,137 during 9 months ended Sept. 30 vs. \$400,603 (53¢) on \$9,198,480 in same period of 1954. Company states computer market is expected to increase threefold during 1956-57.

Clarostat Mfg. Co. earned \$100,000 (24¢ per share) on sales of \$4,453,000 in first 9 months vs. \$57,000 (14¢) on \$4,000,000 in corresponding 1954 period.

Electronics Corp. of America earned \$295,000 on sales of \$8,549,000 in first 9 months, compared to \$135,700 on \$4,209,000 in same period year ago.

Webster-Chicago was admitted to trading on the Midwest Stock Exchange as of Dec. 1.

* * * *

Dividends: Zenith Radio, 75¢ quarterly and \$2.25 extra payable Dec. 27 to stockholders of record Dec. 9 (making year's total \$5 vs. \$3 in 1954); Radio Condenser, 5¢ plus 4% stock Dec. 30 to holders Dec. 1; Bendix Aviation, 60¢ Dec. 27 to holders Dec. 12 and 5% stock Jan. 21 to holders Dec. 9; Webster-Chicago, 25¢ Dec. 20 to holders Dec. 10; Gabriel Co., 15¢ Dec. 15 to holders Dec. 12; Whirlpool-Seeger, 35¢ Dec. 31 to holders Dec. 16; Arvin Industries, 50¢ Dec. 29 to holders Dec. 12; Belock Instrument, 3% stock Jan. 15 to holders Dec. 15; Standard Radio "A", 15¢ Jan. 10 to holders Dec. 20; Muter Co., 15¢ Dec. 31 to holders Dec. 15; Decca Records, 25¢ Dec. 29 to holders Dec. 15; RCA, 25¢ quarterly plus 50¢ extra Jan. 23 to holders Dec. 16.

Teleprompter Corp.'s proposed new "TV program communications network" (Vol. 11:45) and its so-called "Telemation system" were demonstrated Nov. 28 before some 200 members of New York's Radio-TV Executives Society, including a sprinkling of AT&T executives. Simulating a station-rep-agency setup, it was shown how they could exchange telegraphed messages in a matter of seconds, as against slower TWX methods. Plan is to line up networks, stations, reps & agencies as members of one big semi-automatic communications system of own a la airline & banking services. FCC has ruled it will be classified as common carrier, and Western Union has indicated it will provide the lines and possibly some of the backing. "Telemation system" provides cues and effects via the system, and plan for "packaged national spot advertising" would distribute to stations full copy and cueing devices for local telecasts. Teleprompter chairman Irving B. Kahn said system could be in operation within 6 months after first equipment is installed.

Farm safety awards presented at National Assn. of TV & Radio Farm Directors meeting in Chicago this week went to: KFEQ-TV & KFEQ, St. Joseph, Mo.; WKJG-TV & WKJG, Ft. Wayne; WKY-TV & WKY, Oklahoma City; KOA-TV & KOA, Denver; WRCA-TV & WRCA, N. Y.; WSJS-TV & WSJS, Winston-Salem. Radio-only; KLIK, Jefferson City, Mo.; KMON, Great Falls, Mont.; KOAC, Corvallis, Ore.; KSLM, Salem, Ore.; KTHS, Little Rock; KUOM, St. Paul; KWTO, Springfield, Mo.; WGY, Schenectady; WHAM, Rochester; WHDH, Boston; WHFB, Benton Harbor, Mich.; WHO, Des Moines; WIBC, Indianapolis; WJAG, Norfolk, Neb.; WLS, Chicago; WLW, Cincinnati; WMIX, Mt. Vernon, Ill.; WNAX, Yankton, S. D.; WRFD, Worthington, O. Judges were C. L. Mast, secy-treas., American Agricultural Editors' Assn.; Creston J. Foster, American Farm Bureau Federation; George Menard, farm director, WBBM-TV & WBBM, Chicago; Maynard H. Coe, National Safety Council.

Signs of the TV times: Combined NBC-owned stations jumped their local sales 18% in Oct. over same month year ago, national spot going up 13%, reports v.p. Charles R. Denny. For first 10 months of 1955 local figure was also up 18%, spot up 10%. Biggest increases were registered by WRC-TV, Washington (Carleton Smith v.p.-gen. mgr.) which boosted local 53%, national spot 43%; KRCA, Los Angeles, local up 75%, national spot 18%; radio WRC, local up 32%, national spot 47%. Said KRCA gen. mgr. Tom McCray: "Our commercial time from 6 p.m. to sign-off is completely sold out every night in the week; our total commercial time is 98.8% sold."

"TV has developed more fine creative talent in the past 5 years than the motion picture business has in 40 years of professional existence." So said TV producer Worthington Miner in recent address at U of Southern California. "TV now is also a close competitor to the stage for high dramatic quality," he added. He said TV is welcoming new creative talent, but urged students to "follow some form of specialization" and break into TV at the small-town level rather than New York or Hollywood.

Request of WPFH, Wilmington, Del. that FCC reconsider its assignment of call letters WPHD to Herbert Mayer's Ch. 23 uhf CP in Philadelphia (Vol. 11:15) was turned down this week, Commission stating it believes call letters aren't sufficiently alike to confuse public.

Early fruits of the second program choice (commercial) now available to London public and soon to be extended to rest of Britain: During Oct., British TV licenses (£2, or \$5.60 a year) showed record monthly increase of 194,413 to reach total of 5,078,262.

Mutual Affiliates Advisory Committee meets with network topkicks in Hollywood (Fla.) Hotel, Dec. 6-8.

Theatre business up, too: Stanley Warner Corp., which owns or leases 303 theatres, in fiscal year ended Aug. 27 earned consolidated net profit of \$3,065,800 (\$1.39 a share), increase of 73% over \$1,770,100 (80¢) of preceding year. Theatre admissions, merchandise sales and other income went up to \$92,410,500 from \$66,447,800. Firm has been buying own common stock in open market, reports acquiring 278,300 shares (of the 2,474,271 issued) at average cost of \$14.72. No breakdown is furnished for International Latex Corp., wholly owned subsidiary acquired in April 1954, but its operations are reflected in 1955 accounts.

Columbia Pictures Corp. v.p.-treas. A. Schneider, in reporting this week that year's earnings would reach new high despite third quarter drop to \$899,000 (81¢ a share) from \$1,349,000 (\$1.24) year ago, revealed that its TV subsidiary would account for \$11,000,000 in sales this year as against \$6,000,000 last year.

Universal Pictures this week declared extra dividend of 25¢ on common, along with regular quarterly of 25¢, both payable Dec. 22 to stockholders of record Dec. 12.

* * * *

Inexpensive color commercials of "live" products and opaques are possible, RCA reports, with new, simple 3-lens attachment to 3-V film camera. Big advantage, RCA engineers say, is that many live commercials can be presented without use of expensive studio camera. It's so easy to build, they say, that many station engineers are making it themselves. It gives excellent depth of focus, high fidelity, avoids problems and delays involved in making transparencies. It can be used to demonstrate products on stage about 2x3-ft.; brightness level required produces too much heat for performers, though hands of demonstrators may be put under lights without trouble. Device will be available within 3 months.

Colorcast football finally hit its stride in Nov. 26 Army-Navy game on NBC-TV—with generally excellent results despite sunlight-shadow contrasts—a vast improvement over previous colorcast football games and World Series. And color again demonstrated it's a natural for costume musicals, NBC-TV's Nov. 26 "Dearest Enemy" being regarded by many as finest color yet presented. Excellent use of color on film was NBC-TV's *Assignment India*, presented originally on Thanksgiving Day & scheduled for repeat Christmas Day 4:30-5:30 p.m.

Grade B telefilms on way out? *Variety* reports CBS-TV's top echelon has agreed only 'A' TV movies—"real hits"—can make money, after 2-day conference between chairman Wm. S. Paley, pres. Frank Stanton, TV div. pres. J. L. Van Volkenburg, network program v.p. Hubbell Robinson and Desi Arnaz, pres. of Desilu Productions (CBS film partner). Said Arnaz: "We all agreed 'B' products won't make a dime on TV and that all future programs should be designed as 'A' product."

Filmed TV commercials are overwhelmingly preferred to live by networks and stations, recent poll by *Billboard's* TV Editorial Advisory Board reveals, and almost 66% expect no change in preference with advent of full-scale color. Survey—which included ad agencies & sponsors—found majority cited lower film costs, ease of handling and less chance of error as reasons for favoring film.

British legislators who are also TV-radio commentators are still barred from discussing any issue on the air for 14 days prior to its debate in Parliament. Move to repeal regulation was defeated this week by 271-126 vote.

New remote control pre-selector for TV studio lighting, permitting selection of 10 different pre-set arrangements, is being marketed by Century Lighting Inc., 521 W. 43d St., N. Y.

Color Trends & Briefs: Ticked pink with color is gen. mgr. Victor Giles of New York's Governor Clinton Hotel, who installed RCA 21-in. color sets in 50 rooms last Oct. (Vol. 11:39), expects to buy 50 more soon and eventually to have color sets in all 1200 rooms.

"We've had requests from all over the country for our 'rainbow rooms,' as we call them," he told us. "They're all booked in advance and we can't fill the requirements." Enthusiastically he declared that he "could have used 250" color-equipped rooms on Saturdays during football colorcasts.

Besides added number of guests, he said room service had shot up about 55% in the "rainbow rooms," 35% of the calls being for liquor. "They come in from out of town, and just sit in the rooms and watch TV. We had a couple last week end who tore up 2 tickets to *Damn Yankees* just to watch a spectacular. Some people just sit and watch black-&-white shows in hopes that some color will come on. And they all invite friends to come up and watch with them."

He said hotel has had "no trouble whatever" with the color sets and that "reception is better than black-&-white." All bellboys are instructed in tuning the sets and they tell the guests which knobs to touch and which not to touch. Once the sets are tuned, said Giles, they stay tuned.

Sets were installed by Wells Television Inc., which handles RCA hotel installations in New York. Hotel doesn't charge extra for color sets, has them in higher priced rooms, black-&-white sets in nearly all other rooms.

Owner of Governor Clinton Hotel, Fields Management Co. (Leo A. Fields), has also installed color sets in all public rooms of its Biscayne Terrace Hotel in Miami and has ordered them for public rooms of its Bancroft Hotel in Worcester and Commander in Cambridge, Mass.

"I am a color enthusiast and am bullish about its future," said FCC Chairman McConnaughey in his Sylvania Awards speech Nov. 29 (see p. 6). "It makes a picture look sharper and more life-like and will open up to TV whole new areas of programming and in attracting business. When, you will ask, will I be able to buy a color set at a reasonable price. With the admonition that as a prognosticator I have been 100% right about 10% of the time, I will venture to say that prices will start to come down as production goes up. Now I know that this is not sticking my neck way out—the history of every new development shows declining unit costs as volume expands. I really believe, however, that this next year will witness significant beginnings in volume production of color receivers and usher in an era where the color set will be as commonplace in the home as black-&-white is now."

Political candidates may buy color TV time during next election, impelling *New York Times* to observe that "color TV school credits will be a prerequisite for the electoral college next year." According to Wm. A. Berns, news & special events chief of WRCA-TV & WRCA, N. Y., the station is starting special classes for politicians on what to wear and how to make up for color.

Color TV success story, as reported by Ed Westphal, owner of Tick-Tock Tavern, Davenport, Ia., to mgr. L. A. Baumgartner, RCA Victor Distributing Co. there: "Color TV is great! I operate a tavern and serve food a short way out of town. I feel I will get my money's worth out of personal enjoyment of wonderful color."

"Color TV is our business" is slogan employed by Electronic Specialty Co., Muskegon, Mich., which puts tag line in all promotion, including stamp on mail and checks.

Color equipment order: WNDU-TV, South Bend, Ind., RCA 3-V film camera.

Network Color Schedules (Dec. 5-31, 1955)

- Dec. 5—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 6—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 CBS: *Red Skelton Show*, 9:30-10 p.m.
 Dec. 7—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 8—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 CBS: *Climax*, "The Passport," starring Frank Lovejoy and Katy Jurado, 8:30-9:30 p.m.
 Dec. 9—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 10—CBS: *Gene Autry Show*, 7-7:30 p.m.
 Dec. 12—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.; *Producers' Showcase*, "The Sleeping Beauty," starring Margot Fonteyn and Sadler's Wells Ballet, 8-9:30 p.m.
 Dec. 13—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 CBS: *Red Skelton Show*, 9:30-10 p.m.
 Dec. 14—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 15—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 CBS: *Shower of Stars*, "A Christmas Carol," starring Fredric March, Basil Rathbone, 8:30-9:30 p.m.
 Dec. 16—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 17—CBS: *Gene Autry Show*, 7-7:30 p.m.; *Ford Star Jubilee*, "I Hear America Singing," starring Eddie Fisher, Debbie Reynolds, Red Skelton, Nat "King" Cole, Ella Fitzgerald, 9:30-11 p.m.
 Dec. 18—NBC: *Zoo Parade*, 3:30-4 p.m.
 Dec. 19—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 20—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.; *Milton Berle Show*, 8-9 p.m.
 CBS: *Red Skelton Show*, 9:30-10 p.m.
 Dec. 21—NBC: *Howdy Doody*, 5:30-6 p.m.
 Dec. 22—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 CBS: *Climax*, 8:30-9:30 p.m.
 Dec. 23—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 24—CBS: *Gene Autry Show*, 7-7:30 p.m.
 NBC: *Max Liebman Presents*, "Babes in Toyland," starring Dennis Day, Dave Garroway, Wally Cox, Jack E. Leonard, Bambi Linn, Rod Alexander, Bil & Cora Baird puppets, 9-10:30 p.m.
 Dec. 25—NBC: *Zoo Parade*, 3:30-4 p.m.; *Assignment India*, 4:30-5:30 p.m.
 Dec. 26—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 27—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 CBS: *Red Skelton Show*, 9:30-10 p.m.
 Dec. 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 29—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 30—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 31—CBS: *Gene Autry Show*, 7-7:30 p.m.

Servicing a color set is not as difficult as some think, even though circuitry and parts are somewhat different—and a black-&-white repairman can readily become proficient at it. This is the position of RCA Service Co.'s commercial service dept., headed by Conrad C. Odden, which is planning expansion of its 22-man field staff in order to assist more independent service men. Thus far, 107 workshop sessions in various cities have resulted in the training of 2515 service men in color, with 97 color clinics attended by 8015 technicians. RCA has distributed 140,000 of its color TV books—*Practical Color Television* and *Television Service Tips*.

To help hypo color—and also to dispose of its model 205C2 color sets listing at \$895—CBS-Columbia authorized its dealers in N. Y. metropolitan area this week to allow full purchase price of customers' old black-&-white receivers, up to \$400, against purchase of its color set, a 19-in. model with 44 tubes. Said sales v.p. Norman C. Owen: "We are making this unprecedented move to stimulate over-all interest in the color medium, to help create excitement about color TV in the minds of the public, and to establish an increasing audience in the metropolitan area for the ambitious color program schedule spearheaded by CBS-TV."

Film and slide commercials are being colorcast at no extra cost this month on WWJ-TV, Detroit, in order to encourage local sponsors and agencies to experiment with use of 16mm film and 35mm slides. Local originations are *Colorland*, Mon.-thru-Fri. 1-1:15 p.m.; *Adventure Ho!* Sun. 11 a.m.-noon.

Philadelphia's famed Mummers' Parade Jan. 2, sponsored by supermarket chain, will be televised in color for first time on WCAU-TV (CBS), first color sponsorship in Philadelphia history.

PUBLISHER Samuel I. Newhouse's \$18,700,000 purchase of Birmingham News Co. this week, —biggest newspaper deal in history, rivaled only by Cyrus Curtis' 1930 purchase of *Philadelphia Inquirer* for \$18,000,000—included acquisition of WABT (Ch. 13), affiliated with ABC & NBC, and radio WAPI (10-kw D, 5-kw N, 1070 kc, NBC) whose lease from 3 Alabama universities still has about 13 years to run.

Both stations were acquired by *Birmingham News* interests in June, 1953 from banker Edward L. Norton (75%) and broadcaster Thad Holt (25%) for total of \$2,400,000 (Vol. 9:15, 24). About half that sum is still owed Norton & Holt, which, with other obligations of the newspaper company, means the Newhouse purchase price includes assumption of about \$2,200,000 liabilities.

Deal was second this week involving TV stations—other being \$1,000,000 cash sale of WRDW-TV, Augusta, Ga. (Ch. 12), CBS affiliate, with radio WRDW (5-kw, 1480 kc, CBS) to Southeastern Newspapers Inc., publishers of *Augusta Chronicle* and *Herald*. Actual purchase price was about \$600,000, inasmuch as buyers assume \$400,000 liabilities.

W. S. Morris is pres. of Southeastern Newspapers, and he revealed plans to put Pat H. Rice Jr., the newspaper's gen. mgr., in asgen. mgr. of the TV & radio stations, now managed by James W. Hicks and W. Ray Ringson, respectively. Sellers, each owning 20%, are Grover C. Maxwell, pres.; Allen M. Woodall, exec. v.p. (who also owns 25% of and manages WDAK-TV, Columbus, Ga. and owns radio WDAK outright); Mr. Ringson, secy.-treas.; F. Frederick Kennedy, v.p.; Harry W. Jernigan, v.p. Transfer papers are expected to be filed next week.

Big Birmingham deal was handled by broker Allen Kander. It brings under Newhouse ownership the *Birmingham News* (circ. 190,000), state's biggest daily; *Huntsville* (Ala.) *Times* (circ. 20,000); radio WHBS, Huntsville (5-kw D, 500-w N, 1550 kc, ABC); Mercury Express Inc., truck carrier that distributes *Birmingham News* and *Birmingham Post-Herald*, latter owned by Scripps-Howard but printed and circulated jointly under contract.

The Victor Hanson Trust, in selling the Birmingham properties, ends 45 years of family ownership, but in line with Newhouse policy of local autonomy the same management will be retained at newspapers and stations. That includes Henry P. Johnston, nephew of the late Mr. Hanson, who manages the stations. However, he probably will work henceforth in close collaboration with E. R. (Curly) Vadeboncoeur, gen. mgr. of Newhouse's 100% owned WSyr-TV & WSyr, Syracuse, who is his chief advisor on TV-radio.

Third TV station owned outright by Newhouse interests is WTPA, Harrisburg, Pa. (Ch. 71), where Newhouse publishes *Harrisburg Patriot and News*. Early this year, when he bought *St. Louis Globe Democrat* for \$6,250,000 cash (Vol. 11:13), Newhouse acquired with it 23% interest in KWK-TV (Ch. 4) with radio KWK, St. Louis. In 1950, he bought the *Portland Oregonian* for \$5,000,000, and in 1953 he exercised option to acquire 50% interest in KOIN-TV, Portland, Ore. (Ch. 6), along with KOIN, after selling out *Oregonian's* holdings in KGW.

Newhouse also owns a chain of newspapers in New York and New Jersey (for complete list, see WSyr-TV listing, *TV Factbook No. 21*, p. 156.)

Note: Newspaper interests now represent full or part ownership of some 135 out of the 459 TV stations on the air, or approximately 30%. (For list of newspaper ownerships to July 1, 1955 see *TV Factbook No. 21*, pp. 55-56.)

Big league baseball telecasts, perennial whipping-boy of minor leagues in the financial struggle, may end up as their best friend if Brooklyn Dodgers' pres. Walter O'Malley has his way. O'Malley, who stirred up hornets' nest early in year by saying he favored putting Dodgers' games on subscription TV (Vol. 11:19), proposed nationwide broadcast of "TV Game of the Week" at meeting of minors in Columbus this week. Plan would drop estimated \$1,500,000 into minor league "kitty" each year, to be doled out to clubs needing financial aid, also would split another \$1,500,000 between selected group of teams in both major leagues. O'Malley said individual big league teams—selected on basis of fan interest from each league—would make own contracts with sponsors for nation-wide TV coverage one night each week of 26-week season. "Game of the Week" wouldn't interfere with regularly scheduled local telecasts, he said, and could be sold for about \$3,000,000 a year, half of which would go to minors. Proposal was referred to minor league committee for study. Meanwhile, annual move to ban all TV-radio broadcasts of major league games in minors' territory was knocked down again at meeting, but big leagues were put on notice that unless differences on issue can be worked out, minors would refuse to renew pact with them next year.

If President Eisenhower runs again, his campaign appearances will be almost 100% on TV instead of time-honored "whistle-stop" personal tours, according to GOP national chairman Leonard Hall. He told Chicago press conference this week that, while the President would have to make a few trips, a TV campaign would strain him far less. TV has "revolutionized" presidential campaigning, he said, and video appearances are best best way to meet people "face to face" in their living rooms. With large portion of \$2,000,000 TV-radio budget already committed by BBDO in advance time purchases (Vol. 11:45), GOP headquarters revealed plans to hit hard, quick and often with hundreds of 1-min. & 5-min. spots at end of choice network shows, rather than to rely on relatively few 15 or 30-min. speeches. Democrats are still shopping around for ad agency, say they hope to appoint one within month. Big agencies are said to be wary of taking on Democrats' campaign for fear of alienating Republican clients.

FCC members got pilot's-eye view of tall TV towers Nov. 29 when Air Force took them on unusual flying junket to Dayton and back. The commissioners (except McConnaughey & Bartley) were flown out "to see what the towers look like from the air," according to Comr. Lee, co-chairman of Joint Industry-Govt. Tall Structure Committee. Air Force has opposed high towers, but modified its stand in recent agreement on new tall-tower criteria (Vol. 11:36, 38, 41); yet it has filed opposition to several pending applications for tall towers. Towers observed by commissioners included those of WSAZ-TV, Huntington, W. Va. (1069-ft.) and WHIO-TV, Dayton (1096-ft.).

Close tabs on private microwaves are being kept by FCC, which asked WEAU-TV, Eau Claire, Wis., at license renewal time, whether AT&T service is now available. Commission has long had rule-making pending to give stations more leeway in using their own facilities in preference to AT&T's (Vol. 10:38, et seq.). In meantime, FCC hasn't forced any station to abandon its own microwave—and stations are fighting to keep them, on grounds they're far cheaper than phone company service.

WOR-FM resumed operations from Empire State Bldg. Dec. 2 after 2-year hiatus, mgr. Gordon Gray stating that resumption stemmed from public demand which is based on hi-fi enthusiasm and AM interference.

Sidney Hillman Foundation's \$500 award for outstanding contributions by TV-radio has set Feb. 1 as deadline for entries, which should be sent to 15 Union Sq., N. Y.

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Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — December 10, 1955

35.5% OF FARMS HAD TV in late 1954, Govt. reports; 1,699,162 TVs on 4,782,395 farms shown in complete county-by-county tabulation (p. 1 & Special Report).

WEAVER GETS 15-YEAR CONTRACT as Robert Sarnoff becomes NBC president; harmonious Chicago affiliates convention told billings are up (pp. 2 & 5).

FCC ALLOCATIONS POLICY shaken as Court of Appeals stays effectiveness of vhf drop-in; possibility of blocking vhf decisions increases (p. 2).

LAMB IS INNOCENT—not subversive, but naive—FCC examiner rules in decision which could help Commission get off the hook in lengthy "red" case (p. 3).

FILMS-TO-TV SUIT lost by Govt. as court rules major movie makers are acting legally in refusing to release features to TV and other "competitors" (p. 4).

SYLVANIA AWARD JUDGES praise TV's improvement in creative output, new spectaculars and children's programs, rap "slapstick" and "canned laughter" (p. 9).

KLEW-TV, LEWISTON, Ida. is 460th station on air, third of projected 4-station setup, with satellites, by owners of KIMA-TV, Yakima, Wash. (p. 10).

MERCHANDISING "GIMMICKS" mark fill-in models. Some product failures reported. Whirlpool head defends "full lines." Phono record probe launched (p. 11).

RCA COLOR SET AT \$695 being introduced, along with 2 new models at \$995 each; big production increase slated. Sylvania starts own output in April (p. 13).

CROSLY-BENDIX & RETMA executives foresee good 1956—Gifford urging "big ticket" sales be pushed, Secrest forecasting another good TV-radio sales year (p. 14).

TEN-YEAR FORECASTS by electronics' leaders: RCA's Folsom sees \$17 billion industry; Sylvania's Mitchell sees \$5.2 billion in distribution & servicing (p. 15).

NEW ELECTRONICS INVESTMENT fund reports additions to portfolio since July 1, lists present holdings; investments totaled \$9,318,268 as of Oct. 1 (p. 16).

FAITH IN COLOR is theme of NBC pres. Robert Sarnoff's address to affiliates, disclosing plans for network and owned stations, lenticular film, etc. (p. 17).

ALL TV NETWORKS hit all-time highs in Oct., with combined 10-month billings already exceeding whole of 1954, auguring \$400,000,000-plus year (p. 18).

FARM POPULATION—TV's TOUGHEST MARKET: Nearly two-thirds of America's farms were still without TV in Oct.-Nov. 1954, according to U.S. Census Bureau's just-released farm TV penetration figures, compiled as part of its 1954 Census of Agriculture. County-by-county tables, completed this week and published in full as Special Report herewith, tell this story: Total farms, 4,782,395; farms with TV, 1,699,162; farms without TV, 3,083,233; TV penetration, 35.5%.

The new farm TV figures are based on 20% sample -- largest ever used in any nationwide TV survey -- and the tables should prove valuable guide for receiver manufacturers, distributors and dealers as well as station operators, reps & agencies.

Farm market is TV's toughest nut to crack -- for obvious reasons. Accepting CBS Research's recent estimate that TV signals are available to 97% of population, TV to many farms means expensive tower and antenna installations -- often to pick up only one fair-to-middling signal.

States with highest farm TV penetration were New Jersey (82.9%), Rhode Island (76.3%), Massachusetts (68.9%), Connecticut (68.7%), New York (68.4%). Those with the lowest were Wyoming (7.6%), Nevada (8.8%), Montana (9%). By regions, the Middle Atlantic states led U.S. with 63.1% penetration. Next were East-North-Central with 54.6%, New England 52.2%, Pacific states 47.8%, West-North-Central 34.7%, South Atlantic 28.2%, West-South-Central 27.5%, Mountain 24.4%, East-South-Central 20%.

This week's Special Report includes table of state farm TV totals with percentages of penetration, and Census Bureau's table of U.S. population shifts since 1950. Most of the individual state farm TV census tables were previously published in Television Digest -- we have brought them to you weekly since last July -- or as soon as they were tabulated (Vol. 11:28-49). Completed this week, and printed for the first time in our Special Report, are the county-by-county lists for Alabama, California, Louisiana, Michigan, Missouri.

NBC TOP-LEVEL SHIFTS; CONVENTION QUIET: Everything was peaches-&-cream at the NBC-TV affiliates convention in Chicago this week, with exception of some grumbling on part of optionals that they aren't getting enough of network TV's huge current upsurge in business. Closed meetings in Drake Hotel Thu. & Fri. were largely in nature of stock-taking with top executives of network, were mostly concerned with "family affairs."

But it was a week of big events at NBC itself, for preliminary to convention the NBC board promoted pres. Pat Weaver to chairman, exec. v.p. Bob Sarnoff to pres. (see p. 5) -- and on Dec. 7 there was the sad news that one of the industry's technical stalwarts, v.p.-chief engineer Bob Shelby, had died suddenly of heart attack.

Plans and prospects of color TV had an important place on the agenda, but the usual spokesman for color, Brig. Gen. David Sarnoff, who relinquished his NBC chairmanship to Weaver while elevating his son to the presidency, left the telling to his son (p. 17). Gen. Sarnoff went to the Chicago meeting Fri., as he related it, to set at rest rumors that Weaver's new title means he's been "kicked upstairs."

Quite the contrary, he told the affiliates, the new Weaver contract is "for a longer period of time than he can retain his slim figure." The team of "Pat & Bob" remains intact, and he cited as another example of effective network teamwork the Paley-Stanton combination at CBS. It's learned the Weaver contract runs 15 years, longest ever given any network executive. On the administrative side, too, it's now clear that young Sarnoff's right-hand man -- in fact, acting as No. 2 administrative chief of the network quietly and without fanfare for some time -- is David Adams, whose title is staff v.p. Whether he's due to become exec. v.p. hasn't been disclosed. (For further report on Chicago meeting, see p. 5.)

COURT RULING HITS FCC ALLOCATIONS POLICY: FCC this week sustained a major setback in its policy on allocations and deintermixture when Court of Appeals issued an order staying effectiveness of its Ch. 10 drop-in for Vail Mills (Albany). Ruling came on Dec. 9 on plea of WMGT, Adams, Mass. (Ch. 19) and off-air WTRI, Albany (Ch. 35) after court heard argument Dec. 8. WMGT won stay, WTRI's request being rejected. Court didn't give reason for granting stay to WMGT. It did say that current general rule-making shouldn't be held up. In turning down WTRI, it ruled that no possibility of "irreparable injury" had been shown.

Effects of court ruling may go further than Vail Mills case. It may mean that court is ready to block construction of vhf grants as fast as FCC issues them in areas where deintermixture petitions have been denied -- Madison, Fresno, Peoria, Hartford, Corpus Christi, etc. On other hand, attorneys for vhf applicants argue that a drop-in is quite different from situation in cities where vhf channels have been assigned from the start; that uhf operators in those markets may have a much tougher job convincing court Commission is wrong. In any event, ruling bolsters uhf operators' arguments, perhaps considerably.

Decision came after FCC had actually issued vhf decision in one of the contested areas -- giving Ch. 6 to KRIS, Corpus Christi, turning down efforts of uhf KVDO-TV (Ch. 22) to block grant. Actually, though Commission hasn't announced them, decisions were rendered Dec. 7 granting Madison's Ch. 3 to WISC, Fresno's Ch. 12 to KFRE, as anticipated (Vol. 11:49). These 2 have been held up for changes in wording and for the addition of dissenters' opinions. It's understood that Comrs. Doerfer, Mack & Webster favored KFRE, Comrs. McConnaughey & Lee for KARM -- with Comrs. Hyde & Bartley saying no grant should be issued; in Madison, vote is said to have had McConnaughey, Doerfer, Webster, Lee & Mack for WISC, Bartley saying neither applicant is qualified because of concentration of media ownership, Hyde stating that no grant should be issued pending allocations rule-making.

In Corpus Christi case, which was announced, Hyde & Bartley dissented, stating merely: "We dissent because of the failure of the Commission to dispose of the deintermixture petition on its merits prior to action upon the application."

Text of Hyde's dissent from drop-in of Ch. 9 in Elmira, N.Y. (Vol. 11:49) was released this week. He said, in part: "The majority is apparently willing to further aggravate the intermixture problem by piecemeal additions, but unwilling even to consider corrective action on the same basis."

County-by-County Tables

Television Sets on Farms in the United States

Compiled by U.S. Bureau of the Census for 1954 Census of Agriculture
As of October-November 1954

Total Farm Data Based on Actual Count, TV Figures on 20% Sample

(For Table of U. S. Population Shifts, 1950-54, see page 3)

STATE TOTALS AND PERCENTAGE OF PENETRATION

State	Total Farms	Farms with TV	% TV Penetration	State	Total Farms	Farms with TV	% TV Penetration
Alabama	176,956	32,261	18.2%	Nevada	2,857	250	8.8%
Arizona	9,321	3,809	40.9	New Hampshire	10,411	5,475	52.6
Arkansas	145,075	29,400	20.3	New Jersey	22,686	18,798	82.9
California	123,074	70,897	57.6	New Mexico	21,070	3,648	17.3
Colorado	40,749	11,101	27.2	New York	105,714	72,293	68.4
Connecticut	12,753	8,759	68.7	North Carolina	267,906	70,560	26.3
Delaware	6,297	3,785	60.1	North Dakota	61,939	11,178	18.0
Florida	57,543	13,477	23.4	Ohio	177,074	115,363	65.1
Georgia	165,524	45,720	27.6	Oklahoma	118,979	41,695	35.0
Idaho	38,735	11,404	29.4	Oregon	54,442	15,933	29.3
Illinois	175,543	91,538	52.1	Pennsylvania	128,876	71,369	55.4
Indiana	153,593	91,282	59.4	Rhode Island	2,004	1,529	76.3
Iowa	192,933	105,809	54.8	South Carolina	124,203	24,861	20.0
Kansas	120,167	34,004	28.3	South Dakota	62,520	10,600	17.0
Kentucky	193,487	45,926	23.7	Tennessee	203,149	50,123	24.7
Louisiana	111,127	22,510	20.3	Texas	292,946	90,323	30.8
Maine	23,368	8,921	38.2	Utah	22,825	9,795	42.9
Maryland	32,500	20,099	61.8	Vermont	15,981	6,068	38.0
Massachusetts	17,361	11,968	68.9	Virginia	136,416	43,693	32.0
Michigan	138,922	77,716	55.9	Washington	65,175	29,172	44.8
Minnesota	165,225	55,045	33.3	West Virginia	68,583	20,007	29.2
Mississippi	215,915	29,514	13.7	Wisconsin	153,558	60,333	39.3
Missouri	201,614	63,650	31.6	Wyoming	11,392	870	7.6
Montana	33,059	2,970	9.0				
Nebraska	100,846	33,661	33.4	U. S. Total	4,782,395	1,699,162	35.5%

FARM TV CENSUS BY STATES AND COUNTIES

ALABAMA			ARIZONA			ARKANSAS		
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Autauga	1,519	218	Apache	233	5	Arkansas	1,661	606
Baldwin	2,534	731	Cochise	904	87	Ashley	2,135	319
Barbour	2,494	159	Coconino	216	5	Baxter	809	52
Bibb	1,117	307	Gila	251	20	Benton	4,492	696
Blount	3,682	1,315	Graham	417	31	Boone	1,769	353
Bullock	1,634	79	Greenlee	158	1	Bradley	1,092	151
Butler	2,161	99	Maricopa	3,502	2,475			
Calhoun	1,996	753	Mojave	145	—			
Chambers	2,177	433	Navajo	456	—			
Cherokee	2,141	662	Pima	641	379			
Chilton	2,785	761	Pinal	1,047	445			
Choctaw	2,344	194	Santa Cruz	173	29			
Clarke	2,525	143	Yavapai	609	48			
Clay	1,967	395	Yuma	569	284			
Cleburne	1,391	545						
Coffee	2,773	101	State Total	176,956	32,261			
Colbert	1,837	217						
Conecuh	2,338	161						
Coosa	1,380	358						
Covington	3,098	197						
Crenshaw	1,983	92						
Cullman	6,291	2,583						
Dale	1,611	81						
Dallas	4,124	320						
DeKalb	6,136	1,131						
Elmore	2,728	476						
Escambia	1,723	158						
Etowah	3,169	1,004						
Fayette	2,089	382						
Franklin	2,418	363						
Geneva	2,292	127						

ARKANSAS—(continued)

County	Total Farms	Farms with TV
Lee	3,230	592
Lincoln	2,031	319
Little River	936	207
Logan	1,944	178
Lonoke	2,992	857
Madison	1,918	120
Marion	993	63
Miller	1,543	418
Mississippi	5,812	2,274
Monroe	1,885	198
Montgomery	931	40
Nevada	1,420	298
Newton	1,261	46
Ouachita	1,360	214
Perry	670	77
Phillips	3,895	697
Pike	924	109
Poinsett	3,399	1,389
Polk	1,536	145
Pope	1,753	199
Prairie	1,332	345
Pulaski	2,584	900
Randolph	1,558	284
St. Francis	3,689	786
Salline	1,176	312
Scott	1,102	45
Searcy	1,322	62
Sebastian	1,610	289
Sevier	1,124	183
Sharp	1,156	63
Stone	1,068	87
Union	1,763	313
Van Buren	1,358	264
Washington	4,094	580
White	3,470	680
Woodruff	1,910	306
Yell	1,465	145
State Total	145,075	29,400

CALIFORNIA

Alameda	1,428	1,019
Alpine	13	--
Amador	307	100
Butte	2,843	1,404
Calaveras	430	159
Colusa	746	365
Contra Costa	1,812	1,122
Del Norte	210	20
El Dorado	552	227
Fresno	9,776	5,998
Glenn	1,538	714
Humboldt	1,659	654
Imperial	1,633	669
Inyo	94	9
Kern	2,304	1,437
Kings	1,845	1,060
Lake	1,038	281
Lassen	397	7
Los Angeles	8,254	6,478
Madera	1,806	1,047
Marin	501	332
Mariposa	299	65
Mendocino	1,586	277
Merced	4,073	2,044
Modoc	740	16
Mono	43	1
Monterey	1,598	894
Napa	1,576	961
Nevada	471	239
Orange	4,593	3,449
Placer	1,583	808
Plumas	151	10
Riverside	4,906	3,123
Sacramento	3,397	1,915
San Benito	880	474
San Bernardino	5,475	3,718
San Diego	6,478	4,216
San Francisco	40	20
San Joaquin	5,437	3,103
San Luis Obispo	1,848	912
San Mateo	484	322
Santa Barbara	1,374	795
Santa Clara	4,953	3,596
Santa Cruz	1,578	659
Shasta	1,079	253
Sierra	66	1
Siskiyou	970	76
Solano	1,229	765
Sonoma	5,831	3,410
Stanislaus	6,629	3,427
Sutter	1,787	960
Tehama	1,707	725
Trinity	215	16
Tulare	6,633	4,032
Tuolumne	352	136
Ventura	1,856	1,381

County	Total Farms	Farms with TV
Yolo	1,158	624
Yuba	804	372
State Total	123,074	70,897

COLORADO

Adams	1,286	843
Alamosa	398	19
Arapahoe	674	390
Archuleta	225	1
Baca	934	41
Bent	575	66
Boulder	990	625
Chaffee	199	34
Cheyenne	434	16
Clear Creek	14	6
Conejos	732	53
Costilla	380	12
Crowley	442	155
Custer	171	33
Delta	1,416	94
Denver	107	66
Dolores	203	--
Douglas	350	152
Eagle	179	3
Elbert	733	300
El Paso	897	328
Fremont	833	245
Garfield	677	7
Gilpin	17	7
Grand	191	20
Gunnison	221	--
Hinsdale	40	--
Huerfano	353	34
Jackson	112	18
Jefferson	1,171	752
Kiowa	443	57
Kit Carson	1,085	16
Lake	17	2
La Plata	833	24
Larimer	1,521	913
Las Animas	818	49
Lincoln	656	160
Logan	1,327	206
Mesa	2,443	414
Mineral	20	--
Moffat	329	1
Montezuma	941	20
Montrose	1,316	90
Morgan	1,370	745
Otero	955	293
Ouray	118	1
Park	159	12
Phillips	560	35
Pitkin	82	--
Prowers	904	21
Pueblo	1,037	564
Rio Blanco	228	--
Rio Grande	534	--
Routt	531	13
Saguache	302	9
San Juan	0	--
San Miguel	112	10
Sedgwick	417	16
Summit	36	1
Teller	95	11
Washington	1,162	262
Weld	4,087	2,773
Yuma	1,307	63
State Total	40,749	11,101

CONNECTICUT

Fairfield	1,104	779
Hartford	2,628	1,817
Litchfield	1,618	1,097
Middlesex	835	537
New Haven	1,626	1,307
New London	1,932	1,219
Tolland	1,322	909
Windham	1,688	1,094
State Total	12,753	8,759

DELAWARE

Kent	1,938	1,145
New Castle	1,130	906
Sussex	3,229	1,734
State Total	6,297	3,785

FLORIDA

Alachua	1,610	411
Baker	390	180
Bay	264	92
Bradford	617	205
Brevard	1,017	256
Broward	408	197
Calhoun	523	52
Charlotte	148	29
Citrus	278	14
Clay	188	94
Collier	116	21

County	Total Farms	Farms with TV
Columbia	987	269
Dade	1,527	900
De Soto	505	63
Dixie	214	23
Duval	475	326
Escambia	1,334	413
Flagler	100	73
Franklin	36	2
Gadsden	1,024	70
Gilchrist	369	62
Glades	103	22
Gulf	98	15
Hamilton	747	140
Hardee	1,114	99
Hendry	188	28
Hernando	387	42
Highlands	583	163
Hillsborough	4,492	1,458
Holmes	1,481	79
Indian River	683	98
Jackson	2,997	149
Jefferson	924	68
Lafayette	483	73
Lake	2,920	820
Lee	458	144
Leon	910	92
Levy	498	78
Liberty	285	6
Madison	1,104	102
Manatee	804	258
Marion	1,853	357
Martin	186	56
Monroe	11	--
Nassau	205	88
Okaloosa	863	81
Okeechobee	242	52
Orange	2,726	991
Osceola	527	195
Palm Beach	874	309
Pasco	1,036	317
Pinellas	758	315
Polk	4,020	828
Putnam	622	252
St. Johns	350	197
St. Lucie	735	168
Santa Rosa	1,202	212
Sarasota	349	68
Seminole	789	324
Sumter	761	117
Suwannee	1,705	299
Taylor	323	38
Union	385	77
Volusia	1,173	283
Wakulla	242	2
Walton	1,214	108
Washington	1,003	57
State Total	57,543	13,477

GEORGIA

Appling	1,403	185
Atkinson	584	90
Bacon	986	144
Baker	751	90
Baldwin	464	119
Banks	981	293
Barrow	1,138	506
Bartow	1,519	789
Ben Hill	654	82
Berrien	1,445	210
Bibb	779	402
Bleckley	712	136
Brantley	671	209
Brooks	1,703	120
Bryan	404	92
Bulloch	2,490	334
Burke	1,654	244
Butts	720	246
Calhoun	690	66
Camden	278	98
Candler	908	109
Carroll	3,155	1,541
Catoosa	833	325
Chatlton	192	80
Chatham	496	191
Chattahoochee	52	7
Chattooga	1,098	392
Cherokee	1,646	935
Clarke	495	234
Clay	567	99
Clayton	804	644
Clinch	209	46
Cobb	1,987	1,356
Coffee	1,979	211
Colquitt	2,678	359
Columbia	736	219
Cook	1,137	152
Coweta	1,501	532
Crawford	568	111
Crisp	917	186
Dade	606	164

County	Total Farms	Farms with TV
Dawson	605	330
Decatur	1,306	72
De Kalb	1,048	721
Dodge	1,533	211
Dooley	1,256	186
Dougherty	534	128
Douglas	890	407
Early	1,638	120
Echols	209	5
Effingham	806	181
Elbert	1,525	427
Emanuel	1,601	271
Evans	609	77
Fannin	1,068	215
Fayette	850	348
Floyd	1,558	770
Forsyth	1,735	1,077
Franklin	1,713	507
Fulton	2,127	1,223
Gilmer	968	238
Glascok	425	76
Glynn	223	45
Gordon	1,579	577
Grady	1,648	122
Greene	947	203
Gwinnett	2,659	1,567
Habersham	1,207	353
Hall	2,277	1,154
Hancock	1,130	141
Haralson	1,129	508
Harris	837	230
Hart	1,857	546
Heard	911	275
Henry	1,508	755
Houston	625	210
Irwin	1,308	235
Jackson	1,676	693
Jasper	571	187
Jeff Davis	941	113
Jefferson	1,230	198
Jenkins	914	185
Johnson	957	138
Jones	483	188
Lamar	639	289
Lanier	490	44
Laurens	2,472	491
Lee	587	62
Liberty	607	94
Lincoln	684	154
Long	331	52
Lowndes	1,521	232
Lumpkin	893	242
McDuffie	826	246
McIntosh	186	33
Macon	991	194
Madison	1,545	474
Marion	650	81
Meriwether	1,573	478
Miller	1,118	35
Mitchell	1,777	198
Monroe	702	273
Montgomery	745	46
Morgan	1,104	407
Murray	1,023	353
Muscogee	350	125
Newton	984	472
Oconee	818	339
Oglethorpe	1,201	235
Paulding	1,149	644
Peach	316	101
Pickens	765	300
Pierce	1,287	336
Pike	875	348
Polk	1,253	493
Pulaski	684	114
Putnam	535	154
Quitman	249	23
Rabun	628	75
Randolph	1,016	102
Richmond	478	247
Rockdale	636	328
Schley	401	79
Screven	1,687	290
Seminole	687	21
Spalding	748	401
Stephens	835	200
Stewart	587	62
Sumter	1,235	273
Talbot	623	138
Talferro	448	65
Tattnall	1,578	178
Taylor	818	140
Telfair	1,061	81
Terrell	1,226	122
Thomas	1,655	166
Tift	1,287	137
Toombs	1,220	144
Towns	658	115
Treutlen	613	48
Troup	1,337	479
Turner	870	141

U. S. POPULATION SHIFTS: 1950-54

NEW ENGLAND			%
State	1954	1950	chge.
Maine	890,000	913,774	- 2.6
New Hampshire	550,000	533,242	+ 3.2
Vermont	377,000	377,747	- 0.3
Massachusetts	4,924,000	4,690,514	+ 5.0
Rhode Island	837,000	791,896	+ 5.7
Connecticut	2,185,000	2,007,280	+ 8.8

MIDDLE ATLANTIC			%
State	1954	1950	chge.
New York	15,826,000	14,830,192	+ 6.7
New Jersey	5,303,000	4,835,329	+ 9.7
Pennsylvania	10,984,000	10,498,012	+ 4.6

EAST NORTH CENTRAL			%
State	1954	1950	chge.
Ohio	8,720,000	7,946,627	+ 9.7
Indiana	4,235,000	3,934,224	+ 7.7
Illinois	9,193,000	8,712,176	+ 5.5
Michigan	7,028,000	6,371,766	+10.3
Wisconsin	3,628,000	3,434,575	+ 5.6

WEST NORTH CENTRAL			%
State	1954	1950	chge.
Minnesota	3,132,000	2,982,483	+ 5.0
Iowa	2,665,000	2,621,073	+ 1.7
Missouri	4,076,000	3,954,653	+ 3.1
North Dakota	635,000	619,636	+ 2.5
South Dakota	672,000	652,740	+ 2.9
Nebraska	1,366,000	1,325,510	+ 3.1
Kansas	2,023,000	1,905,299	+ 6.2

SOUTH ATLANTIC			%
State	1954	1950	chge.
Delaware	371,000	318,085	+16.7
Maryland	2,601,000	2,343,001	+11.0
District of Columbia	849,000	802,178	+ 5.9
Virginia	3,560,000	3,318,680	+ 7.3
West Virginia	1,990,000	2,005,552	- 0.8
North Carolina	4,225,000	4,061,929	+ 4.0
South Carolina	2,270,000	2,117,027	+ 7.2
Georgia	3,606,000	3,444,578	+ 4.7
Florida	3,300,000	2,771,305	+19.1

EAST SOUTH CENTRAL			%
State	1954	1950	chge.
Kentucky	2,978,000	2,944,806	+ 1.1
Tennessee	3,362,000	3,291,718	+ 2.1
Alabama	3,001,000	3,061,743	- 2.0
Mississippi	2,126,000	2,178,914	- 2.4

WEST SOUTH CENTRAL			%
State	1954	1950	chge.
Arkansas	1,798,000	1,909,511	- 5.8
Louisiana	2,882,000	2,683,516	+ 7.4
Oklahoma	2,174,000	2,233,351	- 2.7
Texas	8,479,000	7,711,194	+10.0

MOUNTAIN			%
State	1954	1950	chge.
Montana	619,000	591,024	+ 4.8
Idaho	598,000	588,637	+ 1.5
Wyoming	298,000	290,529	+ 2.4
Colorado	1,499,000	1,325,089	+13.1
New Mexico	778,000	681,187	+14.2
Arizona	928,000	749,587	+23.8
Utah	762,000	688,862	+10.6
Nevada	210,000	160,083	+31.0

PACIFIC			%
State	1954	1950	chge.
Washington	2,531,000	2,378,963	+ 6.4
Oregon	1,640,000	1,521,341	+ 7.8
California	12,500,000	10,586,223	+18.1

TERRITORIES			%
Territory	1954	1950	chge.
Alaska	208,000	128,643	+62.0
Hawaii	522,000	499,794	+ 4.4
Puerto Rico	2,229,000	2,210,703	+ 0.8
Canal Zone	53,800	52,822	+ 1.8
Virgin Islands	24,000	26,665	-10.0
Total	161,183,000	150,697,361	+ 7.0

Note: Including armed forces overseas, total as of July 1, 1954 was 162,409,000.

GEORGIA—(continued)		
County	Total Farms	Farms with TV
Twigg	630	99
Union	1,004	157
Upson	812	368
Walker	1,710	538
Walton	1,834	1,002
Ware	972	388
Warren	883	122
Washington	1,640	219
Wayne	949	205
Webster	476	48
Wheeler	719	38
White	839	291
Whitfield	1,534	746
Wilcox	1,035	152
Wilkes	1,140	251
Wilkinson	601	125
Worth	2,153	238
State Total	165,524	45,720

IDAHO		
County	Total Farms	Farms with TV
Ada	2,007	879
Adams	283	38
Bannock	873	267
Bear Lake	759	73
Benewah	440	109
Bingham	2,160	840
Blaine	320	55
Boise	142	33
Bonner	1,150	373
Bonneville	1,482	684
Boundary	596	128
Butte	271	67
Camas	131	12
Canyon	4,183	1,725
Caribou	578	145
Cassia	1,225	296
Clark	67	42
Clearwater	386	62
Custer	290	54
Elmore	407	94
Franklin	1,098	403
Freemont	891	372
Gem	916	241
Gooding	1,038	49
Idaho	1,090	79
Jefferson	1,247	588
Jerome	1,122	135
Kootenai	1,324	494

County	Total Farms	Farms with TV
Latah	1,309	445
Lemhi	491	4
Lewis	391	78
Lincoln	413	73
Madison	902	413
Minidoka	1,067	208
Nez Perce	938	158
Oneida	485	246
Owyhee	744	310
Payette	1,113	387
Power	397	154
Shoshone	168	41
Teton	447	102
Twin Falls	2,406	279
Valley	206	47
Washington	776	124
State Total	38,735	11,404

ILLINOIS		
County	Total Farms	Farms with TV
Adams	2,733	1,556
Alexander	594	130
Bond	1,364	761
Boone	1,048	672
Brown	840	312
Bureau	2,735	1,807
Calhoun	823	452
Carroll	1,508	1,096
Cass	955	425
Champaign	2,847	1,948
Christian	2,111	1,189
Clark	1,791	754
Clay	1,652	366
Clinton	1,572	881
Coles	1,665	750
Cook	2,272	1,803
Crawford	1,515	622
Cumberland	1,455	471
DeKalb	2,010	1,446
De Witt	1,160	721
Douglas	1,304	670
Du Page	1,039	829
Edgar	1,787	979
Edwards	918	171
Effingham	1,819	380
Fayette	2,443	869
Ford	1,323	861
Franklin	1,627	567
Fulton	2,528	1,196
Gallatin	673	183

County	Total Farms	Farms with TV
Greene	1,390	895
Grundy	1,104	856
Hamilton	1,481	246
Hancock	2,583	1,315
Hardin	527	41
Henderson	909	671
Henry	2,844	2,456
Iroquois	3,094	1,729
Jackson	1,726	649
Jasper	1,879	351
Jefferson	2,507	786
Jersey	1,102	773
Jo Davless	1,853	826
Johnson	1,086	106
Kane	1,879	1,706
Kankakee	2,108	1,529
Kendall	1,029	756
Knox	2,334	1,653
Lake	1,293	1,044
LaSalle	3,487	1,917
Lawrence	1,092	398
Lee	2,247	1,347
Livingston	3,098	1,528
Logan	1,765	843
McDonough	1,907	940
McHenry	2,059	1,626
McLean	3,505	1,954
Macon	1,911	1,313
Macoupin	2,865	1,848
Madison	2,695	1,618
Marion	2,181	845
Marshall	1,111	480
Mason	1,133	535
Massac	873	146
Menard	820	283
Mercer	1,784	1,424
Monroe	1,312	728
Montgomery	2,365	1,295
Morgan	1,560	812
Moultrie	1,149	552
Ogle	2,430	1,251
Peoria	1,981	1,081
Perry	1,301	422
Platt	1,140	812
Pike	2,214	1,150
Pope	757	52
Pulaski	794	145
Putnam	437	165
Randolph	1,743	873
Richland	1,346	210

County	Total Farms	Farms with TV
Rock Island	1,607	1,301
St. Clair	2,288	1,394
Salline	1,563	581
Sangamon	2,503	1,285
Schuyler	1,212	551
Scott	677	325
Shelby	2,743	912
Stark	874	590
Stephenson	2,387	1,145
Tazewell	1,882	944
Union	1,245	245
Vermillion	2,577	1,633
Wabash	721	207
Warren	1,620	1,130
Washington	1,786	654
Wayne	2,545	273
White	1,446	283
Whiteside	2,430	1,802
Will	2,607	2,067
Williamson	1,319	412
Winnebago	1,876	1,199
Woodford	1,734	757
State Total	175,543	91,538

INDIANA		
County	Total Farms	Farms with TV
Adams	1,928	675
Allen	3,195	1,810
Bartholomew	1,565	1,021
Benton	1,094	722
Blackford	858	450
Boone	2,182	1,741
Brown	612	365
Carroll	1,645	876
Cass	1,974	842
Clark	1,751	1,300
Clay	1,738	1,075
Clinton	1,891	1,441
Crawford	1,177	466
Davless	2,003	888
Dearborn	1,616	1,095
Decatur	1,609	1,076
DeKalb	1,829	1,175
Delaware	1,946	1,456
Dubois	1,706	396
Elkhart	2,853	1,001
Fayette	798	601
Floyd	1,016	721
Fountain	1,316	784
Franklin	1,732	960

INDIANA—(continued)

County	Total Farms	Farms with TV	County	Total Farms	Farms with TV	County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Fulton	1,788	892	Decatur	1,561	412	Douglas	1,435	831	Breathitt	2,076	111
Gibson	1,916	588	Delaware	2,177	1,030	Edwards	583	174	Breckinridge	2,193	555
Grant	1,998	1,320	Des Moines	1,394	817	Elk	848	140	Bullitt	792	445
Greene	2,099	1,175	Dickinson	1,204	318	Ellis	1,065	131	Butler	1,490	172
Hamilton	2,001	1,639	Dubuque	2,042	981	Ellsworth	858	248	Caldwell	1,289	155
Hancock	1,510	1,095	Emmet	1,199	396	Finney	726	33	Calloway	2,292	320
Harrison	2,392	1,386	Fayette	2,818	1,195	Ford	1,299	167	Campbell	874	610
Hendricks	2,142	1,691	Floyd	1,766	716	Franklin	1,696	789	Carlisle	884	115
Henry	2,203	1,656	Franklin	2,076	1,306	Geary	552	82	Carroll	822	356
Howard	1,676	1,235	Fremont	1,321	1,118	Gove	644	34	Carter	2,136	676
Huntington	1,990	995	Greene	1,914	1,461	Graham	741	51	Casey	2,772	381
Jackson	1,966	945	Grundy	1,765	1,066	Grant	248	5	Christian	2,160	577
Jasper	1,617	1,129	Guthrie	2,045	1,193	Gray	672	50	Clark	1,356	293
Jay	2,022	900	Hamilton	2,046	1,518	Grayley	267	8	Clay	2,365	65
Jefferson	1,813	1,086	Hancock	1,974	835	Greenwood	1,148	133	Clinton	1,416	101
Jennings	1,554	748	Hardin	2,021	1,391	Hamilton	406	7	Crittenden	1,157	110
Johnson	1,373	1,111	Harrison	2,152	1,609	Harper	1,217	491	Cumberland	1,451	68
Knox	1,888	1,149	Henry	1,703	875	Harvey	1,368	450	Davless	2,481	685
Kosciusko	2,598	1,187	Howard	1,661	435	Haskell	306	16	Edmonson	1,362	255
Lagrange	1,710	581	Humboldt	1,410	910	Hodgeman	587	98	Elliott	1,074	245
Lake	1,706	1,433	Ida	1,403	996	Jackson	1,727	737	Estill	1,341	70
La Porte	2,166	1,673	Iowa	1,939	1,165	Jefferson	1,585	817	Fayette	1,418	538
Lawrence	1,741	1,034	Jackson	1,992	1,235	Jewell	1,553	170	Fleming	1,993	541
Madison	2,297	1,912	Jasper	2,696	1,802	Johnson	1,342	949	Floyd	2,532	567
Marion	1,786	1,448	Jefferson	1,601	555	Kearny	318	20	Franklin	1,188	496
Marshall	2,357	1,342	Johnson	2,244	1,238	Kingman	1,320	497	Fulton	940	160
Martin	764	316	Jones	1,959	1,272	Kiowa	506	71	Gallatin	525	275
Miami	1,589	897	Keokuk	2,140	1,077	LaBette	2,048	734	Garrard	1,778	258
Monroe	1,558	1,114	Kossuth	3,070	1,226	Lane	362	53	Grant	1,602	850
Montgomery	2,031	1,596	Lee	1,751	781	Leavenworth	1,748	992	Graves	3,763	415
Morgan	1,509	1,145	Linn	3,133	2,152	Lincoln	1,015	163	Grayson	2,319	397
Newton	907	639	Louisa	1,119	858	Linn	1,377	616	Green	2,008	295
Noble	1,989	980	Lucas	1,345	593	Logan	345	5	Greenup	1,457	572
Ohio	416	285	Lyon	1,878	740	Lyon	1,835	290	Hancock	835	206
Orange	1,558	735	Madison	1,857	1,131	McPherson	2,123	684	Hardin	2,513	1,040
Owen	1,380	811	Mahaska	2,320	746	Marion	1,928	457	Harlan	944	50
Parke	1,469	864	Marion	2,106	1,071	Marshall	2,083	348	Harrison	1,901	941
Perry	1,074	341	Marshall	2,151	1,755	Meade	638	45	Hart	2,577	546
Pike	1,056	365	Mills	1,209	936	Miami	1,845	872	Henderson	1,399	458
Porter	1,597	1,336	Mitchell	1,658	758	Mitchell	1,057	157	Henry	1,556	771
Posey	1,383	521	Monona	1,825	1,314	Montgomery	2,045	714	Hickman	983	107
Pulaski	1,493	902	Monroe	1,317	436	Morris	1,067	216	Hopkins	1,516	170
Putnam	1,962	1,305	Montgomery	1,397	967	Morton	347	6	Jackson	1,813	90
Randolph	2,271	1,240	Muscataine	1,713	1,362	Nemaha	1,800	436	Jefferson	1,742	1,423
Ripley	2,278	1,205	O'Brien	1,948	1,030	Neosho	1,759	498	Jessamine	1,187	291
Rush	1,582	1,265	Osceola	1,268	451	Norton	993	200	Johnson	1,528	406
St. Joseph	1,938	1,402	Page	1,824	1,110	Ness	885	141	Kenton	1,167	920
Scott	926	512	Palo Alto	1,833	475	Osage	1,691	661	Knott	1,842	85
Shelby	1,874	1,587	Plymouth	2,722	1,887	Osborne	1,011	107	Knox	2,363	71
Spencer	1,615	478	Pocahontas	1,907	770	Ottawa	1,042	348	Larue	1,357	522
Starke	1,275	850	Polk	2,329	1,788	Pawnee	814	287	Laurel	3,008	155
Steuben	1,316	760	Pottawattamie	3,330	2,610	Phillips	1,196	200	Lawrence	1,554	653
Sullivan	1,963	1,199	Poweshiek	1,991	1,157	Pottawatamie	1,520	413	Lee	866	25
Switzerland	1,234	655	Ringgold	1,544	584	Pratt	860	425	Leslie	1,062	30
Tippecanoe	1,829	1,062	Sac	1,894	1,125	Rawlins	813	21	Letcher	1,574	90
Tipton	1,284	923	Scott	2,030	1,590	Reno	2,712	1,072	Lewis	1,657	441
Union	634	501	Shelby	1,978	1,427	Republic	1,705	192	Lincoln	2,241	276
Vanderburgh	1,193	451	Sioux	2,842	1,151	Rice	1,155	594	Livingston	912	70
Vermillion	808	491	Story	2,123	1,663	Riley	1,044	189	Logan	2,524	853
Vigo	1,911	1,175	Tama	2,537	1,446	Rooks	965	197	Lyon	695	91
Wabash	1,881	1,050	Taylor	1,839	912	Rush	972	216	McCracken	1,477	225
Warren	987	488	Union	1,376	489	Russell	941	194	McCreary	906	50
Warrick	1,312	322	Van Buren	1,532	491	Saline	1,212	437	McLean	1,026	177
Washington	2,156	1,250	Wapello	1,610	516	Scott	479	24	Madison	2,866	269
Wayne	1,783	1,206	Warren	2,081	1,305	Sedgwick	2,158	1,036	Magoffin	1,718	330
Wells	2,134	1,020	Washington	2,057	1,110	Seward	380	12	Marion	1,653	668
White	1,615	756	Wayne	1,618	386	Shawnee	1,720	900	Marshall	1,653	200
Whitley	1,716	995	Webster	2,463	1,806	Sheridan	770	54	Martin	919	265
			Winnebago	1,629	685	Sherman	573	6	Mason	1,448	827
			Winneshiek	2,580	615	Smith	1,372	151	Meade	1,003	631
			Woodbury	2,784	1,930	Stafford	1,050	444	Menifee	779	125
			Worth	1,463	632	Stanton	282	14	Mercer	1,823	746
			Wright	1,855	1,256	Stevens	436	25	Metcalfe	2,024	245
						Sumner	2,190	977	Monroe	1,945	361
State Total	153,593	91,282				Thomas	731	47	Montgomery	1,295	258
						Trego	796	117	Morgan	2,074	522
						Wabaunsee	1,114	325	Muhlenberg	1,413	243
						Wallace	327	4	Nelson	1,647	726
						Washington	2,026	304	Nicholas	1,345	460
						Wichita	366	11	Ohio	2,318	370
						Wilson	1,317	278	Oldham	656	354
						Woodson	815	121	Owen	1,668	662
						Wyandotte	1,009	715	Owsley	1,052	20
									Pendleton	1,568	745
									Perry	1,625	55
									Pike	3,913	746
									Powell	705	42
									Pulaski	4,126	281
									Roberts	659	280
									Rockcastle	1,514	85
									Rowan	740	137
									Russell	1,884	161
									Scott	1,573	430
									Shelby	2,150	1,172
									Simpson	1,439	330
									Spencer	966	491
									Taylor	1,712	466
									Todd	1,484	385
									Trigg	1,289	167
									Trimble	894	540

KENTUCKY—(continued)		
County	Total Farms	Farms with TV
Unlon	895	242
Warren	3,145	831
Washington	1,804	736
Wayne	1,682	56
Webster	1,326	177
Whitley	1,899	85
Wolfe	992	87
Woodford	877	345
State Total	193,487	45,926

LOUISIANA		
Parish	Total Farms	Farms with TV
Acadia	3,310	379
Allen	1,160	121
Ascension	1,283	459
Assumption	313	131
Avoyelles	4,467	514
Beauregard	1,262	169
Bienville	1,673	265
Bossier	2,020	553
Caddo	2,771	557
Calcasieu	1,296	441
Caldwell	1,089	335
Cameron	649	192
Catahoula	1,578	242
Clabourne	2,167	367
Concordia	1,189	169
DeSoto	2,575	282
E. Baton R'ge	1,704	972
East Carroll	1,715	424
East Feliciana	1,460	181
Evangeline	3,226	256
Franklin	4,171	1,117
Grant	1,322	200
Iberla	1,002	179
Iberville	572	234
Jackson	1,058	248
Jefferson	218	141
Jeffson Davis	1,207	392
Lafayette	2,928	275
Lafourche	736	388
La Salle	775	95
Lincoln	1,586	425
Livingston	2,585	1,058
Madison	1,418	365
Morehouse	2,610	452
Natchitoches	3,169	327
Orleans	40	10
Ouachita	1,500	410
Flaquemines	594	277
Pointe Coupee	1,917	362
Rapides	3,665	506
Red River	1,551	151
Richland	3,144	645
Sabine	1,757	87
St. Bernard	153	83
St. Charles	161	104
St. Helena	1,534	299
St. James	413	174
St. John	141	56
St. Landry	6,700	454
St. Martin	2,198	98
St. Mary	417	168
St. Tammany	1,405	552
Tangipahoa	3,998	1,502
Tensas	1,341	201
Terrebonne	658	334
Union	2,131	492
Vermilion	2,661	411
Vernon	1,723	147
Washington	2,950	860
Webster	1,673	253
W. Baton R'ge	414	109
West Carroll	2,255	669
West Feliciana	648	57
Winn	1,134	136
State Total	111,127	22,510

MAINE		
County	Total Farms	Farms with TV
Androscoggin	1,009	490
Aroostook	3,940	354
Cumberland	1,749	966
Franklin	968	242
Hancock	1,252	565
Kennebec	2,132	994
Knox	806	305
Lincoln	975	497
Oxford	1,392	501
Penobscot	2,219	1,109
Piscataquis	530	257
Somerset	1,878	679
Sagadahoc	368	202
Waldo	1,553	677
Washington	1,120	273
York	1,477	810
State Total	23,368	8,921

MARYLAND		
County	Total Farms	Farms with TV
Allegany	864	348
Anne Arundel	1,187	828
Baltimore	2,331	1,807
Calvert	1,248	752
Caroline	1,396	924
Carroll	2,571	1,729
Cecil	1,185	930
Charles	1,440	710
Dorchester	1,027	548
Frederick	2,792	1,903
Garrett	1,438	454
Harford	1,548	1,109
Howard	881	654
Kent	711	566
Montgomery	1,455	1,105
Prince Georges	1,786	1,329
Queen Anne	977	723
St. Marys	1,443	741
Somerset	801	247
Talbot	747	556
Washington	1,934	1,180
Wicomico	1,560	593
Worcester	1,178	363
State Total	32,500	20,099

MASSACHUSETTS		
County	Total Farms	Farms with TV
Barnstable	512	246
Berkshire	1,088	752
Bristol	1,610	1,287
Dukes	72	30
Essex	1,197	921
Franklin	1,541	729
Hampden	1,412	904
Hampshire	1,610	872
Middlesex	2,245	1,762
Nantucket	11	—
Norfolk	915	666
Plymouth	1,846	1,364
Suffolk	35	15
Worcester	3,267	2,420
State Total	17,361	11,968

MICHIGAN		
County	Total Farms	Farms with TV
Alcona	740	170
Alger	290	5
Allegan	4,225	2,446
Alpena	1,019	66
Antrim	836	202
Arenac	1,036	390
Baraga	399	16
Barry	2,137	1,416
Bay	2,349	1,080
Benzie	451	196
Berrien	4,624	3,212
Branch	2,165	1,500
Calhoun	2,702	2,035
Cass	2,103	1,133
Charlevoix	758	120
Cheboygan	703	50
Chippewa	999	61
Clare	723	299
Clinton	2,602	1,773
Crawford	51	—
Delta	928	187
Dickinson	420	119
Eaton	2,790	1,966
Emmet	837	96
Genesee	3,275	2,157
Gladwin	1,074	421
Gogebic	433	55
Grand	—	—
Traverse	1,123	436
Gratiot	2,498	1,558
Hillsdale	2,907	1,770
Houghton	1,005	55
Huron	3,524	1,002
Ingham	2,328	1,724
Ionia	2,315	1,612
Iosco	590	212
Iron	484	57
Isabella	2,050	1,102
Jackson	2,306	1,611
Kalamazoo	2,265	1,687
Kalkaska	400	87
Kent	3,769	2,362
Keweenaw	26	—
Lake	331	85
Lapeer	2,807	1,815
Leelanau	883	176
Lenawee	3,463	2,602
Livingston	1,829	1,253
Luce	114	10
Mackinac	279	30
Macomb	2,465	2,077
Manistee	842	276
Marquette	387	40
May	1,327	520

County	Total Farms	Farms with TV
Mecosta	1,575	770
Menominee	1,518	602
Midland	1,576	860
Missaukee	868	163
Monroe	3,289	2,749
Montcalm	2,682	1,591
Montmorency	321	35
Muskegon	1,342	930
Newaygo	2,028	911
Oakland	2,064	1,723
Oceana	1,726	724
Ogemaw	797	239
Ontonagon	693	67
Osceola	1,246	490
Oscoda	221	17
Osego	350	55
Ottawa	3,308	1,745
Presque Isle	820	25
Roscommon	118	40
Saginaw	4,250	2,448
St. Clair	3,281	2,406
St. Joseph	1,991	1,296
Sanilac	4,125	2,033
Schoolcraft	259	70
Shiawassee	2,539	1,711
Tuscola	3,781	1,844
Van Buren	3,444	2,470
Washtenaw	2,686	2,068
Wayne	2,221	1,908
Wexford	817	396
State Total	138,922	77,716

MINNESOTA		
County	Total Farms	Farms with TV
Aitkin	1,805	332
Anoka	1,194	783
Becker	2,613	453
Beltrami	1,676	80
Benton	1,395	461
Big Stone	983	91
Blue Earth	2,784	1,552
Brown	1,976	844
Carlton	1,630	610
Carver	1,875	1,156
Cass	1,487	176
Chippewa	1,629	326
Chisago	1,618	965
Clay	1,988	979
Clearwater	1,305	46
Cook	34	—
Cottonwood	1,959	536
Crow Wing	1,283	245
Dakota	1,839	1,427
Dodge	1,691	996
Douglas	2,283	300
Faribault	2,388	863
Fillmore	2,779	854
Freeborn	2,910	1,300
Goodhue	2,698	1,491
Grant	1,286	146
Hennepln	2,534	1,793
Houston	1,619	220
Hubbard	1,095	60
Isantl	1,470	721
Itasca	1,714	165
Jackson	2,254	516
Kanabec	1,381	661
Kandiyohl	2,540	866
Kittson	1,290	42
Koochiching	903	30
Lac qui Parle	1,970	281
Lake	152	46
Lake of the Woods	632	5
Le Sueur	1,863	1,095
Lincoln	1,514	197
Lyon	1,911	373
McLeod	2,299	1,317
Mahnomen	850	175
Marshall	2,382	230
Martin	2,504	856
Meeker	2,263	1,131
Mille Lacs	1,725	678
Morrison	2,845	558
Mower	2,585	1,249
Murray	2,003	451
Nicollet	1,483	786
Nobles	2,206	667
Norman	1,711	585
Olmsted	2,264	958
Otter Tail	5,894	931
Pennington	1,152	56
Pine	2,452	792
Pipestone	1,307	414
Polk	3,660	554
Pope	1,731	282
Ramsey	454	390
Red Lake	851	65
Redwood	2,597	840
Renville	3,040	1,285
Rice	2,197	1,365

County	Total Farms	Farms with TV
Rock	1,404	617
Roseau	2,132	53
St. Louis	3,568	900
Scott	1,471	991
Sherburne	1,009	548
Sibley	2,142	1,250
Stearns	4,308	1,442
Steele	1,837	987
Stevens	1,233	110
Swift	1,723	366
Todd	3,293	505
Traverse	1,012	149
Wabasha	1,545	651
Wadena	1,333	140
Waseca	1,625	784
Washington	1,514	1,070
Watsonwan	1,421	503
Wilkin	1,183	477
Winona	1,787	520
Wright	3,177	1,910
Yellow	—	—
Medicine	2,103	374
State Total	165,225	55,045

MISSISSIPPI		
County	Total Farms	Farms with TV
Adams	1,026	120
Alcorn	2,498	407
Amite	2,737	310
Attala	3,089	284
Benton	1,537	328
Bolivar	6,739	507
Calhoun	2,672	266
Carroll	2,066	170
Chickasaw	2,444	198
Choctaw	1,590	85
Clabourne	1,204	107
Clarke	2,255	397
Clay	1,944	114
Coahoma	5,134	447
Copiah	2,785	487
Covington	2,172	225
De Soto	3,840	922
Forrest	1,333	212
Franklin	1,276	234
George	1,306	178
Greene	1,124	80
Grenada	1,394	165
Hancock	711	216
Harrison	1,046	299
Hinds	4,627	870
Holmes	4,108	355
Humphreys	2,614	230
Issaquena	605	95
Itawamba	2,504	342
Jackson	1,216	287
Jasper	2,735	390
Jefferson	1,787	96
Jefferson Davis	2,499	315
Jones	3,610	638
Kemper	2,475	312
Lafayette	2,532	474
Lamar	1,570	282
Lauderdale	2,557	619
Lawrence	1,791	192
Leake	3,737	489
Lee	3,960	483
Leflore	4,938	319
Lincoln	2,717	532
Lowndes	2,317	165
Madison	4,059	424
Marion	2,667	436
Marshall	3,483	554
Monroe	3,775	395
Montgomery	1,642	139
Neshoba	3,569	532
Newton	2,870	538
Noxubee	2,685	189
Oktibbeha	2,103	117
Panola	4,457	1,077
Pearl River	1,767	676
Perry	1,065	114
Pike	2,531	472
Pontotoc	3,402	537
Prentiss	2,758	356
Quitman	3,864	599
Rankin	2,896	725
Scott	2,872	466
Sharkey	1,431	122
Simpson	2,802	426
Smith	2,694	280
Stone	620	158
Sunflower	6,681	488
Tallahatchie	4,521	650
Tate	2,975	636
Tippah	2,590	568
Tishomingo	1,859	162
Tunica	3,664	387
Union	3,044	717
Walthall		

MISSISSIPPI—(continued)		
County	Total Farms	Farms with TV
Warren	1,316	192
Washington	4,348	319
Wayne	1,913	178
Webster	1,847	71
Wilkinson	1,378	86
Winston	2,672	268
Yalobusha	1,902	343
Yazoo	3,777	516
State Total	215,915	29,514

MISSOURI		
County	Total Farms	Farms with TV
Adair	1,721	444
Andrew	1,849	961
Atchison	1,155	650
Audrain	2,032	685
Barry	2,901	689
Barton	1,724	482
Bates	2,357	978
Benton	1,628	279
Bollinger	1,707	261
Boone	2,446	856
Buchanan	1,847	984
Butler	2,802	416
Caldwell	1,431	843
Callaway	2,243	679
Camden	922	126
Cape Gir'deau	2,313	360
Carroll	1,959	885
Carter	431	36
Cass	2,414	1,465
Cedar	1,673	256
Chariton	2,211	578
Christian	2,079	599
Clark	1,244	531
Clay	1,329	839
Clinton	1,203	612
Cole	1,477	425
Cooper	1,749	540
Crawford	1,316	414
Dade	1,706	406
Dallas	1,847	560
Davless	1,889	765
DeKalb	1,487	580
Dent	1,423	219
Douglas	2,087	356
Dunklin	2,605	1,165
Franklin	2,752	1,063
Gasconade	1,351	449
Gentry	1,491	636
Greene	3,677	1,550
Grundy	1,420	464
Harrison	2,227	666
Henry	2,042	676
Hickory	1,012	147
Holt	1,193	549
Howard	1,297	388
Howell	2,613	266
Iron	752	86
Jackson	2,291	1,602
Jasper	2,594	993
Jefferson	1,809	973
Johnson	2,592	1,261
Knox	1,198	496
Laclede	2,042	513
Lafayette	2,449	1,244
Lawrence	2,782	790
Lewis	1,260	588
Lincoln	1,714	875
Linn	1,702	418
Livingston	1,487	575
McDonald	1,869	325
Macon	2,381	574
Madison	846	140
Maries	1,316	218
Marion	1,368	580
Mercer	1,282	248
Miller	1,855	453
Mississippi	1,435	261
Moniteau	1,491	372
Monroe	1,867	582
Montgomery	1,542	426
Morgan	1,369	218
New Madrid	2,865	871
Newton	2,914	997
Nodaway	2,845	1,134
Oregon	1,550	92
Osage	1,691	349
Ozark	1,450	93
Pemiscot	2,794	1,265
Perry	1,692	348
Pettis	2,267	610
Phelps	1,647	293
Pike	1,645	682
Platte	1,434	964
Folk	2,489	637
Fulaski	1,010	191
Putnam	1,417	228
Ralls	1,314	565

County	Total Farms	Farms with TV
Randolph	1,547	449
Ray	1,999	1,071
Reynolds	862	47
Ripley	1,259	87
St. Charles	1,823	986
St. Clair	1,712	355
St. Francois	1,185	560
St. Louis	1,715	980
Ste. Genevieve	889	417
Saline	2,115	848
Schuyler	903	155
Scotland	1,172	414
Scott	1,353	317
Shannon	1,144	83
Shelby	1,466	596
Stoddard	3,344	545
Stone	1,478	286
Sullivan	1,881	219
Taney	1,064	237
Texas	2,847	285
Vernon	2,580	709
Warren	1,025	324
Washington	1,097	401
Wayne	1,088	148
Webster	2,291	583
Worth	740	278
Wright	2,436	372
State Total	201,614	63,650

MONTANA		
County	Total Farms	Farms with TV
Beaverhead	339	32
Big Horn	815	84
Blaine	734	16
Broadwater	215	6
Carbon	896	188
Carter	432	1
Cascade	1,133	290
Chouteau	1,064	337
Custer	453	—
Daniels	609	6
Dawson	687	6
Deer Lodge	117	13
Fallon	384	7
Fergus	1,070	63
Flathead	1,434	88
Gallatin	1,041	13
Garfield	366	6
Glacier	385	4
Golden Valley	197	25
Granite	181	9
Hill	899	61
Jefferson	274	2
Judith Basin	489	71
Lake	1,490	98
Lewis & Clark	382	50
Liberty	337	107
Lincoln	387	25
McCone	610	5
Madison	508	30
Meagher	155	—
Mineral	85	—
Missoula	642	33
Musselshell	259	23
Park	550	19
Petroleum	140	3
Phillips	711	7
Pondera	696	80
Powder River	424	—
Powell	222	1
Prairie	257	—
Ravalli	1,396	69
Richland	1,004	3
Roosevelt	860	18
Rosebud	481	18
Sanders	591	34
Sheridan	965	25
Silver Bow	142	28
Stillwater	643	117
Sweet Grass	366	16
Teton	952	204
Toole	446	50
Treasure	148	14
Valley	1,097	5
Wheatland	201	3
Wibaux	290	2
Yellowstone	1,401	555
State Total	13,059	2,970

NEBRASKA		
County	Total Farms	Farms with TV
Adams	1,271	319
Antelope	1,758	309
Arthur	107	1
Banner	254	77
Blaine	178	2
Boone	1,531	494
Box Butte	707	12
Boyd	703	32

County	Total Farms	Farms with TV
Brown	518	2
Buffalo	2,000	677
Burt	1,321	941
Butler	1,685	883
Cass	1,597	1,065
Cedar	1,948	1,035
Chase	612	20
Cherry	812	20
Cheyenne	953	149
Clay	1,079	272
Colfax	1,313	635
Cuming	1,801	971
Custer	2,625	214
Dawes	676	10
Dawson	1,759	578
Dakota	688	21
Deuel	411	33
Dixon	1,321	792
Dodge	1,641	1,238
Douglas	1,432	1,204
Dundy	527	23
Fillmore	1,377	448
Franklin	908	203
Furnas	1,003	282
Frontier	873	113
Gage	2,274	862
Garden	528	17
Garfield	371	8
Gosper	559	167
Grant	70	0
Greeley	800	87
Hall	1,386	551
Hamilton	1,343	400
Harlan	764	308
Hayes	436	8
Hitchcock	683	23
Holt	1,873	137
Hooker	78	0
Howard	1,201	191
Jefferson	1,357	306
Johnson	1,042	520
Kearney	958	546
Keith	594	9
Keya Paha	377	7
Kimball	463	106
Knox	2,074	590
Lancaster	2,351	1,430
Lincoln	1,596	88
Logan	211	12
Loup	224	4
Madison	1,731	663
McPherson	166	7
Merrick	1,130	303
Morrill County	854	43
Nance	890	201
Nemaha	1,178	673
Nuckolls	1,172	149
Otoe	1,833	1,143
Pawnee	1,024	318
Perkins	685	8
Phelps	998	447
Pierce	1,491	461
Platte	1,892	662
Polk	1,242	571
Red Willow	828	130
Richardson	1,562	714
Rock	397	9
Saline	1,644	525
Sarpy	801	541
Saunders	2,203	1,359
Scotts Bluff	1,741	163
Seward	1,674	845
Sheridan	1,018	19
Sherman	1,021	117
Sioux	525	29
Stanton	1,150	561
Thayer	1,369	297
Thomas	123	5
Thurston	914	545
Valley	1,038	80
Washington	1,309	1,026
Wayne	1,393	800
Webster	1,013	178
Wheeler	272	46
York	1,563	571
State Total	100,846	33,661

NEVADA		
County	Total Farms	Farms with TV
Churchill	619	20
Clark	210	22
Douglas	124	4
Elko	278	12
Esmeralda	22	—
Eureka	36	—
Humboldt	113	—
Lander	33	—
Lincoln	134	—
Lyon	327	6
Mineral	53	—
Nye	134	—

County	Total Farms	Farms with TV
Ormsby	33	—
Perishing	117	1
Storey	11	1
Washoe	465	181
White Pine	148	3
State Total	2,857	250

NEW HAMPSHIRE		
County	Total Farms	Farms with TV
Belknap	575	278
Carroll	467	239
Cheshire	817	343
Coos	670	211
Grafton	1,393	378
Hillsborough	1,831	1,252
Merrimack	1,542	956
Rockingham	1,678	1,114
Strafford	660	406
Sullivan	778	293
State Total	10,411	5,475

NEW JERSEY		
County	Total Farms	Farms with TV
Atlantic	1,279	1,012
Bergen	547	467
Burlington	1,835	1,431
Camden	658	575
Cape May	315	246
Cumberland	2,237	1,926
Essex	154	111
Gloucester	1,608	1,425
Hudson	52	43
Hunterdon	2,204	1,765
Mercer	828	662
Middlesex	1,070	978
Monmouth	2,486	2,146
Morris	1,023	847
Ocean	1,214	1,009
Passaic	314	255
Salem	1,478	1,225
Somerset	1,035	874
Sussex	1,021	754
Union	208	165
Warren	1,120	882
State Total	22,686	18,798

NEW MEXICO		
County	Total Farms	Farms with TV
Bernalillo	883	402
Catron	315	30
Chaves	672	367
Colfax	442	13
Curry	957	65
De Baca	267	31
Dona Ana	1,119	561
Eddy	630	202
Grant	340	31
Guadalupe	333	27
Harding	263	23
Hidalgo	175	4
Lea	747	193
Lincoln	418	82
Los Alamos	*	*
Luna	325	165
McKinley	419	1
Mora	750	29
Otero	369	53
Quay	863	55
Rio Arriba	1,880	167
Roosevelt	1,585	144
Sandoval	879	105
San Juan	830	6
San Miguel	865	48
Santa Fe	703	128
Sierra	256	22
Socorro	398	105
Taos	1,082	73
Torrance	551	125
Union	680	63
Valencia	1,074	348
State Total	21,070	3,648

NEW YORK		
County	Total Farms	Farms with TV
Albany	1,175	780
Alleghany	2,180	1,235
Bronx	13	—
Broome	2,022	1,622
Cattaraugus	3,040	2,160
Cayuga	2,491	1,800
Chautauqua	4,621	3,283
Chemung	1,090	711
Chenango	2,280	1,494
Clinton	1,967	1,055
Columbia	1,440	1,003
Cortland	1,134	888
Delaware	2,865	1,530
Dutchess	1,310	891
Erie	3,963	3,131
Essex	839	246

NEW YORK—(continued)		
County	Total Farms	Farms with TV
Franklin	1,771	711
Fulton	742	526
Genesee	1,944	1,500
Greene	1,098	677
Hamilton	32	—
Herkimer	1,719	1,291
Jefferson	2,978	1,713
Kings	43	10
Lewis	1,541	927
Livingston	1,612	1,170
Madison	2,057	1,474
Monroe	2,721	2,211
Montgomery	1,296	965
Nassau	329	285
New York	—	—
Niagara	3,223	2,440
Oneda	3,281	2,656
Onondaga	2,539	2,027
Ontario	2,371	1,878
Orange	2,129	1,586
Orleans	1,536	1,195
Oswego	2,858	2,239
Otsego	2,823	1,711
Putnam	220	183
Queens	83	31
Rensselaer	1,616	1,202
Richmond	72	40
Rockland	134	115
St. Lawrence	4,380	1,389
Saratoga	1,768	1,395
Schenectady	448	271
Schoharie	1,458	1,103
Schuyler	958	560
Seneca	1,089	851
Steuben	3,219	1,938
Suffolk	1,464	1,208
Sullivan	1,450	844
Tioga	1,580	1,118
Tompkins	1,409	972
Ulster	1,915	1,245
Warren	580	295
Washington	2,043	1,373
Wayne	2,913	2,263
Westchester	555	452
Wyoming	2,063	1,563
Yates	1,224	861
State Total	105,714	72,293

NORTH CAROLINA		
County	Total Farms	Farms with TV
Alamance	2,749	1,211
Alexander	1,504	521
Alleghany	1,447	281
Anson	2,238	502
Ashe	3,754	792
Avery	1,509	392
Beaufort	3,194	1,246
Bertie	3,165	832
Bladen	3,633	349
Brunswick	1,976	250
Buncombe	4,303	1,082
Burke	1,922	738
Cabarrus	1,882	907
Caldwell	2,165	972
Camden	414	233
Carteret	640	112
Caswell	2,899	718
Catawba	2,718	1,283
Chatham	2,844	890
Cherokee	1,638	186
Chowan	895	241
Clay	864	70
Cleveland	4,672	1,662
Columbus	6,051	671
Craven	2,358	913
Cumberland	3,002	198
Currituck	544	315
Dare	39	5
Davidson	3,561	1,547
Davie	1,527	386
Duplin	5,650	1,080
Durham	1,622	514
Edgecombe	3,725	825
Forsyth	2,927	1,292
Franklin	4,050	418
Gaston	1,762	964
Gates	1,166	432
Graham	757	55
Granville	3,578	625
Greene	2,945	1,016
Guilford	4,518	2,120
Halifax	4,244	468
Harnett	4,684	922
Haywood	2,818	555
Henderson	1,998	653
Hertford	1,761	647
Hoke	1,560	121
Hyde	570	62

County	Total Farms	Farms with TV
Iredell	3,699	1,358
Jackson	1,813	211
Johnston	7,822	1,045
Jones	1,515	415
Lee	1,500	504
Lenoir	3,529	1,250
Lincoln	2,333	1,296
McDowell	1,323	445
Macon	1,896	160
Madison	3,482	437
Martin	2,888	1,170
Mecklenburg	2,787	1,398
Mitchell	1,763	431
Montgomery	995	374
Moore	2,328	508
Nash	5,461	960
New Hanover	376	103
Northampton	2,879	614
Onslow	2,064	335
Orange	1,939	636
Pamlico	738	194
Pasquotank	791	442
Pender	2,266	334
Perquimans	888	288
Person	3,591	695
Pitt	5,583	2,191
Polk	997	339
Randolph	3,578	1,214
Richmond	1,572	436
Robeson	8,037	583
Rockingham	4,188	1,643
Rowan	2,911	1,388
Rutherford	3,021	1,117
Sampson	6,822	894
Scotland	1,241	83
Stanly	2,244	1,144
Stokes	3,809	1,137
Surry	4,297	873
Swain	758	35
Transylvania	968	162
Tyrrell	499	156
Union	4,415	1,919
Vance	2,106	302
Wake	5,770	1,323
Warren	2,866	193
Washington	773	204
Watauga	2,427	478
Wayne	4,588	1,182
Wilkes	4,088	1,275
Wilson	3,919	1,357
Yadkin	3,148	818
Yancey	2,153	237
State Total	267,906	70,560

NORTH DAKOTA		
County	Total Farms	Farms with TV
Adams	555	37
Barnes	1,789	521
Benson	1,331	96
Billings	358	7
Bottineau	1,677	490
Bowman	537	5
Burke	892	57
Burleigh	1,026	296
Cass	2,323	1,365
Cavalier	1,794	43
Dickey	1,171	197
Divide	907	24
Dunn	1,059	31
Eddy	556	29
Emmons	1,259	261
Foster	612	78
Golden Valley	424	1
Grand Forks	1,886	466
Grant	1,018	115
Griggs	805	200
Hettinger	887	62
Kidder	871	141
La Moure	1,365	247
Logan	827	67
McHenry	1,596	478
McIntosh	982	22
McKenzie	1,202	10
McLean	1,859	308
Mercer	852	46
Morton	1,453	427
Mountrail	1,279	175
Nelson	1,104	93
Oliver	555	97
Pembina	1,519	120
Pierce	957	62
Ramsey	1,269	82
Ransom	1,140	393
Renville	833	270
Richland	2,325	939
Rolette	1,001	88
Sargent	1,168	295
Sheridan	865	67
Sioux	318	47

County	Total Farms	Farms with TV
Slope	447	5
Stark	1,169	87
Steele	862	353
Stutsman	2,042	288
Towner	884	42
Trall	1,326	669
Walsh	2,084	159
Ward	1,983	603
Wells	1,391	89
Williams	1,536	28
State Total	61,939	11,178

OHIO		
County	Total Farms	Farms with TV
Adams	2,304	1,059
Allen	2,097	1,010
Ashland	2,048	1,311
Ashtabula	3,376	1,955
Athens	1,734	755
Auglaize	1,963	1,251
Belmont	1,997	1,050
Brown	2,828	1,677
Butler	2,331	1,910
Carroll	1,557	870
Champaign	1,866	1,373
Clark	1,723	1,405
Clermont	2,487	1,831
Clinton	1,594	1,298
Columbiana	2,893	1,966
Coshocton	1,781	606
Crawford	1,746	1,108
Cuyahoga	1,145	920
Darke	3,885	2,880
Defiance	1,776	1,116
Delaware	2,045	1,735
Erie	1,151	915
Fairfield	2,514	2,168
Fayette	1,373	1,094
Franklin	2,051	1,802
Fulton	2,354	1,580
Gallia	2,212	1,105
Geauga	1,682	1,096
Greene	1,784	1,376
Guernsey	2,032	705
Hamilton	1,481	1,132
Hancock	2,338	1,517
Hardin	1,883	1,225
Harrison	977	534
Henry	2,072	1,606
Highland	2,555	1,705
Hocking	1,089	644
Holmes	2,104	611
Huron	2,018	1,324
Jackson	1,427	791
Jefferson	1,273	763
Knox	2,100	1,370
Lake	1,225	922
Lawrence	1,883	1,152
Licking	3,144	2,327
Logan	2,056	1,452
Lorain	2,644	2,096
Lucas	1,824	1,485
Madison	1,249	943
Mahoning	1,946	1,280
Marion	1,417	1,139
Medina	2,353	1,841
Meigs	1,757	990
Mercer	2,389	1,201
Miami	2,253	1,861
Monroe	1,709	580
Montgomery	2,583	2,156
Morgan	1,469	471
Morrow	2,085	1,550
Muskingum	2,584	1,427
Noble	1,457	481
Ottawa	1,392	945
Paulding	1,357	687
Perry	1,388	896
Pickaway	1,582	1,411
Pike	1,308	645
Portage	2,667	2,041
Preble	2,216	1,605
Putnam	2,379	1,400
Richland	2,394	1,591
Ross	2,176	1,440
Sandusky	1,953	1,550
Scioto	1,321	752
Seneca	2,288	1,555
Shelby	1,926	1,496
Stark	3,214	2,091
Summit	2,119	1,770
Trumbull	2,932	1,917
Tuscarawas	2,350	1,065
Union	1,775	1,281
Van Wert	1,800	840
Vinton	984	431
Warren	1,962	1,633
Washington	2,576	810
Wayne	3,080	1,668
Williams	1,959	1,105

County	Total Farms	Farms with TV
Wood	2,766	2,246
Wyandot	1,537	989
State Total	177,074	115,363

OKLAHOMA		
County	Total Farms	Farms with TV
Adair	1,590	207
Alfalfa	1,406	575
Atoka	1,489	235
Beaver	1,275	91
Beckham	1,572	285
Blaine	1,620	843
Bryan	2,117	367
Caddo	2,888	1,607
Canadian	1,848	1,178
Carter	1,544	442
Cherokee	1,798	380
Choctaw	1,617	187
Cimarron	559	52
Cleveland	1,214	582
Coal	793	165
Comanche	1,477	686
Cotton	1,041	491
Craig	1,602	572
Creek	1,559	678
Custer	1,619	585
Delaware	1,974	360
Dewey	1,193	402
Ellis	970	99
Garfield	2,241	1,442
Garvin	1,860	885
Grady	2,493	1,443
Grant	1,792	734
Greer	1,026	120
Harmon	878	112
Harper	694	79
Haskell	1,271	125
Hughes	1,555	514
Jackson	1,572	341
Jefferson	909	351
Johnston	871	137
Kay	2,045	831
Kingfisher	1,658	1,071
Kiowa	1,642	728
Latimer	965	59
Le Flore	2,541	238
Lincoln	2,257	941
Logan	1,666	762
Love	882	254
Major	1,593	430
Marshall	563	102
Mayes	1,863	637
McClain	1,404	784
McCurtain	2,799	350
McIntosh	1,565	338
Murray	572	250
Muskogee	2,387	799
Noble	1,322	697
Nowata	1,080	342
Oklfuskee	1,297	419
Oklahoma	2,411	1,655
Okmulgee	1,720	765
Osage	1,703	1,048
Ottawa	1,301	488
Pawnee	1,296	562
Payne	1,748	761
Pittsburg	2,071	379
Pontotoc	1,608	667
Pottawatomie	2,163	1,057
Pushmataha	1,223	53
Roger Mills	1,158	107
Rogers	1,929	868
Seminole	1,614	715
Sequoyah	1,774	257
Stephens	1,772	675
Texas	1,156	125
Tillman	1,415	689
Tulsa	1,807	1,098
Wagoner	1,478	554
Washington	757	358
Washita	2,447	934
Woods	1,323	381
Woodward	1,104	169
State Total	118,979	41,695

OREGON		
County	Total Farms	Farms with TV
Baker	998	101
Benton	1,153	370
Clackamas	5,607	2,487
Clatsop	697	172
Columbia	1,773	719
Coos	1,408	15
Crook	393	17
Curry	390	41
Deschutes	1,067	44
Douglas	2,155	235
Gilliam	212	27
Grant	403	

OREGON—(continued)

County	Total Farms	Farms with TV
Hood River	1,002	275
Jackson	2,647	1,228
Jefferson	590	69
Josephine	1,443	481
Klamath	1,297	75
Lake	426	8
Lane	4,042	1,229
Lincoln	677	71
Linn	3,196	935
Malheur	2,446	891
Marion	4,543	1,934
Morrow	463	24
Multnomah	1,680	886
Polk	1,605	532
Sherman	265	82
Tillamook	857	215
Umatilla	2,143	143
Union	987	51
Wallowa	686	33
Wasco	805	110
Washington	3,676	1,558
Wheeler	173	—
Yamhill	2,473	863
State Total	54,442	15,933

PENNSYLVANIA

Adams	2,376	1,218
Allegheny	1,897	1,402
Armstrong	2,026	1,257
Beaver	1,266	1,045
Bedford	2,570	1,384
Berks	4,130	2,643
Blair	1,350	825
Bradford	3,237	2,056
Bucks	2,730	2,019
Butler	3,048	2,097
Cambria	1,542	1,088
Cameron	92	50
Carbon	570	379
Centre	1,350	738
Chester	3,383	2,305
Clarion	1,663	933
Clearfield	2,017	1,272
Clinton	565	250
Columbia	1,785	750
Crawford	3,590	1,823
Cumberland	2,325	1,135
Dauphin	1,695	658
Delaware	493	401
Elk	504	265
Erie	3,318	2,484
Fayette	2,546	1,666
Forest	173	90
Franklin	2,556	836
Fulton	1,124	401
Greene	2,091	978
Huntingdon	1,554	707
Indiana	2,691	1,634
Jefferson	1,491	920
Juniata	1,205	382
Lackawanna	1,054	642
Lancaster	7,951	2,656
Lawrence	1,609	1,050
Lebanon	1,762	805
Lehigh	1,671	1,253
Luzerne	1,990	997
Lycoming	2,095	595
McKean	796	512
Mercer	3,271	1,705
Mifflin	1,068	397
Monroe	687	464
Montgomery	2,505	1,799
Montour	553	195
Northampton	1,858	1,348
Northumb'and	1,855	546
Perry	1,612	462
Philadelphia	76	36
Pike	335	283
Potter	999	458
Schuylkill	1,802	915
Snyder	1,344	290
Somerset	2,861	1,699
Sullivan	462	264
Susquehanna	2,144	1,454
Tioga	1,926	958
Union	924	185
Venango	1,416	656
Warren	1,241	585
Washington	3,423	2,352
Wayne	2,061	1,103
Westmoreland	3,905	2,774
Wyoming	1,118	634
York	5,549	3,206
State Total	128,876	71,369

RHODE ISLAND

County	Total Farms	Farms with TV
Bristol	100	70
Kent	319	246
Newport	444	350
Providence	819	652
Washington	322	211
State Total	2,004	1,529

SOUTH CAROLINA

Abbeville	1,774	349
Aiken	2,657	752
Allendale	687	144
Anderson	5,043	1,316
Bamberg	1,239	285
Barnwell	1,353	377
Beaufort	1,201	140
Berkeley	2,965	475
Calhoun	1,403	273
Charleston	1,841	422
Cherokee	2,357	964
Chester	2,036	628
Chesterfield	3,240	702
Clarendon	3,813	298
Colleton	2,751	310
Darlington	3,887	582
Dillon	3,001	271
Dorchester	1,908	343
Edgefield	1,688	334
Fairfield	1,441	302
Florence	6,891	828
Georgetown	1,593	207
Greenville	4,520	1,512
Greenwood	1,540	237
Hampton	1,501	216
Horry	6,918	782
Jasper	971	110
Kershaw	2,233	477
Lancaster	2,119	860
Laurens	2,752	757
Lee	2,339	266
Lexington	2,526	540
McCormick	821	100
Marion	2,820	285
Marlboro	2,207	337
Newberry	2,223	551
Oconee	2,799	530
Orangeburg	5,237	923
Pickens	2,601	598
Richland	2,043	494
Saluda	1,964	322
Spartanburg	5,547	2,111
Sumter	3,441	392
Union	1,328	506
Williamsburg	5,875	520
York	3,109	1,133
State Total	124,203	24,861

SOUTH DAKOTA

Armstrong	10	—
Aurora	817	34
Beadle	1,518	78
Bennett	386	7
Bon Homme	1,368	457
Brookings	1,841	512
Brown	1,846	193
Brule	711	19
Buffalo	154	2
Butte	651	7
Campbell	636	23
Charles Mix	1,567	163
Clark	1,298	64
Clay	1,153	703
Codington	1,078	82
Corson	777	51
Custer	380	1
Davison	892	85
Day	1,600	46
Deuel	1,208	132
Dewey	484	40
Douglas	883	40
Edmunds	978	22
Fall River	415	7
Faulk	711	41
Grant	1,264	67
Gregory	1,086	44
Haakon	431	2
Hamlin	1,023	87
Hand	1,093	44
Hanson	830	149
Harding	408	2
Hughes	327	6
Hutchinson	1,683	357
Hyde	395	8
Jackson	219	3
Jerauld	633	57
Jones	289	—
Kingsbury	1,392	235
Lake	1,252	574

County	Total Farms	Farms with TV
Lawrence	339	—
Lincoln	1,734	750
Lyman	636	18
McCook	1,324	371
McPherson	1,104	32
Marshall	1,024	239
Meade	1,049	9
Mellette	350	15
Miner	1,007	251
Minnehaha	2,320	1,242
Moody	1,295	556
Pennington	795	11
Perkins	855	24
Potter	544	10
Roberts	1,911	289
Sanborn	819	50
Shannon	240	2
Spink	1,557	102
Stanley	216	2
Sully	419	8
Todd	412	1
Tripp	1,194	21
Turner	1,866	656
Union	1,366	856
Walworth	579	12
Washabaugh	173	—
Yankton	1,360	622
Ziebach	344	7
State Total	62,520	10,600

TENNESSEE

Anderson	1,555	475
Bedford	2,299	871
Benton	1,035	155
Bledsoe	827	58
Blount	2,847	916
Bradley	1,430	306
Campbell	1,467	295
Cannon	1,503	390
Carroll	3,205	370
Carter	2,446	631
Cheatham	1,232	509
Chester	1,399	255
Clairborne	2,622	347
Clay	1,089	128
Coke	2,451	309
Coffee	1,698	537
Crockett	2,607	801
Cumberland	1,549	207
Davidson	2,374	1,676
Decatur	1,046	61
De Kalb	1,527	520
Dickson	1,898	641
Dyer	2,653	1,097
Fayette	4,188	613
Fentress	1,464	119
Franklin	2,262	519
Gibson	4,880	1,337
Giles	3,301	552
Grainger	2,249	206
Greene	5,955	977
Grundy	596	120
Hamblen	1,558	260
Hamilton	1,908	787
Hancock	1,748	155
Hardeman	2,710	542
Hardin	2,008	149
Hawkins	3,646	527
Haywood	4,294	833
Henderson	2,423	300
Henry	2,503	417
Hickman	1,407	413
Houston	622	156
Humphreys	1,040	299
Jackson	1,884	392
Jefferson	2,084	346
Johnson	1,807	261
Knox	3,599	1,280
Lake	760	222
Lauderdale	3,368	989
Lawrence	3,200	550
Lewis	529	106
Lincoln	3,407	697
Loudon	1,400	351
McMinn	2,016	291
McNairy	2,599	502
Macon	2,409	721
Madison	3,594	852
Marion	894	145
Marshall	1,887	620
Maury	3,010	1,021
Meigs	684	103
Monroe	2,540	350
Montgomery	2,475	669
Moore	764	150
Morgan	908	192
Obion	2,488	667
Overton	2,194	349
Perry	715	62
Pickett	778	46

County	Total Farms	Farms with TV
Polk	770	115
Putnam	2,544	572
Rhea	1,005	234
Roane	1,306	272
Robertson	3,002	1,412
Rutherford	3,441	1,398
Scott	1,016	76
Sequatchie	433	72
Sevier	2,577	466
Shelby	5,145	2,190
Smith	2,505	835
Stewart	1,134	237
Sullivan	3,499	1,083
Sumner	3,522	1,314
Tipton	3,906	1,523
Trousdale	847	260
Unicoi	954	120
Union	1,426	335
Van Buren	479	85
Warren	2,253	649
Washington	3,541	1,138
Wayne	1,447	85
Weakley	3,402	470
White	1,822	321
Williamson	2,669	1,094
Wilson	2,990	997
State Total	203,149	50,123

TEXAS

Anderson	2,150	232
Andrews	87	39
Angelina	1,939	315
Aransas	99	14
Archer	417	190
Armstrong	351	203
Atascosa	1,481	638
Austin	2,240	444
Bailey	884	374
Bandera	618	240
Bastrop	1,667	340
Baylor	598	234
Bee	861	199
Bell	2,881	1,123
Bexar	2,772	1,444
Blanco	574	183
Borden	191	67
Bosque	1,421	354
Bowie	2,440	614
Brazoria	1,669	857
Brazos	1,269	347
Brewster	101	2
Briscoe	481	136
Brooks	283	21
Brown	1,432	201
Burleson	1,634	312
Burnet	982	374
Caldwell	1,236	434
Calhoun	303	88
Callahan	946	337
Cameron	2,836	1,138
Camp	831	80
Carson	426	238
Cass	2,381	515
Castro	828	422
Chambers	491	290
Cherokee	3,076	361
Childress	706	55
Clay	978	485
Cochran	479	227
Coke	419	93
Coleman	1,427	268
Collin	3,166	1,977
Collingsworth	856	55
Colorado	1,662	371
Comal	697	222
Comanche	2,092	275
Concho	554	134
Cooke	1,700	671
Coryell	1,575	465
Cottle	469	46
Crane	22	2
Crockett	147	9
Crosby	779	631
Culberson	61	1
Dallam	370	130
Dallas	2,689	1,951
Dawson	1,101	626
Deaf Smith	674	270
Delta	1,117	241
Denton	2,221	1,168
De Witt	2,213	413
Dickens	646	153
Dimmit	291	68
Donley	619	151
Duval	652	18
Eastland	1,681	299
Ector	77	36
Edwards	269	25
Ellis	2,885	1,537
El Paso	690	470

TEXAS—(continued)			Total Farms	Farms with TV	County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
County	Total Farms	Farms with TV			Moore	247	166	Millard	1,094	242
Erath	2,021	543			Morris	670	126	Nanmond	1,306	537
Falls	2,707	723			Motley	386	35	Nelson	1,277	343
Fannin	2,953	730			Nacogdoches	2,336	202	New Kent	279	125
Fayette	3,773	535			Navarro	2,520	802	Norfolk	791	469
Fisher	1,191	365			Newton	1,026	165	Northampton	481	342
Floyd	1,184	699			Nolan	643	143	Northumber-		
Foard	438	167			Nueces	1,157	362	land	751	268
Fort Bend	2,407	868			Ochiltree	466	90	Nottoway	1,089	392
Franklin	810	145			Oldham	147	51	Orange	848	334
Freestone	1,711	284			Orange	571	266	Page	1,185	401
Frio	540	205			Palo Pinto	946	254	Patrick	2,255	495
Gaines	508	209			Panola	2,026	249	Pittsylvania	5,715	1,831
Galveston	715	436			Parker	2,004	915	Powhatan	599	280
Garza	436	225			Parmer	909	327	Prince Edward	1,179	353
Gillespie	1,306	180			Pecos	293	24	Prince George	685	261
Glasscock	139	47			Polk	1,308	219	Prince		
Gollad	708	169			Potter	398	283	William	783	456
Gonzales	2,147	666			Presidio	226	2	Princess Anne	692	375
Gray	523	207			Rains	647	174	Pulaski	940	465
Grayson	2,815	1,035			Randall	680	379	Rappahannock	583	144
Gregg	857	164			Reagan	107	24	Richmond	675	252
Grimes	1,566	256			Real	222	30	Roanoke	1,217	676
Guadalupe	2,097	689			Red River	2,360	354	Rockbridge	1,495	451
Hale	1,703	1,068			Reeves	322	14	Rockingham	3,571	1,152
Hall	747	80			Refugio	270	49	Russell	2,355	301
Hamilton	1,496	298			Roberts	113	39	Scott	3,538	605
Hansford	421	88			Robertson	1,622	217	Shenandoah	2,056	643
Hardeman	652	187			Rockwall	425	214	Smyth	1,626	434
Hardin	1,144	343			Runnels	1,473	406	Southampton	1,962	728
Harris	3,868	2,510			Rusk	3,189	480	Spotsylvania	1,082	466
Harrison	2,581	172			Sabine	943	69	Stafford	712	405
Hartley	203	100			San Augustine	1,002	77	Surry	678	261
Haskell	1,330	350			San Jacinto	1,106	184	Sussex	1,099	290
Hays	872	398			San Patricio	888	297	Tazewell	1,531	388
Hemphill	310	41			San Saba	927	114	Warren	476	216
Henderson	2,232	539			Schleicher	242	67	Washington	4,317	906
Hidalgo	4,072	1,307			Scurry	945	191	Westmoreland	742	297
Hill	2,653	1,088			Shackelford	324	86	Wise	1,497	260
Hockley	1,269	904			Shelby	2,799	269	Wythe	1,658	546
Hood	803	350			Sherman	260	90	York	239	131
Hopkins	2,507	459			Smith	3,498	642	Independent		
Houston	2,438	308			Somervell	352	44	cities ¹	473	244
Howard	642	223			Starr	1,023	32	State Total	136,416	43,693
Hudspeth	178	73			Stephens	497	81	¹ Alexandria, Bristol, Buena		
Hunt	2,737	1,088			Sterling	88	34	Vista, Charlottesvile, Clifton		
Hutchinson	171	90			Stonewall	453	131	Forge, Colonial Heights, Dan-		
Irion	126	34			Sutton	150	10	ville, Falls Church, Fredericks-		
Jack	843	265			Swisher	967	507	burg, Hampton City, Harrison-		
Jackson	1,074	271			Tarrant	3,043	2,238	burg, Hopewell, Lynchburg,		
Jasper	1,616	306			Taylor	1,282	630	Martinsville, Newport News,		
Jeff Davis	101	8			Terrell	107	1	Norfolk, Petersburg, Ports-		
Jefferson	1,038	528			Terry	968	560	mouth, Radford, Richmond,		
Jim Hogg	129	—			Throckmorton	436	94	Roanoke, South Norfolk, Staun-		
Jim Wells	720	79			Titus	1,462	200	ton, Suffolk, Waynesboro, Wil-		
Johnson	2,444	2,428			Tom Green	1,033	384	liamsburg, Winchester, Coving-		
Jones	1,471	583			Travis	2,092	760	ton, Virginia Beach, Warwick		
Karnes	1,587	458			Trinity	852	87	City, Galax, Norton.		
Kaufman	2,106	917			Tyler	1,198	187			
Kendall	713	240			Upshur	1,893	226			
Kenedy	16	3			Upton	38	10			
Kent	291	86			Uvalde	641	148			
Kerr	672	219			Val Verde	220	6			
Kimble	434	29			Van Zandt	2,934	976			
King	79	6			Victoria	1,232	204			
Kinney	96	13			Walker	1,195	191			
Kleberg	281	20			Waller	1,005	331			
Knox	837	253			Ward	88	9			
Lamar	2,529	317			Washington	2,848	381			
Lamb	1,787	1,094			Webb	277	24			
Lampasas	827	269			Wharton	2,466	825			
La Salle	282	42			Wheeler	853	67			
Lavaca	3,294	310			Wilchita	765	438			
Lee	1,534	257			Wilbarger	997	399			
Leon	1,739	150			Willacy	865	456			
Liberty	1,361	650			Williamson	3,338	1,293			
Limestone	2,128	499			Wilson	1,617	636			
Lipscomb	422	33			Winkler	36	9			
Live Oak	787	132			Wise	1,873	951			
Llano	481	137			Wood	1,834	356			
Loving	9	—			Yoakum	312	98			
Lubbock	2,081	1,650			Young	960	295			
Lynn	1,152	701			Zapata	250	17			
McCulloch	739	70			Zavala	246	39			
McClellan	3,634	1,326								
McMullen	165	77			State Total	292,946	90,323			
Madison	1,145	262								
Marion	715	70			UTAH					
Martin	577	225			Beaver	342	—			
Mason	676	52			Box Elder	1,660	1,042			
Matagorda	1,220	445			Cache	2,184	1,033			
Maverick	271	8			Carbon	315	37			
Medina	1,546	622			Daggett	49	—			
Menard	325	31			Davis	1,333	989			
Midland	287	64			Duchesne	892	24			
Milam	2,659	720			Emery	718	21			
Mills	893	104			Garfield	329	1			
Mitchell	819	79			Grand	59	1			
Montague	1,520	516			Iron	465	—			
Montgomery	1,416	599			Juab	337	179			
					Kane	162	—			

WEST VIRGINIA

County	Total Farms	Farms with TV
Barbour	1,561	287
Berkeley	1,131	671
Boone	610	200
Braxton	1,773	213
Brooke	320	210
Cabell	1,643	910
Calhoun	1,258	182
Clay	849	175
Doddridge	944	122
Fayette	1,675	395
Gilmer	1,106	160
Grant	777	135
Greenbrier	2,172	535
Hampshire	1,135	278
Hancock	248	192
Hardy	1,006	186
Harrison	1,712	392
Jackson	1,751	798
Jefferson	615	435
Kanawha	1,735	741
Lewis	1,345	183
Lincoln	1,726	580
Logan	625	190
McDowell	931	136
Marion	1,379	501
Marshall	1,311	608
Mason	1,648	637
Mercer	2,235	816
Mineral	630	185
Mingo	881	272
Monongalia	1,593	744
Monroe	1,772	481
Morgan	459	207
Nicholas	1,616	426
Ohio	479	400
Pendleton	1,322	149
Pleasants	392	105
Pocahontas	1,061	147
Preston	2,060	642

County	Total Farms	Farms with TV
Putnam	1,537	738
Raleigh	2,038	638
Randolph	1,383	229
Ritchie	1,228	222
Roane	1,904	489
Summers	1,427	202
Taylor	764	212
Tucker	542	78
Tyler	763	185
Upshur	1,648	191
Wayne	2,292	872
Webster	959	195
Wetzel	1,214	322
Wirt	604	80
Wood	1,698	506
Wyoming	1,096	222
State Total	68,583	20,007

WISCONSIN

Adams	989	144
Ashland	846	120
Barron	3,540	1,405
Bayfield	1,257	343
Brown	2,672	1,792
Buffalo	1,682	457
Burnett	1,179	407
Calumet	1,772	895
Chippewa	3,157	1,011
Clark	4,274	876
Columbia	2,615	963
Crawford	1,674	256
Dane	5,094	2,347
Dodge	3,954	2,178
Door	2,024	980
Douglas	1,152	505
Dunn	2,870	1,388
Eau Claire	1,857	578
Florence	316	90
Fond du Lac	3,479	1,906

County	Total Farms	Farms with TV
Forest	467	111
Grant	3,533	1,068
Green	2,189	782
Green Lake	1,247	494
Iowa	2,268	517
Iron	276	70
Jackson	1,787	286
Jefferson	2,782	1,628
Juneau	1,740	202
Kenosha	1,385	1,032
Kewaunee	1,829	1,035
La Crosse	1,454	310
Lafayette	2,025	691
Langlade	1,356	552
Lincoln	1,512	248
Manitowoc	3,321	1,901
Marathon	5,691	1,153
Marinette	2,014	949
Marquette	1,048	254
Milwaukee	1,065	796
Monroe	2,784	395
Oconto	2,529	1,276
Oneida	416	46
Outagamie	3,188	1,902
Ozaukee	1,234	902
Pepin	735	276
Pierce	2,393	1,548
Polk	3,258	1,791
Portage	2,415	590
Price	1,619	200
Racine	1,704	1,382
Richland	2,150	235
Rock	3,138	1,345
Rusk	1,865	470
St. Croix	2,665	1,878
Sauk	2,913	473
Sawyer	739	126
Shawano	3,197	1,285
Sheboygan	2,900	1,806

County	Total Farms	Farms with TV
Taylor	2,566	456
Trempealeau	2,698	345
Vernon	3,485	465
Vilas	168	30
Walworth	2,113	1,373
Washburn	999	350
Washington	2,245	1,505
Waukesha	2,669	1,988
Waupaca	2,931	1,127
Waushara	1,762	495
Winnebago	2,152	1,091
Wood	2,536	482
State Total	153,558	60,333

WYOMING

Albany	310	58
Big Horn	849	69
Campbell	509	4
Carbon	330	5
Converse	348	2
Crook	540	5
Fremont	1,271	17
Goshen	1,154	134
Hot Springs	200	5
Johnson	320	3
Laramie	667	296
Lincoln	629	32
Natrona	274	17
Niobrara	381	2
Park	891	74
Platte	676	56
Sheridan	760	8
Sublette	204	3
Sweetwater	139	—
Teton	98	17
Uinta	301	60
Washakie	290	1
Weston	251	2
State Total	11,392	870

Majority of Commission is making it clear in all decisions and in its court arguments that all deintermixture proponents will have full opportunity to present their arguments during rule-making, on which comments are due Dec. 15.

First substantial filing in rule-making was made, meanwhile, when comments were submitted by "Committee for Hometown TV Inc." -- group led by WICC-TV, Bridgeport, Conn. (Ch. 43) and including WNHC-TV, New Haven (Ch. 8), WATR-TV, Waterbury (Ch. 53), WHYN-TV, Holyoke (Ch. 55), possibly others.

The 46-page document filed by attorneys Paul Porter, Harry Plotkin and Reed Miller blasted the Commission in bitter language, made several specific proposals. "Since deeds speak louder than words," group said, "it is only fair for a disinterested outsider to conclude that the Commission speaks kindly for uhf but its helping hand is for vhf." It proposes that all TV stations' coverage be limited to their cities' retail trading areas; that new stations be dropped in through shorter separations; that deintermixture be employed. Novel proposal is also made that stations operating on drop-in vhf channels also operate on uhf simultaneously, abandoning vhf when 85% or more of receivers are uhf-vhf or after 5 years -- whichever is later. Deintermixture will create enough "uhf islands," group says, to encourage manufacturers to build only all-channel sets.

Efforts to acquire more vhf channels from military continued this week. ODM announced composition of committee working on it, plus technical group assisting it. Top-level group comprises: Maj. Gen. Jerry Matejka, ODM, chairman; FCC Chairman McConnaughey; George T. Moore, Asst. Secy. of Commerce; George B. Larkin, staff director of communications, Office of Asst. Secy. of Defense (supply & logistics). The technical committee comprises: Edward W. Allen, Albert L. McIntosh & James E. Barr, FCC; Brig. Gen. F.F. Uhrhane, Office of Chief Signal Officer; Capt. Henry Williams Jr., Office of Naval Communications; Brig. Gen. Alvin L. Pachynski, Air Force; Percy D. McKeel, CAA.

IS FCC OFF THE HOOK IN THE LAMB CASE? One of FCC's hottest potatoes -- the 2-year-old and much-publicized Edward O. Lamb communist-charge case -- began to cool off this week as hearing examiner Herbert Sharfman recommended renewal of Lamb's license for WICU, Erie, Pa. His so-called "initial decision" gives Commission good opportunity to get off the hook, if it so chooses, in a case that has been marked from beginning to end by incredible bumblng, fumbling and blundering.

While finding in favor of the millionaire Toledo broadcaster-industrialist, who is also a lawyer and newspaper publisher (Erie Dispatch), Sharfman was at pains to state that the Commission was justified in starting the proceeding; that information it had "was obviously serious enough to warrant further inquiry in hearing"; that the Broadcast Bureau's conduct of its side of case showed careful, thorough, diligent preparation. Certainly it became a cause celebre, and without question the stormiest proceeding in all FCC history.

It's clear now that the Lamb case was conceived by an inept and fumbling Commission which bowed to pressures of the times when the communist hysteria was at its peak. Whole case, with its recanting witnesses, charges of bribery, etc. was born of tortured logic within the Commission, nurtured by warped presentations by both Broadcast Bureau and Lamb's legal staff -- now climaxed by an examiner's decision that can best be described as tortuous.

In 64 days of hearings, 7000 pages of transcript were amassed relating to the Commission charges that Lamb was guilty of misrepresentation when he denied earlier that he had knowingly associated with and contributed to communist groups and had advocated changes in the U.S. Govt. by unconstitutional means.

Sharfman's 140-p. decision, noteworthy for its "literary" embellishments, its curious analyses of grammar, its capsule book reviews, and its sprinklings of witticisms and sarcasms, concluded that:

"There is no proof that Lamb personally engaged in any subversive activity. Perhaps the picture of Lamb which emerges is one of uncertain authenticity -- that of a shrewd, successful and aggressive lawyer who was connected in some way with several communist-dominated matters which, despite his demonstrated acumen, he failed

to recognize...Lamb's possible naivete in allying himself with these groups [cannot] on this record, be transformed into something sinister...There is nothing [in his writings] to indicate that he called for the importation of communism in the United States and the destruction of American institutions..."

Next move is up to Broadcast Bureau, which isn't expected to take any action for at least 2 weeks. It's not a foregone conclusion that the Bureau, which fought the case so ardently and diligently (and with so many changes in personnel), will appeal the decision. Though improbable, it's not inconceivable that the Bureau may choose to endorse Sharfman's decision or not to file at all, thereby giving the Commissioners further help in bailing their way out of their own Lamb stew.

Said Lamb: "I am very pleased at this evidence of the integrity of our administrative processes. The ordeal has been an unfortunate one, but I am thankful that the outcome assures the broadcasting industry that freedom of speech and freedom of conscience will be retained in this country."

GOVT. SLAPPED DOWN IN FILMS-TO-TV SUIT: Moviemakers who withhold old films from TV aren't acting illegally, and the Govt. has no right to force producers to sell their product to their own "competitors". This was gist of decision by Los Angeles Federal Judge Yankwich in 3½-year-old "16mm case" against 5 major movie companies -- one of Govt.'s last big-stick anti-trust suits.

Govt. had accused film makers of illegal conspiracy to keep 16mm versions of old feature films away from TV and other non-theatre users (Vol. 8:30). Though the movie exhibitors blamed unknown and mysterious "TV powers" for institution of the action, fact is that the TV industry never sought the prosecution and has generally adopted hands-off policy in regard to it.

Suit was instituted in 1952 by President Truman's Attorney General McGranery, who called it "part of the continuing program of the anti-trust division to prevent businessmen and others from combining to place restrictions upon what the public may see on their TV sets." It followed up earlier anti-trust suit against the National Football League which resulted in the ending of some league restrictions on the telecasting of professional football games (Vol. 8:20 & 9:46).

This week's film decision stressed that current movie industry practice with regard to 16mm prints isn't unreasonable restraint of trade, nor is it a boycott. It flatly rejected govt. contention that major movie makers and their trade associations were engaged in "conspiracy," but ruled that they were merely following good business practices in not selling to TV. It added that moviemakers can't be compelled to make 16mm versions of features or compelled to distribute them.

Court's action won't cause any TV executives to jump out of windows; feature film market actually is loosening up nicely now. But what will rankle TV industry is the judge's made-in-Hollywood definitions of TV and motion pictures:

"As to television, this court holds that television is mainly an advertising medium, in which free entertainment through motion pictures and other methods is used to merchandise another's product...Motion pictures, while essentially entertainment, are also of educational value, and are recognized as a means of expression protected by the free speech and free press guarantees of the 1st & 5th Amendments."

Govt. hasn't decided whether to appeal. Defendants were 20th Century-Fox, Warner Bros., RKO, Columbia, Universal and their subsidiaries. Three other defendants -- Republic Pictures, Pictorial Films, Films Inc. -- had entered consent decrees before case went to trial (Vol. 11:38-39).

TV interference, particularly in lower vhf bands, is expected to increase next year and get worse in winter of 1957-58—due to 11-year sunspot cycle. FCC reported numerous recent complaints of interference in 25-50-mc mobile radio bands this week, said nothing about TV. Commission engineers tell us, however, that reflection of waves from upper ionosphere layer will cause TV signals from 600-1500 miles away to be received either as interference to local stations or a clear picture on locally unoccupied channels. Little trouble is expected on higher

vhf or on uhf channels. Last sunspot cycle hit peak in winter of 1946-47, but with only about a dozen TV stations and about 20,000 receivers in operation, few interference complaints were reported. This time, with about 35,000,000 sets in use and 460 stations on air, Commission engineers say problem could become real hairshirt next year. FCC's Public Notice 55-1213 warns operators of mobile systems which need high reliability—such as emergency services—to consider use of higher frequencies which are free from such interference.

HIGHLIGHT OF NBC-TV affiliates convention in Chicago's Drake Hotel Dec. 8-9 was off-the-cuff talk by newly elected chairman Pat Weaver, devoted mainly to his programming philosophy—gist of which is that immediate ratings aren't as important as the long-haul buildup of audience interest in the finer things that TV can do. He pointed proudly to NBC's program innovations, and to such special and much-talked-about shows as *Peter Pan* and *Assignment India*. For the long pull, he said, they build prestige and audience loyalty that mean far more than ephemeral ratings and will inevitably result in high ratings.

It's evident NBC-TV is still smarting because its bitter competitor CBS-TV retains the lead, although a narrowing one, in billings (see PIB figures, p. 18) and lately has captured additional top ratings—but there was little doubt that his listeners were with Weaver, judging from the enthusiastic ovation he got after he had completed his talk. On the business side, too, the stock-taking seemed to satisfy them, notably the report of sales v.p. George H. Frey.

Indicative of upsurge of TV, which finds virtually every network-affiliated station on the profit side, Frey reported that NBC-TV's 1955 time billings were 28% ahead of 1954; that an average of 53½ hours per week has been sold as against 46½ last year, with daytime sales up

40%; that NBC's share of total network billings has risen to 42% from 39% last year; that July-thru-Oct. PIB figures show increase of 39% over year ago.

Frey apparently couldn't resist observing, too, that CBS-TV's share of network billings has slipped from 51% last year to 46% this year; that whereas NBC-TV's billings are running 28% ahead of last year, CBS-TV's are up 20%.

Healthy advance in diversity of sponsorships was shown by fact that 231 advertisers have used NBC-TV this year as against 210 in 1954, 165 in 1953, 138 in 1952, only 105 in 1951; that 36 new advertisers went on the network during first 8 months alone; that 1955 billings of *Today*, *Home & Tonight* combined exceed \$17,000,000, running 37% ahead of last year, and are represented by 131 different advertisers.

The affiliates reelected Walter J. Damm, WTMJ-TV, Milwaukee, as chairman for 2 more years; elected Lawrence Rogers II, WSAZ-TV, Huntington, W. Va., vice chairman, succeeding Clair McCollough, WGAL-TV, Lancaster; Edward Wheeler, WWJ-TV, Detroit, secy.-treas., succeeding William Fay, WHAM-TV, Rochester. Board members serve 2-year terms, aren't due for election until next year.

Scroll of appreciation was presented to Damm, and framed resolutions voted for Gen. Sarnoff and Weaver. Attending were 129 delegates from 43 basic stations (out of 47 membership) and from 61 optionals (out of 79).

Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1955 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. 5. Price: \$25 per volume.

New entry in multi-million dollar sweepstakes for acquisition of TV stations: Partnership of Wm. Zeckendorf, head of big Webb & Knapp realtors & builders of New York City and onetime ABC board member, with John C. Mullins, Tulsa & Phoenix amusement park owner who in 1952 sold his KPHO-TV in Phoenix to Meredith for about \$2,000,000 (Vol. 8:26) and who early this year acquired half interest in KBTB, Denver (Ch. 9) in \$1,000,000 deal (Vol. 11:7). They're avowedly out "to buy and operate 5 major market TV stations and an undisclosed number of big-city radio outlets." As first step, Zeckendorf became 50% owner of KBTB, for which Mullins and partner Frank R. Leu, Nashville & Mobile insurance man, paid \$900,000 cash and assumed \$100,000 mortgage & notes. Zeckendorf's Webb & Knapp is buying out Leu's interest, paying him \$100,000 cash, paying up note of \$50,000 owing him and buying up \$700,000 in outstanding debenture bonds.

Reputedly the biggest money-maker of them all, radio WNEW, New York, discloses gross sales of \$2,664,315 and net income after taxes of \$295,068 in 9 fiscal months ending July 31 vs. \$2,707,479 & \$321,519 in same 1954 period. Figures were revealed in profit-&-loss statement filed with FCC in connection with proposed sale for \$4,000,000, record price for a radio station (Vol. 11:44). Purchasers are Jack Wrather, 39% owner of KFMB-TV & KFMB, San Diego, who acquires 37½%; John L. Loeb, partner of bankers Carl M. Loeb, Rhoades & Co., 37½%; Richard D. Buckley, pres.-gen. mgr., 25%. Sellers are Horace Lohnes estate (25%) and other holders who last year paid then record \$2,100,000 for the station (Vol. 10:16).

SYLVESTER L. (PAT) WEAVER, creator and innovator, and Robert W. (Bob) Sarnoff, administrator and business man, were installed as NBC chairman and president, respectively, by action of the board at special meeting Dec. 7—ending the plethora of rumors about imminent changes at the network, including a persistent one that there was friction between them and that Weaver was about to quit.

The team of "Pat & Bob", it was stated, was working more harmoniously and effectively than ever, and the promotions were rewards for "the brilliant achievement of NBC" during their 2 years as president and executive v.p. Moreover, Weaver receives a lucrative long-term contract and at the ripe old age of 47 gets the freedom from administrative duties he wants in order to pursue his forte, which is the creation and development of new programs.

The 37-year-old Bob Sarnoff, son of an illustrious father who relinquishes the NBC chairmanship to Weaver while retaining chairmanship of parent RCA, is manifestly the beneficiary of paternal interest—but he actually is an extremely able, very personable and highly popular young man and his selection is probably better appreciated within the company than outside.

He knows the business well, having joined NBC in 1948 and having worked at all levels. As the knowledgeable Jack Gould of the *New York Times* put it, he is "extremely well informed on the intricacies of the fabulously complicated business and manifestly is not walking into a sinecure position." As for Weaver, Gould stated:

"Not the least of Mr. Weaver's attributes is to engender a contagious sense of excitement about TV's future—in this respect his beneficial influence on employe morale at NBC really has been remarkable. Just as he cast the presidency in his own mould, so, too, he may impart his own brand of distinctive importance to the chairmanship . . . Whatever the immediate future holds, life at NBC is

not going to be dull. Not with two Sarnoffs and one Weaver."

* * * *

The apperceptive but cynical John Crosby, who in the past has scoffed at some of Weaver's innovations, notably at the enormously successful *Today* in its inceptive days, observes in his Dec. 9 column that:

"Weaver, for all his flamboyant syntax, had an immensely important influence not only on his own network but on the whole industry. Television, when he came into the picture, was beginning to box itself in with endless repetitions of a few unvarying formula shows, most of them a half hour long. It was Weaver who tore the stale old structure apart and rebuilt the whole concept of programming. Half-hour shows were replaced with hour-long, 1½-hour and 2-hour shows with the eventual promise of their getting even longer or more elaborate. The biggest stars, the finest authors, the greatest classics were shoveled on to TV, and along with it came whole new, strictly TV ideas like *Wide Wide World*.

"So pervasive was the Weaver influence that CBS had to reorganize much of its programming in the Weaver mould, and now ABC, with its forthcoming 90-minute dramas, seems to be falling in line, too."

Apparently fearing that the Weaver influence may wane, Crosby adds: "Weaver was not invariably right, as who is, but no one will ever accuse him of a lack of courage or imagination. It is only to be hoped that that courage and imagination will not be wholly lost to NBC."

* * * *

Brig. Gen. Sarnoff, now 64, is eligible for retirement from RCA next year—but few believe he will retire, short of a call to public service. It remains to be seen whether he intends that his self-made mantle shall eventually fall on the shoulders of his eldest son. It isn't often that father-son successorships have come to pass in the still rather youthful TV-radio industry, though there are a lot in the distributing field and quite a few hold executive positions in manufacturing companies their fathers head.

Most noteworthy example of latter is Robert W. Galvin, exec. v.p. of Motorola and son of founder-pres. Paul V. Galvin; those who know young Galvin have little doubt that he will head the company some day. At Hallicrafters, two sons of founder-chairman Wm. J. Halligan hold executive posts—William Jr. and Robert, both technically trained. At Admiral, pres. Ross Siragusa's eldest son Ross Jr., recently out of the Army, has a sales post, and at DuMont, young Allen B. Jr., recently out of engineering college, has gone to work.

Stromberg-Carlson's director of public relations Stanley H. Manson is the son of a onetime pres. Radio Condenser Co.'s pres. Russell E. Cramer has Russell Jr. as a v.p., and at Plamondon Magnetics, A. D. Plamondon III works under his father. At Packard-Bell, exec. v.p. Robert Bell is nephew of founder-pres. Herbert A. Bell, and at Emerson, Benjamin Abrams, who has no son, has several nephews in the business.

Admiral Richard E. Byrd's "Operation Deepfreeze," Antarctic expedition, is being accompanied by NBC-TV reporter-cameraman Wm. B. Hartigan, who flew to New Zealand last week to join one of the ships en route to the South Pole and won't be able to come back for at least 3 months. Arlene Francis flies to Japan Dec. 27 at invitation of Japanese Radio NHK and women's magazine *Shufunotomo* to film segments for her NBC-TV *Home* program.

NARTB lists 1999 members as of Dec. 8, up 160 in year—comprising 1260 AMs, 326 FM's, 278 TV's, 127 associates, 4 TV & 4 AM networks. There are 261 subscribers to TV code.

LIVE TELECAST of a murder trial was carried for first time this week when KWTX-TV, Waco, Tex. (Ch. 10) covered courtroom proceedings in bomb-slaying case, disrupting daily routine of many people in area, who dropped everything to sit by TV sets—as millions did nationally during McCarthy-Army feud and Kefauver crime hearings. Event was important and dramatic step in TV-radio's long battle for equality with press in news coverage, in which NARTB has taken lead (Vol. 11:36).

Judge D. W. Bartlett, veteran of 25 years on Texas bench, permitted one TV camera in balcony facing witnesses, bolstered TV's cause tremendously with deed and words. "Television is the coming thing," he said, "and TV should be allowed in courtrooms provided it does not distract from court proceedings . . . It will just become a routine thing [and] will cause no more excitement than regular newspaper reporters covering a trial."

Case involved bomb-murder of wealthy ranchwoman, and since telecasts started it's been major topic of local conversation. Businessmen and housewives took time out to watch TV, filling stations installed sets, public school civics classes attended trial via TV and half of Baylor U law faculty and students watched it daily.

TV's role got nation-wide coverage in newspapers which gave it play over actual trial news. NARTB pres. Harold E. Fellows hailed it: "In the struggle to attain complete freedom of information, TV has made another new inroad by gaining admittance to a courtroom [to] carry live the proceedings of a murder trial . . . I salute the judge and trial attorneys for allowing KWTX-TV to demonstrate that TV can cover court proceedings in a mature and dignified manner." At the same time, Fellows blasted Colorado Supreme Court Justice E. V. Holland for ban on TV-radio coverage of any trials in that state, including sensational case of bomb explosion aboard United Airlines plane Nov. 1 which killed 44 persons.

The *N. Y. Herald Tribune*, which gave TV coverage of Waco trial conspicuous news play, tore it apart editorially. Under headline "Justice as an Entertainment," *Tribune* said that Judge Bartlett had made a "show out of a very serious process;" that a murder trial was not a public diversion and should not be officially treated as such. Paper said purpose of public trial is to prevent abuses which might otherwise go undetected, failed to acknowledge fact that telecasts threw trial open to vastly larger public audience without disturbing decorum of court.

Hazards of TV show business: CBS Inc. sued for \$170,000 in Birmingham court for characterization of Albert L. Patterson, murdered district attorney in *Studio One* drama "Short Cut"; plaintiff is his widow. It's second suit growing out of Phenix City gangsterism story (also made into movie)—other having been against CBS also, along with sponsor Westinghouse, for \$1,000,000 by a local citizen. Meanwhile, Los Angeles Federal Judge Carter Dec. 9 ruled NBC innocent of plagiarism in 2-year-old suit brought by Columbia Pictures as result of a Sid Caesar-Imogene Coca skit, "From Here to Obscurity," which the movie maker said infringed on copyright and libeled its picture *From Here to Eternity*. Judge warned comedians, however, that legal trouble is possible where burlesque follows original work too closely.

Ten closed-circuit telecasts are scheduled by Theatre Network Television Inc. between Dec. 22 & April 21, representing billings of more than \$1,125,000, according to pres. Nathan L. Halpern. Contracts have been signed by GOP National Committee for 50-city "Salute to Eisenhower" dinner; by GE for 2 sales meetings; Upjohn Co., for 4 medical sessions; Smith, Kline & French, for 5th "Videclinic" for physicians.

Personal Notes: Jack Rayel, exec. producer of Maurice Evans series on NBC-TV's *Hallmark Hall of Fame*, named CBS-TV director of network programs, Hollywood, replacing Wm. Dozier, now production v.p. of General Tele-radio's RKO-Radio Pictures . . . Theodore F. Streibert, director of U. S. Information Agency (Voice of America) due back Dec. 22 from 5-week tour of Middle East operations . . . Ben Wickham, who resigned from editorial staff of *Cleveland News* in 1952 to become director of program operations of WXEL-TV, Cleveland, promoted to managing director; post has been temporarily filled by Wm. E. Rine, Storer district v.p., since recent resignation of Franklin Snyder . . . Robert H. Teter, gen. mgr. of radio KYW, Philadelphia, promoted to new position of exec. asst. to pres. Donald H. McGannon, Westinghouse stations . . . John F. Hardesty, eastern sales mgr., Westinghouse stations, Jan. 1 joins Radio Advertising Bureau as v.p. under recently reelected pres. Kevin B. Sweeney . . . John C. Treacey, mgr. of NBC Spot Sales Cleveland office, transferred to Detroit as mgr. of TV sales, replacing Allan Kerr, resigned . . . Keith S. Jameson, recently acting chief of Voice of America special events branch, has been transferred to London as TV-radio officer of USIA, succeeding the late Pat Campbell; he formerly was with radios WMAL, Washington, WMBD, Peoria, and Armed Forces Network in Europe . . . C. Edward Little promoted to gen. & sales mgr. of WITV, Fort Lauderdale, Fla., succeeding Walter M. Roessler; Steve Zinn returns from Tampa's WTVT to become station mgr.; Glenn Carpenter promoted to operations mgr. . . W. Ervin (Red) James, communications attorney, has moved from Montgomery, Ala. to Houston, Tex., establishing offices at 4005 Travis St. (phone Jackson 3-0043) . . . Lincoln Mayo, ex-NBC-TV operations in N. Y., named sales & production mgr. of newly-granted WJMS-TV, Ironwood, Mich. (Ch. 12) & WJMS, as well as affiliated radios WIKB, Iron River, Mich. and WATW, Ashland, Wis. . . James E. Allen, ex-adv. & promotion director, Crosley stations, named editorial director of *Sponsor Magazine*, with Miles David promoted to exec. editor . . . Paul Owen, asst. TV-radio professor, named program director of U of Houston's KUHT . . . Perry S. Ury, ex-sales mgr. of WFMZ & off-air WFMZ-TV, Allentown, Pa., appointed pres. of A.T.E. Advertising Inc., same city . . . T. Ellsworth Stepp, TV-radio director, U of Colorado, named exec. secy. of Colorado Broadcasters & Telecasters Assn. . . Bruce M. Johns, out of Marines, returns to WTVN-TV, Columbus, as promotion & publicity mgr. . . Thomas P. Cookerly promoted to Carolina sales mgr. for WBTV, Charlotte . . . Robert E. Dunville, pres. of Crosley stations, assumes title of pres. of Crosley Bcstg. of Atlanta, operating WLWA there, with gen. mgr. Harry Le Brun adding title of v.p.; Joe Dwyer, Crosley asst. secy.-treas., also promoted to v.p. of WLWA . . . Roger La Reau, ex-station mgr. of WCMB-TV & WCMB, Harrisburg, Pa. & onetime gen. mgr. of WRDW-TV, Augusta, Ga., and Vincent deP. Meade, ex-CBS, join Crosley eastern div. sales force.

NBC v.p. & chief engineer Robert E. Shelby, 49, died suddenly Dec. 9 of a heart attack at his home in Teaneck, N. J. With NBC since 1929, joining it shortly after graduation in electrical engineering from the U of Texas, he rose through the ranks, became v.p. & chief engineer in July, 1954 when O. B. Hanson was elevated to v.p. of parent RCA. One of the most popular and highly respected engineers in the industry, he pioneered both black-&-white and color TV developments, participating on nearly all committees and special researches leading to emergence of TV after the war. His duties are currently being handled by George McElrath, director of technical operations. Shelby leaves his wife and 2 young daughters.

ADVERTISING AGENCIES: Leo Burnett, pres. of Leo Burnett Co., and Fairfax Cone, pres. of Foote, Cone & Belding, both receive *Printers' Ink* Gold Medal Advertising Award for 1955 . . . Robert P. Lytle, v.p. of Ketchum, MacLeod & Grove, Pittsburgh, named mgr. of its newly established office at 155 E. 44th St., N. Y. . . Wm. S. Doughton rejoins Dancer-Fitzgerald-Sample as TV-radio script editor after 6 years as TV coordinator of General Mills' Betty Crocker programs . . . Gustave W. Eisenmann, ex-Princeton Film Center, named gen. mgr. of motion picture div., Robert J. Enders Inc., Washington . . . Grace Rauworth appointed TV-radio media mgr., J. R. Pershall Agency, Chicago . . . Burt M. Harris, ex-Walt Framer Productions v.p. in charge of TV merchandising, joins TV-radio production dept., N. W. Ayer, N. Y.; Wm. H. Fallon, ex-Sullivan, Stauffer, Colwell & Bayles, joins N. W. Ayer TV-radio research dept. . . Hal Friedman, ex-NBC-TV special events, joins Kudner in charge of "off-the-air" industrial productions . . . Bradford Knight Cross, ex-Princeton Film Center, joins Lavenson Bureau of Advertising Inc., Philadelphia, as supervisor of account service dept.

FCC's network study staff was augmented this week with appointment of 4 members in addition to previously assigned FCC economist H. H. Goldin and Commission attorney Ashbrook P. Bryant. New appointees: Louis H. Mayo, asst. dean, George Washington U Law School, named exec. secy. of staff; Harry J. Nichols, ex-Mumm, Malloy & Nichols, Columbus, O. ad agency, named advertising-marketing consultant; James F. Tierney, from private law practice in Washington, appointed attorney-investigator; Peter Gerlando, ex-FCC economist recently with Census Bureau. All report to Roscoe Barrow, dean of U of Cincinnati Law School, staff director of study.

Houston Mayor Roy Hofheinz, 16% owner of KTRK-TV (Ch. 13) and 25% of radio KTHT, was defeated for re-election Nov. 19 after serving 3 years. Winner was Oscar Holcombe, who has been mayor for about 20 of last 30 years. Hofheinz is expected to devote attention to TV-radio properties, law practice and other business interests.

J. W. Betts, gen. mgr. of radio WFTM, Maysville, Ky., elected chairman of Mutual Affiliates Advisory Committee, succeeding John M. Walter, mgr. of WJPG, Green Bay, Wis. Ray Butterfield, WLOX, Biloxi, Miss., was elected vice chairman; Ken Nybo, KBMY, Billings, Mont., secy.

Jack R. Howard, gen. editorial mgr. of Scripps-Howard Newspapers and pres. of Scripps-Howard Radio, appointed by President Eisenhower this week as member of Postoffice Dept. advisory board on methods and policies for improving the postal service.

Fred Garrigus, NARTB mgr. of organizational services, will be featured speaker at Radio & Television Institute at Henry W. Grady School of Journalism, U of Georgia, Jan. 25-27.

Maj. Thomas B. Claggett promoted to chief of TV-radio branch, Army public information div., succeeding Lt. Col. Tom Mathews, assigned to Ft. Sam Houston.

Harlan Logan resigns as public relations director of Corning Glass to become General Foods v.p. for public relations & personnel.

Martin P. Henry, 50, pres. of Video Pictures Inc., N. Y., onetime Paramount and Fox director, 1942-46 Signal Corps major in charge of producing Army training films, died at New York Hospital Dec. 6. Survivors are his mother and a sister, Mrs. Gene Sarazen, wife of the golfer.

Thomas M. Hackett, 49, assoc. director of media relations, Young & Rubicam, died Dec. 7 at Northern Westchester Hospital, Mt. Kisco, N. Y. Survivors are his wife, son, daughter, mother & sister.

Station Accounts: "How to Use Daytime Spot TV Successfully," 22-p. brochure released this week by rep Avery-Knodel, makes these points to prospective daytime sponsors: (1) It's best way to reach the 20 to 39-year-old "age of acquisition" customers whose average family income is \$4710. (2) 67% of daytime viewers allocate at least \$20 a week for food and grocery products. (3) Incentive "package" discount rates on many stations make it economically attractive. (4) High audience "turnover" rate makes it possible to reach greater audience than for many evening shows in individual markets. Copies are available from Avery-Knodel, 720 Fifth Ave., N. Y. . . . Oklahoma Oil Co., Chicago, sole sponsor of *Eight O'Clock Theatre* (feature films) on WGN-TV Sun. 8-10 p.m., rates kudos from Dec. 5 *Advertising Age* for bucking top-rated network shows, for using only 13 min. for its commercials out of allotted 22 min., and for leaving high-pressure salesmanship out of messages . . . RCA using one of its most extensive all-media Christmas campaigns for its radios & phonos under R. E. Conley, adv. & sales promotion mgr. of RCA Victor Radio & "Victrola" div., thru Kenyon & Eckhardt, N. Y. . . . American Sugar Refining Corp. (Domino, Franklin, Sunny Cane brands) scheduling heavy spot campaign for 1956, thru Ted Bates & Co. . . . U. S. Steel Homes Inc. orders 8-min. sales promotion film in color, *House for the Bride*, from Al Stahl Productions, N. Y., for local tie-ins with TV programs, sales meetings, etc., thru BBDO . . . Sears Roebuck appoints Mayers Co. Inc., its Los Angeles agency, to direct its national advertising; agency plans to establish Chicago office, already is working on series of filmed TV commercials . . . Among advertisers currently reported using or preparing to use TV station time: Kasco Mills Inc., Kasco, N. Y. (Kasco dog food & farm feed), thru Clark & Bobertz, Detroit; Alliance Mfg. Co., Alliance, O. (Lift-A-Dor garage door operator; antenna rotor), thru Foster & Davies, Cleveland; Westfield Mfg. Co., div. of Torrington Co., Westfield, Conn. (Columbia bicycles), thru Horton-Noyes Co., Providence, R. I.; National Biscuit Co., N. Y. (Wheat & Rice Honies cereal), thru Kenyon & Eckhardt, N. Y.; Medomak Canning Co., Rockland, Me. (One Pie Brand pie filling), thru Ingalls-Miniter Co., Boston; Fine Products Corp., Augusta, Ga. (Nunnally's and Hollingworth's candies), thru Day, Harris, Hargrett & Weinstein, Atlanta; Texize Chemicals Inc., Greenville, S. C. (industrial & household products), thru Henderson Adv., Greenville; Serta Associates, Chicago (Land-O-Nod mattresses), thru Bozell & Jacobs, Chicago; Kraft Foods Co., Chicago (miniature marshmallows), thru J. Walter Thompson, Chicago; Buckeye Formulas Inc. ("This" cold-water cleaner for woollens), thru Ettinger Adv., N. Y.; Mrs. Tucker's Foods Inc., div. of Anderson, Clayton & Co., Sherman, Tex. (shortenings), thru A. A. Crook Adv., Dallas; Vick Chemical Co., N. Y. (Sofskin hand cream), thru BBDO, N. Y.; Safeway Stores Inc., Oakland, Cal. (Lac-Mix dry milk powder), thru Ruthrauff & Ryan, San Francisco.

Kudos from an adman: In current *Advertising Agency*, Ruthrauff & Ryan TV-radio chief George Wolf nominates ABC pres. Robert E. Kintner as "Mr. Television of 1955"—observing that "this is the year that ABC-TV, under Kintner's leadership, has broken the programming lock that NBC-TV and CBS-TV enjoyed, good news for agency men and clients everywhere."

Pepsi-Cola cancelled \$8,000,000 account with Biow-Beirn-Toigo this week, ending 7-year association that began with predecessor Biow Co. Pepsi-Cola gave no reason for cancellation, merely said it had invited several agencies to bid on contract, denying earlier report that it would switch to D'Arcy, which recently lost Coca-Cola account to McCann-Erickson.

Network Accounts: ABC-TV is going all-out to push partic. sales in *Afternoon Film Festival*, its most ambitious daytime programming venture, Mon.-thru-Fri. 3-5 p.m. starting Jan. 16 (opposite NBC-TV's highly-touted *Matinée* colorcasts). Feature films to be shown are taken from the 100 purchased this week from J. Arthur Rank for estimated \$1,500,000 (Vol. 11:49). Special sales force has been created to offer 60 & 90-min. partic., with up to 18 spots per 2-hour show. A different film will be shown each day—among them *Hamlet*, *Queen Is Crowned*, *Run for Your Money*, *Beware of Pity* . . . Hartz Mountain Products (pet food) drops *Captain Hartz and Pets* on NBC-TV, will be alt. sponsor (with Roto-Broil and Chunky Chocolate Corp.) of *Super Circus* on ABC-TV starting Jan. 1, Sun. 5-6 p.m., thru George H. Hartman Co., Chicago . . . Jacoby-Bender Inc. (JB watch bands) to be partic. sponsor of *Stop the Music* on ABC-TV starting Jan. 5, Thu. 8:30-9 p.m., thru Grey Adv. . . . Seven-Up Co. to sponsor Wed. 3:30-3:45 p.m. portion of *Bob Crosby Show* on CBS-TV starting Dec. 7, thru J. Walter Thompson . . . Mennen Co. buys one-fourth sponsorship of National Pro League basketball schedule on NBC-TV starting Jan. 7, Sat. 3-5 p.m., thru McCann-Erickson . . . Gulf Oil to sponsor Sugar Bowl football game from New Orleans on ABC-TV Jan. 2, starting at 2 p.m., thru Young & Rubicam . . . Chrysler to sponsor East-West football game from San Francisco on NBC-TV Dec. 31, starting at 4:45 p.m., thru McCann-Erickson . . . Union Oil Co. to sponsor 4 major Santa Anita stake races on all 19 stations of CBS-TV Pacific Network starting Dec. 31, Sat. 4-4:30 p.m., thru Young & Rubicam . . . Sheaffer Pen drops out as alt. sponsor (with Kent cigarettes) of Herb Shriner's *Two for the Money* on CBS-TV Sat. 9-9:30 p.m.

Rate increases: WBBM-TV, Chicago, raises Class A base hour from \$3300 to \$3700, min. only Class AA rate from \$650 to \$750, Class A min. from \$425 to \$475. KWK-TV, St. Louis, raises base hour from \$1200 to \$1500, min. \$250 to \$300. XETV, Tijuana-San Diego, Jan. 1 raises base hour from \$500 to \$600, 20 Sec. \$100 to \$120. KTVH, Hutchinson-Wichita, Feb. 1 adds Class AA hour (6:30-10 p.m. daily) at \$500, min. at \$120, Class A hour going from \$450 to \$375. KOLN-TV, Lincoln, Neb. has added Class AA hour (6:59-9 p.m. daily) at \$400, min. at \$80, Class A hour remaining \$300. WNAO-TV, Raleigh, raises base hour from \$250 to \$325, min. \$50 to \$65. WEAR-TV, Pensacola, adds Class AA hour (7:30-9:30 p.m. daily) at \$300, min. at \$60, Class A hour going from \$225 to \$240. KFDA-TV, Amarillo, Jan. 1 raises base hour from \$250 to \$300, min. \$50 to \$70. WSEE, Erie, raises base hour from \$200 to \$250, min. \$40 to \$50. WJDM, Panama City, Fla. raises hour from \$150 to \$175, min. \$22.50 to \$35. **Spot Increases:** WTVN-TV, Columbus, adds Class AA min. only rate (8-10:30 p.m. daily) at \$160, Class A min. remaining \$125. KSD-TV, St. Louis, Jan. 1 raises base min. from \$200 to \$250. WKY-TV, Oklahoma City, has raised base 20 sec. from \$175 to \$225. KGGM-TV, Albuquerque, Jan. 1 raises min. from \$50 to \$60.

Lowest rate in TV history: Wm. J. Wagner's upcoming KINY-TV, Juneau, Alaska (Ch. 8), due on air sometime in Jan., announces hour rate of \$60, scaling down to \$48 for 260 times; \$36 for half hour, \$12 for 1-min., \$9 for 20 seconds, \$7.20 for 10-sec. or IDs. It's recalled that Rogan Jones' KVOS-TV, Bellingham, Wash. (Ch. 12), which started in May, 1953 with base rate of \$90; it's now up to \$300.

Television Bureau of Advertising has added 15 more stations to membership, bringing total to 178. With addition of Hollingbery, it now has 9 rep firms as members as well as NBC-TV & CBS-TV.

Telecasting Notes: TV's "coming of age" in 1955 was praised this week in 5th annual report of Sylvania TV Awards' committee of judges, issued as sort of post mortem on last week's award presentations (Vol. 11:49). Here's what the judges liked about TV this year: (1) "Total creative output has shown great improvement, [and] the industry is to be commended for developing new writers." (2) "The networks have shown courage in producing costly shows at great financial risk with little assurance of material reward." (3) Children's shows have improved in "program content and production," with more educational topics now woven into entertaining shows . . . Judges didn't like: (1) "Distressing tendency to slapstick" by TV comedians, together with "over-contrived situations" as exemplified by filmed situation comedies. (2) "The increasing use of canned applause and laughter." (3) "TV's lack of ability to present serious music" . . . Repeats of top live TV dramas, an idea we've long espoused (Vol. 11:17-21), continues to gain momentum with announcement that *Goodyear Playhouse* will present next Jan. 1 "Rise Up and Walk," TV play by Robert Anderson which was acclaimed when first televised on NBC-TV's *Robert Montgomery Presents* nearly 4 years ago. Comments *Goodyear Playhouse* producer Herbert Brodtkin: "I plan to repeat other plays from time to time. For years I tried to sell a regular series titled *The Best of Television*, which would have been repeats of good shows, but I found that sponsors usually object to repeats" . . . Hollywood travelers: Alex Segal, who won fame as director of *Celanese Theatre* and *U. S. Steel Hour*, back in N. Y. from Hollywood where he adapted the TV play "Fearful Decision" into movie for MGM; he's booked to direct 2 shows for *Producers' Showcase*, plans to freelance. Herbert Bayard Swope, until 2 months ago an ace producer-director for NBC-TV, now doing 3 pictures for 20th Century-Fox in Hollywood, in N. Y. on visit this week, not too anxious to return to TV . . . Swope is a loyal TV graduate, but he told the *N. Y. Times* that TV isn't altogether satisfying, even at its best, for creative people. "You work hard for weeks," he said, "developing a show of which you can be proud and which even the critics agree is great. Then

what happens? It's seen once and it is gone. All the effort vanishes with that single performance. The reward—the satisfaction—of accomplishment is too ephemeral measured against the awful pressures. With the movies or a play or a novel there is a certain amount of permanency to the work" . . . No Hollywood offer will attract top TV playwright Rod Serling, who had distinction last week of winning a Sylvania Award (Vol. 11:49) and seeing 3 of his one-hour shows on the networks within 5 days. Ex-paratrooper Serling, according to *Time*, is "probably TV's most versatile writer [but] he has few literary pretensions." Though Hollywood has bought 3 of his scripts, he says: "My future is unquestionably in TV. I like movies as a change of pace, but TV is much more intimate. You're looking at people close up, physically and psychologically, and there aren't as many taboos" . . . More TV dramas sold to movies: "Incident in an Alley," recently on NBC-TV's *Playwrights 56*, to be given feature film treatment by Michael Myerberg, who has just completed movie version of Rod Serling's "Patterns"; David Shaw's "Double Jeopardy" has been acquired by Columbia Pictures, Shaw to write screen play . . . Six TV film directors nominated for 3rd annual Screen Directors Guild directorial achievement award, winner to be honored at Jan. 29 dinner: Robert Flory, Roy Kellino, James Neilson, Ted Post, Wm. Seiter, Don Weis.

Animal kingdom fights it out: Despite dire predictions earlier this year, humans continue to fill most star positions on TV shows—though they lost some ground to animals in 1955. They'll continue to lose in 1956, with new upcoming series (surprisingly, all on film) starring another monkey, another horse and a zebra. New and strange turn of events is the rise of the mouse—until this year not considered a suitably talented TV performer—to TV dominance. Mice are now fighting it out with horses and dogs for greatest number of starring roles (it's dead heat now; 2 each). Latest development is CBS-TV's wooing of Paul Terry's movie cartoon character "Mighty Mouse" to be host on his own *Mighty Mouse Playhouse* Sat. 1:30-2 p.m. beginning Dec. 10. We can't help wondering if he's riding on cousin Mickey's coattails.

All-out probe of Canadian TV-radio—which could result in end of CBC's dual role as boss and competitor of private broadcasting—was ordered this week by Prime Minister St. Laurent, who appointed 3-man Royal Commission to begin study early next year. Long sought by Canadian Assn. of Radio & TV Broadcasters in behalf of the operators of Canada's 24 privately-owned TV stations and 96 radio outlets (govt.-owned CBC has 8 TVs, 22 radios), inquiry will explore possibility of separating CBC's station regulatory and programming functions, as well as study finances of tax-supported CBC. Chance of opening door to private Canadian networks—now prohibited—is remote since St. Laurent has specified that programming must remain under govt. control. Members of commission: R. M. Fowler, pres. of Canadian Pulp & Paper Assn.; Edmund Turcotte, ex-editor of *Montreal's Le Canada* and now Canadian ambassador to Colombia; James Stewart, pres. of Canadian Bank of Commerce, said to be only member with exclusively private industry background.

Total advertising volume, predicts *Printers' Ink* editor Eldridge Peterson, will pass \$9 billion in 1956, may possibly run \$9¼ billion, as against \$8,750,000,000 this year. The *Printers' Ink* forecasts, prepared in collaboration with Robert Coen, of McCann-Erickson research dept., are usually uncannily accurate—especially as regards TV-radio (Vol. 11:49). The 1954 forecast was \$8 billion, and final figure turned out to be \$8,164,100,000 (for breakdowns, see Vol. 11:34).

Is TV a "billion-dollar sucker?" Ziv-TV chairman Frederic W. Ziv, who always comes up with new and provocative ways to promote his syndicated film series, this week produced a promotion piece which we think makes especially good sense. He now guarantees all his TV films to be "plug-free"—this pledge accompanied by statement of concern over "dangerous trend among TV producers to trade the valuable TV time of advertisers for the questionable bargains of 'planted' products and services not sharing in the program's costs, talky backstage visits with movie moguls or clips from non-TV films, and free rides on major scheduled airlines." He estimated that free riders are getting as many as 50,000,000 "publicity impressions" weekly on TV.

American networks and newsreel companies are joining in world-wide protest against apparent determination of organizing committee for Olympic Games in Australia next year to sell exclusive TV-newsreel rights to an English company, which in turn would offer rights to only one company in each country. There's even talk of a boycott of the Melbourne games if there's limitation on cameramen.

Canadian Broadcasting Corp. board of governors has recommended denial of application to transfer control of CKLW-TV, Windsor-Detroit (Ch. 9) to Paramount Windsor Theatres Ltd. on grounds law prohibits multiple ownership; purchasing firm interlocks with Famous Players Canada, which owns 50% of CKCO-TV, Kitchener, Ont. (Ch. 13) and 25% of CFCM-TV, Quebec City (Ch. 4).

YEAR'S 56th TV starter, making it 460 now on air (107 uhf), got going this week in Lewiston, Ida. after delays forced by bad weather. It's KLEW-TV (Ch. 3) which started Dec. 9 with CBS programs after 2 days of test patterns, according to wire from gen. mgr. Charles White, ex-sales chief of KPTV, Portland, Ore. It also plans to carry ABC & NBC, picking up signals of KIMA-TV, Yakima, Wash. (Ch. 29) via latter's satellite KEPR-TV, Pasco, Wash. (Ch. 19).

In northwestern part of state on Washington border, KLEW-TV opens up new TV area, being 100 mi. from Pasco and 85 mi. from Spokane. It uses 5-kw GE transmitter and 250-ft. Fisher tower surmounted by 50-ft. 3-bay antenna. It's owned by Cascade Bestg. Co. (Tom Bostic & A. W. Talbot) which operates KIMA-TV with radio KIMA and satellite KEPR-TV, holds CP for KBAS-TV, Ephrata, Wash. (Ch. 43), is applicant for Ch. 8 satellite in Walla Walla. Willard W. Thomas, from KEPR-TV, is sales mgr.; Robert S. Hallock, ex-KPTV, production mgr.; Michael Rastovich, chief engineer. Base hour is \$150. Reps are Weed and Moore & Lund (Northwest).

Note: KEPR-TV at Pasco, which began just year ago as out-&-out satellite of KIMA-TV, Yakima, now has 40x25-ft. local studio in new building and on Dec. 4 offered "live programming for area businessmen."

NARTB's community antenna committee voted this week to recommend that association file "friend of the court" briefs to protect stations' property rights in TV signals "in any appropriate litigation which may arise to establish these property rights." NARTB stated: "The Committee recognized that community antenna systems have had a part in bringing viewing service to certain areas not otherwise served. Nevertheless, the Committee took the position that the community antenna operators must recognize the property rights of the broadcasters whose programs these systems utilize." Committee member Wm. C. Grove, KFBC-TV, Cheyenne, Wyo., is currently contesting use of his signals by system in Rawlins, Wyo., in proceedings before Wyoming's utilities commission. He's most active opponent of systems, stating that their operation in small communities stifles growth of local free TV. Chairman of committee is Wm. Fay, WHAM-TV, Rochester. Other members present: Lawrence H. Rogers, WSAZ-TV, Huntington; Thomas Fisher, CBS; Harry Olsson, NBC. Absent members: Henry Slavick, WMCT, Memphis; Omar Elder, ABC.

Signs of the TV times, ABC: Independent stations like KTTV & KCOB, Los Angeles, now reported operating well in the black; KTVW, Tacoma, 5th outlet in Seattle-Tacoma area, also doing nicely—owner J. Elroy McCaw telling at least one FCC member he's convinced that there's "a real place for non-network stations" and that they can be made to show profit . . . KFSD-TV, San Diego, reports Oct. business, up 58.8% from Oct. 1954, was highest in its history, with national up 34.5% . . . CBS-TV film sales reports its news-reel service now goes to 69 markets . . . Hal Roach Studios, Hollywood, reports its TV commercial film dept. alone enjoyed billings of \$1,500,000 this year, most of business coming from N. Y. & Chicago (Chevrolet, Johnson's Wax, Delco, Reynolds Aluminum, United Airlines, Eastman Kodak, Marlboro, Slenderella, Helena Rubinstein, et al).

Explosion demolished community antenna tower this week on Locust Mountain, north of Shenandoah, Pa. Valued at \$2000, tower was property of Brandonville Television Assn., which served 100 families in Brandonville. Police are investigating.

New community antenna systems: L. W. Peay, Alamosa, Colo. operator, reports he'll have systems going in Antonito & La Jara on Jan. 1, Gunnison & Monte Vista in March—all Colorado.

"TV in 10 Years Transforms America" titles leading article by Lawrence M. Hughes in 22-p. section of Nov. 20 *Sales Management* devoted to TV as an advertising medium. Most of tables and text aren't new to *Television Digest* readers, but compendium is handy for quick reference. Among subjects treated, by headlines: The Shift & Shuffle in Media (from magazines to network TV, from network TV to magazines); Families View TV 5 Hours a Day; Advertisers Bet a Billion on TV; How Much TV Does a Dollar Buy?; TV-Sold Brands Become Consumer-Dealer Choice; Broadcasters Promise Still-Better Programs; Cost-Per-Thousand Drops as TV Circulation Climbs; TV Profits Advertiser More Than Broadcaster; Will Color Television "Hypnotize" Customers?; Free-vs.-Toll Forces Gird for Big Battle. Most newsworthy item in whole compendium: Of Procter & Gamble's estimated \$75,000,000 for all ad media in 1955, two-thirds will go to TV; in 1956, P&G is expected to increase TV expenditures to \$60,000,000. Most noteworthy observation: "But even with all the medium's shortcomings, the fact remains that TV could not have kept growing on unpalatable fare. And there's evidence that the fare is becoming not only tastier but more nutritious."

Radio station sales with TV overtones, recently approved by FCC: (1) KDON, Salinas, Cal., sold for \$115,000 by Charles B. Grant to Frank Oxarart & John D. Feldman Jr. (Vol. 11:46); Oxarart is associated with KFVB, Hollywood, and Zugsmith group, owns 20% of Tucson's KVOA-TV & KVOA. (2) KCUL, Ft. Worth, sold for \$400,000 by J. G. Ulmer to Dalworth Bestg. Co. (Vol. 11:37), principal owner being Georgia's ex-Gov. E. D. Rivers Sr.; pres.-mgr. & 29% owner is Kurt A. Meer. Rivers previously held interests in 3 TV grants—uhf in Jacksonville & Miami, vhf in Thomasville, Ga.—has disposed of them (Vol. 10:51; 11:20, 27). Other station sale deals, completed this week, subject to FCC approval: (1) KERO, Bakersfield, Cal. (250 watts, 1230 kc, NBC), sold for \$85,000 cash to Carl E. Haymond, owner of Yakima's KIT, by Gene DeYoung, who retains KERO-TV (Ch. 10). (2) KGPH, Flagstaff, Ariz. (1-kw D, 500 watts N, 690 kc, ABC), sold for \$27,500 by Eugene C. Phillippi to KOY Bestg. Co., which formerly owned share-time KOY-TV, Phoenix (Ch. 10). Both latter sales were negotiated by Blackburn-Hamilton.

Daytime Broadcasters Assn., comprising 175 sunrise-sunset radio stations operating on clear channels, this week filed petition with FCC seeking to extend broadcast day to at least 5 a.m.-7 p.m., stating that present hours "make it impossible for daytime radio stations to observe any normal kind of business day" and that "this was a form of govt.-dictated business inefficiency." Pres. of DBA is Jack Younts, WEEB, Southern Pines, N. C. Approximately 900 of nation's 2700-odd AM stations are daytime; their efforts to extend hours have been tied up in FCC's famed 10½-year-old clear channel-daytime skywave case. Counsel for DBA is ex-Comr. Frieda B. Henneck, handling her first case since she left Commission June 30.

Community antenna systems run by clubs, associations, etc., of which there are very few, must pay income tax, Internal Revenue Service ruled this week. Decision stated that groups aren't clubs under definition of Internal Revenue Code which "contemplates the comingling of members, one with the other, in fellowship"; that sole activity of TV clubs is to maintain antenna system.

Blanket power increase for all radio stations should be studied, NARTB's AM committee urged this week in resolution asking that radio board go into subject at Feb. meeting. Idea frequently has been suggested, never formally proposed to FCC. NARTB engineering mgr. A. Prose Walker also reported that association is preparing petition asking FCC to permit remote control of directional AM stations.

FILL-IN MODELS—SAME SETS, NEW WRINKLES: Success of "gimmick merchandising" thus far this year, on which we've previously reported (Vol. 11:43), is clearly reflected in the new "fill-in" models introduced this week (for details, see p. 14).

RCA's first clock-timer set; DuMont's 3 table model "convertibles," which can be turned into consolettes with addition of separately-shipped legs and table tops; Philco's extension of "top touch tuning" device to sets retailing as low as \$200 -- all indicate how set makers have been smitten with merchandising potentialities of the added Something New which have come to be called "gimmicks".

Thus, the pattern of midwinter fill-in models has been established as a new device or a new accessory added to the old sets, rather than as a totally redesigned receiver. Latter may come from some manufacturers next June in form of lightweight models incorporating the 110 or 120-degree tube (Vol. 11:45-46) -- though there's a lot more work to be done in the labs before they're ready for market.

Admiral and Emerson will be next to show fill-ins, at distributor conventions within a month. You can look for a continuation of the add-a-gimmick trend from both, though neither will comment in advance of showings. Emerson pres. Ben Abrams did tell us, however, that Emerson will be unable to meet its original Jan. target for introduction of a "Tinkertoy," or modular design, receiver (Vol. 11:23-24, 38). He said engineering progress has been "very good," but production techniques aren't sufficiently advanced to permit introduction before March 1. DuMont is also shooting for early spring debut of a "Tinkertoy" set.

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Retailing Daily says retail TV sales are booming this Christmas season, based on its own national survey -- but industry figures show different picture. Whereas Retailing Daily says gains average up to 30% over 1954, a leading trade statistical source says retail sales in Oct. were 2% under 1954, Nov. 5% under year ago, and Dec. is expected to be around 20% below same month of 1954. He said he doubted more than 800,000 TVs would be sold in Dec., as against 1,000,000 in Dec. 1954.

It's definitely not a free-spending Yule for TV. Though there's a trend to higher-end sets, there's also a strong pull in direction of under-\$100 portables. Big metropolitan markets are still going for the GE and Emerson portables, though GE has tapered off production and Emerson has discontinued output entirely, having quickly exhausted its output quota for 1955.

Brief highlights of other major trade developments this week:

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Is Quality Slipping? It's nothing to get the shakes about, but a number of top-flight TV manufacturers have been experiencing what they admit is an excessive amount of product trouble recently. Each manufacturer obviously wants no mention of his name -- but the sum of their comments is that all manner of production trouble has cropped up. Higher-than-average receiving tube burn-outs, faulty dip soldering, warped metal cabinets, printed circuit difficulties are but a few of the vexatious problems. For the most part, set makers are pretty confident they've got problems licked but all are keeping much closer eye on production-line testing. There seems to be general agreement that the trouble started back in Sept., when set makers put their production into high gear and consequently were forced to hire sub-standard labor to meet the demand. Some slipshod work on production lines was consequence.

Full-Line Fever: What's the value of full-line merchandising? Elisha Gray II, articulate pres. of Whirlpool-Seeger, whose appliance business is part of RCA's full line, listed these advantages: "A big, full-line manufacturer can subsidize one line with others in a poor season and he can subsidize the entry of a new product into the market; he can broaden research and speed up engineering developments; by spread-

ing production costs over many products, he can get his brand name across to the public much cheaper; and he can gain greater leverage with dealers, distributors and builders if he can supply all their major appliances."

Speaking at Institute of Appliance Manufacturers conference in Cincinnati, he explained the thinking behind Whirlpool-Seeger merger, in which RCA and Sears each now owns about 20%. "We wanted to swim with the current," he said. "Frankly, we felt that Whirlpool, with only its home laundry line, was swimming upstream. Even though we were successful, we know the basic arithmetic of the appliance industry was against us because the survival rate of those without full lines was low."

Is there future for smaller manufacturers who can't afford full lines? Gray thinks there is, pointing out that many such firms have compact, efficient operations, low overhead, up-to-the-minute products, direct-to-dealer selling and concentration in their own geographic areas. "To each it is an individual problem, depending on the philosophy of management," he said. "There are many circumstances where growth is inadvisable. The salvation is not always in merging." Note: GE last week became latest full-line merchandiser, shifting TV-radio into new consumer products group to take advantage of full-line marketing (Vol. 11:49).

Sky-High Economy: Evidence of economic plenty this year keeps piling up in the form of official reports from Govt. -- and virtually all the economic pundits see little, if any, decline next year. At the risk of sounding repetitious, here are capsule summaries of most significant reports from Govt. this week:

(1) Employment in Nov. was 64,800,000, highest ever for that month, according to joint Labor-Commerce Dept. report, noting that factory jobs reached new postwar peak of 17,100,000. (2) Weekly pay of factory workers rose to average \$79.52 in Nov., or \$1.02 higher than previous peak of \$78.50 in Oct. and \$5.92 above level of last Nov., according to separate report by Labor Dept. (3) Personal income in Oct. was at record annual rate of \$309.5 billion, a gain of \$1.5 billion over Sept. rate, said Commerce Dept. Office of Business Economics. (4) Business plans to spend at \$31.5 billion annual rate for plant and equipment in first quarter of 1956, or \$1.5 billion above rate in current quarter, noted another Commerce report. (5) The cash dividends paid by public-owned corporations during first 10 months were 9.5% ahead of same 1954 period, totaling \$7.721 billion vs. \$7.05 billion, said Commerce.

Looking ahead to 1956, Dec. 12 Newsweek Magazine, in 20-p. special report titled "The Big Surge--the New America," predicts gross national product of about \$400 billion, foresees series of new economic records, and gives this retrospective appraisal of 1955 boom: "With more than 65,000,000 jobs and factory take-home pay averaging \$72 a week, a whole new middle class has been created, with an estimated 14,000,000 families in the \$5000 income bracket or better. In spending his money, the average individual's wants have been gradually upgraded. He has also started to yearn for something just a little bit different. American industry this year has been ready to fill those wants -- and to expand capacity if need be."

Probe of Record Industry: A sweeping grand jury investigation of the phonograph record industry has been ordered by Dept. of Justice to determine if there have been anti-trust violations in its merchandising & distribution practices. Several major record companies were served with subpoenas this week, returnable Dec. 16 to Federal Court in N.Y., seeking a wide range of data on industry practices. In keeping with its traditional policy in such matters, Justice refused to comment on any phase of the inquiry, except to confirm that the grand jury investigation had been ordered. It's known, however, that the study dates back at least a year and is headed by Richard B. O'Donnell, chief of Justice's anti-trust div. in N.Y. Spokesman for RCA Victor legal dept. commented: "The Justice Dept. sent its investigators to RCA a year ago and asked us voluntarily to open our files to them. We refused to do so and asked them to put their specific requests in a letter. They would not do this but chose instead to subpoena the information. I doubt that they will find anything to support an anti-trust charge." Spokesman for Columbia Records, which with Victor ranks 1-2 in industry, said only that "the Justice Dept. has asked for certain facts in its subpoena and we are very happy to provide them." John W. Griffin, exec. secy.

of Record Industry Assn. of America, which is not involved in probe, said: "All the record industry has done in the last 4 years is reduce prices. Does the Govt. feel that this is contrary to the public interest?"

Production: TV output totaled 154,126 week ended Dec. 2, compared to 132,331 Thanksgiving week and 167,137 week ended Nov. 18. It was year's 48th week, brought production for year to date to about 7,250,000 vs. 6,800,000 in same period of 1954. Another RETMA report this week placed official 10-month production at 6,520,241, of which 977,537 were uhf-equipped at factory. Production in first 10 months of 1954 was 5,654,791. Radio production totaled 426,927 (204,276 auto) week ended Dec. 2, compared to 376,079 Thanksgiving week and 438,651 week before. For 48 weeks, output was 13,500,000 vs. 9,900,000 in same 1954 period. Official 10-month production of radios was 11,527,568, compared to 8,040,230 in corresponding period year ago.

COLOR TABLE MODEL priced at \$695, or \$100-\$200 lower than its current \$795 & \$895 sets, will be introduced by RCA Dec. 12 at meeting of field reps in Atlantic City. At same time, RCA adds 2 full-door consoles in mahogany and cherry-wood at \$995 each. Present \$795 & \$895 console and open-face console are carried over. All are 21-in.

RCA billed the 5 sets as "industry's first color TV line," said all have 26-tube circuits. The full-door models, in addition, have 3 speakers and "panoramic sound." RCA's intentness in pushing color next year is manifest in statement by TV v.p.-gen. mgr. Charles P. Baxter:

"The receivers will be produced in sufficient quantity, and supported by promotional activity of sufficient magnitude, to convince everyone, beyond any shadow of doubt, that color TV will be big business for the industry in 1956 . . . As a matter of actual fact, we have already started to materially step up our production rate of color receivers. To give a general idea of the size of the program, we plan to produce about twice as many color receivers in the first half of 1956 as were produced in the last half of 1955."

Baxter did not elaborate, nor would any other RCA spokesman, on how many sets that means. However, RCA Chairman Sarnoff told us last week that his company alone expects to manufacture 200,000 next year. "Nothing can stop color," he said, but he admitted it will take sales of 20,000-25,000 sets per month to achieve "mass production" and thus to bring down prices substantially (Vol. 11:39). On Nov. 4 he disclosed that RCA is selling 1000 color sets a week (Vol. 11:45) and it states that it's selling all it's making.

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That RCA is making most of the industry's color sets, including most of those under other brand names, is well known in the trade—but RCA officials won't talk about it. This week, however, H. Leslie Hoffman, pres. of Hoffman Electronics and RETMA, remarked in talk before Los Angeles Society of Security Analysts (see also p. 14):

"Only 2 companies to our knowledge are currently producing 21-in. color receivers engineered and manufactured in their own plants, although many are selling them. I am extremely proud to report that Hoffman is one of the 2 . . . Many other companies are having their sets made by RCA."

Hoffman told security analysts, in reply to question, that his Pasadena plant's color production is now running 300-500 sets a month, claimed he's getting 25% of the 21-in. color sales in L. A. market. He predicted industry will make and sell 300,000 sets in 1956. He added: "It

is doubtful whether the price of color TV will drop as rapidly as was the case with black-&-white TV, but I seriously question whether price is anywhere nearly as important a factor as many people believe."

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Sylvania, which had been getting color sets from RCA, will start making own at Batavia, N. Y. plant in April, it was announced by operations v.p. Arthur L. Chapman, who said initial run would be on 2 or 3 models. They will use own 21-in. round tubes, same type as RCA's, will have 28-30 tubes in all—"a somewhat smaller package than most color sets these days." He declined to state price, but commented, "I don't expect much change from the \$695-to-\$895 range."

Chapman would not give production estimate for his own company, but said he expects industry to produce about 250,000 next year. "It's our feeling that color is about ready to start moving," he remarked. "But we expect a slow, steady growth, and we think it will take at least 3 years before the industry sells 1,000,000 a year . . . We expect the last half of 1956 will see a real market development for color for the first time."

GE is stepping up color work, apparently, though up to now it's been rather bearish about industry's progress. All color activities are being integrated into new "Color System Technical Project" under veteran engineer I. J. Kaar. Purpose, says v.p. Dr. W. R. G. Baker, "is to insure that all of the color TV technical activities of the company move ahead on a common front and with all possible speed." Kaar stated: "There can be no doubt but that color will be the next major advancement in the home entertainment field. However, its greatest problem today is the color reproducer tube which is not bright enough for viewing in a lighted room, and is too expensive. We are confident that continued intensive development will provide the solution to the tube problem." GE has been working on "post acceleration" tube which was demonstrated recently but isn't promised commercially until 1957 (Vol. 11:40). Included in new project are segments of following depts.: laboratories, tube, technical products, electronic components, TV receiver.

Color sets go to market—supermarkets in metropolitan N. Y. area, that is. RCA distributors Bruno-N. Y. and Krich-Radisco placed RCA color sets in National Supermarket stores in Elizabeth, Irvington, Rahway & Metuchen, N. J., and in London Terrace Supermarket in N. Y. for demonstration purposes only—and shoppers' reaction was reported "tremendous." Sets were installed free in return for including demonstration hours in store ads. Three color shows on WRCA-TV were watched by thousands as result—and NBC disclosed similar merchandising projects would be formulated to expose color to mass audiences in other cities.

Topics & Trends of TV Trade: First of perennial wave of year-end predictions came this week from Crosley-Bendix pres. Chester G. Gifford and RETMA exec. v.p. James D. Secrest, both agreeing that 1956 black-&-white retail sales will be only slightly under 1955's estimated record 7,700,000. Gifford spoke to distributors convention in Miami Beach, Secrest in annual Symposium on the Business Outlook at U. S. Chamber of Commerce.

Gifford thought 1956 black-&-white sales will run "within 100,000" of this year, shied from predicting color set sales which he did not see as "a serious obstacle to continued high volume of black-&-white." He foresaw increases of 300,000 units each in sales of room air conditioners and automatic dryers, thought washing machines and refrigerators will go up 100,000 units each over this year's 3,000,000 & 4,000,000, respectively.

Profits in appliances, he said, can be realized only by pushing "big ticket" items, especially combination refrigerator-freezers, washer-dryers, luxury TVs, etc. Crosley-Bendix will soon offer retailers "package kitchens."

Secrest forecast 7,300,000 black-&-white TV sales in 1956, with radio sales about equivalent to 1955's 14,000,000 if auto output continues at high level. He would not venture to predict color set sales next year, stating only that "many industry leaders believe" at least 250,000 will be produced and that the number and quality of colorcasts will be governing factor. Next year's military electronics production, he said, is expected to approximate this year's \$2.4 billion. "Business confidence," he said, is definitely more bullish than at the beginning of this year.

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RETMA pres. H. Leslie Hoffman, addressing Los Angeles Society of Security Analysts Dec. 8, prognosticated black-&-white sales "easily will reach 7,200,000 next year"—plus an additional 300,000 color sets (for his other remarks on color, see p. 13). Color will never obsolete black-&-white, he said, but it will inevitably enjoy great growth because of increased programming already undertaken by NBC-TV and expected from other networks. Promised soon, he said, are 80 hours of colorcasts per month. His own Los Angeles plant, he disclosed, is now making 300-500 color sets per month.

Hoffman Electronics Corp.'s total 1955 sales, he said, will approximate \$44,000,000, earnings about \$1,500,000 (\$2.10 per share) compared to \$42,647,000 & \$1,485,000 (\$2.08) last year. He predicted 1956 volume of "substantially in excess of \$50,000,000" and said his company would achieve \$100,000,000 by 1960.

With pardonable pride, Hoffman noted that it was just 14 years ago Dec. 3 that, fresh from his hometown of Jackson, Mich., where he had worked for Sparks-Withington, he took over old Mission Bell Radio Mfg. Co., which had sales that year of \$29,763, a deficit of \$7500 and 3 employes. His company, now listed on N.Y. Stock Exchange, has net worth of nearly \$10,000,000, employs more than 3000.

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Justice Dept. has served Philco with "interrogatory" in connection with its anti-trust suit charging company illegally restricts its distributors in franchise agreements (Vol. 10:51-52). Philco has been granted extension until Dec. 31 to reply to series of questions about its merchandising practices. No date has been set for trial, but serving of "interrogatory" indicates setting of date may be imminent.

Packard-Bell has started shipments of all-channel, full-door 21-in. color console at \$925 in mahogany, \$950 in American Colonial maple.

RETMA of Canada, listing 116 members as of Nov. 1, schedules 1956 convention June 7-9 at Ste. Adele, Que.

Philco introduced 25 new TV models this week to distributors in what will undoubtedly be largest single offering by a leading manufacturer this winter. Prices range from \$180 to \$370. Biggest talking point is extension of "top touch tuning" to 21-in. table model listing as low as \$200, so that nearly all sets are now so equipped. Cabinet colors such as charcoal green and maroon, with ivory and gold dials, indicate emphasis Philco is putting on color as promotion feature. Sets will be shown to dealers week of Christmas.

DuMont introduced 5 new "fill-in" TVs with top tuning controls at meeting of regional managers this week. Included are 2 table models which will be promoted as "convertible" sets; these will be shipped with removable legs and a table top larger than set itself, and customer can remove legs from set and attach them to table, "converting" it to console. They list at \$240 & \$260. Other models are 21-in. mahogany table at \$200, 21-in. open-face mahogany consoles at \$280 & \$320.

RCA's only addition to black-&-white line (for color sets, see p. 13) is its first clock-timer set—a 21-in. open-face console at \$290, equipped with built-in clock, enabling viewer to turn set on automatically to pre-determined channel up to 6 hours in advance. It will be introduced Dec. 12 at field reps meeting in Atlantic City.

Back-to-work movement at Westinghouse started this week when 900 workers crossed the IUE picket lines at appliance plant in Columbus, O., one of 30 factories which have been struck for 8 weeks, including TV-radio factory at Metuchen, N. J. Only major development in negotiations this week was request by union leaders to submit issues involved in strike to secret ballot of members. Westinghouse agreed only if members would cast a vote for or against company's 5-year contract offer.

Trade publishing notes: V. L. McKernin, pres. of Sherry Publishing Co., acquires Kolbe group of trade journals, including *Radio & Television Journal*, *Music Trade Review*, *Musical Merchandising*; ex-owner Alex H. Kolbe continues as adv. v.p. . . . Martin Clifford named v.p. of newly formed Gernsback Library Inc., N. Y., which plans to increase output of paper-bound technical books; he formerly headed book dept. of Gernsback Publications Inc., publisher of *Radio-Electronics Magazine*.

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First postwar Japanese radio imports, under "Silver" brand, are disclosed by new distribution firm, Gillett Electronics Corp., 10 E. 34th St., N. Y., headed by Richard B. Stollmack, ex-Philco Distributors Inc. First shipments went this week to 2 big dept. stores—Gimbels, N. Y., and Goldblatt Bros., Chicago. First model is a \$20 4-tube portable in red, ivory, tan, gray, yellow, blue or pink. Stollmack said 3 more portables are due in Feb.

All-in-one receiver: Sylvania will market in Feb. a combination 3-way portable radio, complete with Geiger counter, sun dial and compass in one portable unit housed in a leather carrying case. It will retail for \$65. Called "Prospector," it weighs 4 1/2 lbs., is 7x10-in., has 4 tubes. Sylvania explained that in disaster areas the owner could listen on radio to civil defense stations, while Geiger counter registered radioactivity.

RCA introduces 4 automatic clock radios at \$30, \$35, \$40 & \$45, promises immediate delivery to dealers for Christmas purchasers. It also says its 2 "all-transistor" portable radios at \$65 & \$75 will be available this month.

Motorola portable radio sales this year will double 1954, with table model sales up 25%, says radio sales mgr. J. B. Anger, who also forecast clock radio sales in 4th quarter will be highest in company's history.

Electronics Reports: Forecasting season is upon us again, and 2 top industry leaders this week undertook 10-year forecasts of future of electronics industry. In Chicago, at Dec. 7 luncheon meeting of 500 RCA-NBC suppliers, RCA pres. Frank M. Folsom predicted industry in next 10 years would grow 66% to achieve annual output "well over \$17 billion." He said electronics expansion will continue to be more rapid than that of most other industries, pointing out that electronics value has doubled since 1950 while gross national product has increased by only 35%. "By the end of 1964, the value of electronics will be more than triple its 1950 value, while the gross national product will not have quite doubled."

Folsom said there are now 1,600,000 workers directly and 3,000,000 indirectly employed in companies that serve the electronics industry. In 10 years, he added, "we believe that the industry will employ more than 6,000,000 workers, directly and indirectly."

Sylvania chairman-pres. Don Mitchell, addressing his company's electronics products sales conference at Atlantic City next day, predicted distribution-service business in electronics industry will reach volume of \$5.178 billion—more than double today's figure—in next 10 years. His breakdown: \$2.104 billion in components, \$1.389 billion in distributor revenue, \$1.685 billion in service & installation business.

He said 1955 distribution-service business was \$2.059 billion, predicted next year's at \$2.324 billion, and \$3.303 billion by 1960.

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Rear Adm. Frederick R. Furth, Chief of Naval Research and specialist in electronic warfare, retires from active duty Dec. 31, and will join Farnsworth Electronics Co. (IT&T) as special asst. to pres. Harvard L. Hull in charge of new products div. Adm. Furth, 54, has been directing preliminary technical work on the earth satellite program. He holds Legion of Merit for wartime electronic contributions. He'll be succeeded as Chief of Naval Research by Capt. Rawson Bennett II, now asst. chief for electronics, Bureau of Ships, and ex-director of Navy Electronics Lab, San Diego.

James W. Baldwin, civilian aide to Chief Signal Officer for last 10 years, onetime secy. of old Federal Radio Commission and managing director of old National Assn. of Broadcasters, retired Nov. 30 after 28 years of govt. service.

Dr. A. M. Zarem, known for his inventions of electronic controls for high speed photographic equipment, resigns as asst. director and mgr. of So. California div., Stanford Research Institute, to open office at 727 W. Seventh St., Los Angeles, as independent counselor.

Dr. Clifford C. Furnas, chancellor of U of Buffalo, Dec. 5 took oath as asst. Defense Secy. for Research & Development, post formerly held by Air Force Secy. Donald A. Quarles.

R. Karl Honaman, under heavy fire lately for his public information policies, resigned Dec. 9 as Asst. Secy. of Defense for public affairs, returns at end of month to Bell Labs to resume his job of director of publications.

Glenn A. Fowler appointed research v.p. of AT&T's Sandia Corp., Albuquerque, with Fred J. Given named research & development services v.p. and Raymond P. Lutz operations v.p.

Walter A. MacNair, since 1952 v.p. of Sandia Corp. at Albuquerque, elected Bell Labs v.p. in charge of switching and transmission development, succeeding Gordon N. Thayer, newly named AT&T chief engineer.

Robert C. Hutchins, ex-Bendix Aviation, named mid-western sales mgr. of Standard Electronics Corp., subsidiary of Dynamics Corp. of America.

New slow-scanning industrial TV system which uses telephone wires instead of cable or microwave (Vol. 11:45) is now being offered by Penna. Bell Telephone Co. as low-cost service package on circuits up to 25 mi. in metropolitan areas. Developed and manufactured by Dage Television Div. of Thompson Products Inc., and known as Datavision, system is designed for transmission of such data as still pictures, printed or written material, meter gauge readings. The complete TV picture is scanned in 4-5 seconds, and because of slow rate of transmission, system requires bandwidth of only about 8 kc. Datavision was demonstrated this week by Dage and Bell in Philadelphia, where it's being used experimentally by Philadelphia National Bank for signature verification between 2 central city offices. First production run on the equipment is beginning at Dage's Michigan City, Ind. plant.

New silicon alloy transistor has been developed by Philco, pres. James H. Carmine announced in quarterly report to stockholders. Calling it "the first precision-made high-speed silicon transistor," he said it will operate at temperatures as high as 150° C, compared to 85° limit for germanium transistors. He also announced acquisition of 100,000-sq. ft. plant at Spring City, Pa. as home for all of company's transistor activities.

Charles Weyl, pres. of International Resistance Co., awarded "Centennial Citation" by U of Pennsylvania, from which he was graduated in 1917, for "stimulating advocacy of the humanities in the engineering curriculum, for pioneering work in radiologic physics, and for responsible administration in the graphic arts and electrical manufacturing industries."

Interchangeable power tubes are summarized in alphabetical & numerical order in new edition of GE's booklet on interchangeability of power tubes, now available from GE distributors.

Dr. Edward Chester Creutz, since 1949 head of Carnegie Tech physics dept. and nuclear research center, appointed research director of General Dynamics Corp.'s general atomic div.

Clevite Aero Products Inc. is new name of Wallace Aviation Corp., Wallingford, Conn. firm recently acquired by Clevite Corp., Cleveland electronics & bearings maker.

Consolidated Electronics Corp. directors this week authorized acquisition of Price Electric Corp., Frederick, Md. (electrical relays).

Army has bought RCA's Bizmac, new electronic data processing system, for \$4,000,000. It will be installed at Ordnance Tank-Automotive Command, Detroit.

International Resistance Co. shut down its struck plant at Asheville, N. C. Dec. 4 as result of picket line violence and reports of increased vandalism.

Raytheon opened new 225,000-sq. ft. industrial electronics lab recently at Wayland, Mass., built at cost of \$2,500,000.

Single sideband equipment for operation in services under 25 mc, designated type SSB-1, is now being offered commercially by RCA.

Dr. Jesse E. Hobson, director of Stanford Research Institute and with it since 1948, has announced resignation effective March 31.

W. A. Reichel, exec. v.p. of Kearfott Co., elected to new post of senior v.p. in charge of engineering of parent company, General Precision Equipment Corp.

Mark Shepherd Jr. promoted to v.p. in charge of semiconductor div., Texas Instruments.

Maj. Gen. Charles F. Born, USAF ret., named director of service engineering, apparatus div., Texas Instruments.

Wilbert H. Steinkamp, ex-Beckman Instruments, named sales v.p., Weston Electrical Instrument Corp.

Financial & Trade Notes: Electronics Investment Corp., organized by Charles E. Salik last April as an open-end mutual investment trust along lines of Television-Electronics Fund Inc. (Vol. 11:17), in first semi-annual report to stockholders last week, listed \$7,101,393 in common stock holdings, \$220,000 preferred stocks (4000 shares of P. R. Mallory Co., 4½% convertible), \$1,996,875 in govt. bonds—total investments of \$9,318,268 as of Oct. 31, 1955. Statement shows net assets on that date of \$9,928,107, equivalent to \$4.31 per share on 2,305,424 shares of \$1 par capital stock outstanding. Net income from all investments from May 13, 1955 to Oct. 31, 1955 was \$32,783 after total expenses of \$74,016.

Firm has its headquarters in Bank of America Bldg., San Diego, Cal., where Salik formerly was a broadcaster. Since report on holdings last July 1 (Vol. 11:31), EIC portfolio has added these stocks: 5000 shares Daystrom, \$126,250; 7000 Garrett Corp., \$256,375; 3000 General Precision Equipment Corp., \$112,125; 7000 IT&T, \$192,500; 3000 Motorola, \$144,750; 8000 Standard Coil Products, \$86,000; 5000 Stewart-Warner, \$190,000.

Other holdings: 4000 ACF Industries, \$240,000; 6000 American Broadcasting-Paramount Theatres, \$163,500; 1500 Babcock & Wilcox, \$133,875; 4000 Bendix, \$193,000; 3000 Borg-Warner, \$127,125; 4000 Burroughs, \$100,000; 6000 Cleveite, \$125,250; 7500 Collins Radio, \$140,625; 7000 CBS, \$161,875; 8000 Consolidated Engineering, \$168,000; 2000 Corning Glass, \$132,000; 1500 Cutler-Hammer, \$106,875; 1000 Eastman Kodak, \$79,000; 3500 Gary (Theodore) & Co., \$190,750; 3000 General Dynamics, \$170,250; 4000 GE, \$187,000; 2500 General Railway Signal, \$148,125; 500 IBM, \$190,000; 6500 Magnavox, \$251,875; 4000 Minneapolis-Honeywell, \$222,000; 1500 Minnesota Mining & Mfg., \$149,625; 2500 National Cash Register, \$90,312.50; 4000 No. American Aviation, \$252,500; 2000 Otis Elevator, \$130,000; 5000 Philco, \$150,000; 350 Phillips Gloeilampenfabrieken, \$302,400; 4000 RCA, \$169,000; 10,000 Raytheon, \$151,250; 8125 Sperry Rand, \$172,656.25; 3000 Sprague Electric, \$157,500; 2000 Square D, \$91,000; 5000 Sylvania, \$218,125; 10,000 Texas Instruments, \$112,500; 3000 Thompson Products, \$140,250; 4800 Western Union, \$98,400; 2000 Westinghouse, \$108,250; 2000 Worthington Corp., \$90,000; 1500 Zenith, \$178,500.

Note: Complete \$97,393,990 portfolio of Television-Electronics Fund Inc., first of the open end investment funds, is detailed in Oct. 31, 1955 annual report just released and available from Fund's Chicago office, 135 So. LaSalle St. It was digested in our Vol. 11:48.

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Warner Bros. Pictures Inc. earned \$4,002,000 (\$1.61 per share) on revenues of \$76,991,000 in year ended Aug. 31 vs. \$3,976,000 (\$1.60) on \$72,093,000 in preceding year. Current assets as of Aug. 31 were \$50,628,153, liabilities \$17,495,851 vs. \$49,005,559 & \$16,233,287, respectively, year earlier.

Sparks-Withington Co. sales dropped to \$4,421,690 in first fiscal quarter ended Sept. 30 from \$5,669,807 in same 1954 period due to reduced defense billings, pres. John J. Smith reported to stockholders this week. Earnings report will come with 6-month statement.

Teleprompter Corp. expects volume to exceed \$1,000,000 this year compared to \$533,661 last year, and net income to climb from 39¢ to \$1 per share, reports Dec. 6 *Wall Street Journal*.

Beckman Instruments Co. reports first quarter net income of \$369,712 (30¢ a share) on revenues of \$6,109,413 in first quarter of its fiscal year ended Sept. 30; this compares with \$290,786 on \$4,761,964 in same 1954 quarter.

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Dividends: Admiral Corp., 25¢ payable Dec. 31 to stockholders of record Dec. 15; Hoffman Electronics, 25¢ Dec. 31 to holders Dec. 12; American Phenolic, 20¢ Jan. 27 to holders Jan. 13; Capitol Records, 15¢ quarterly plus 10¢ extra Dec. 31 to holders Dec. 15; Corning Glass Works, 25¢ quarterly plus 50¢ extra Dec. 27 to holders Dec. 16; Columbia Pictures, 2½% stock div. Jan. 31 to holders Dec. 30; Canadian GE, \$1 quarterly plus \$4 extra Jan. 2 to holders Dec. 16; Audio Devices Inc., 5¢ Dec. 19 to holders Dec. 12.

Trade Personals: David T. Schultz, senior v.p. & treas. of Raytheon, this week accepted presidency of Allen B. DuMont Laboratories Inc. (Vol. 11:49), succeeding Dr. Allen B. DuMont, who becomes chairman on Jan. 3; with Raytheon since 1927, Schultz is on RETMA board and is a director of its technical products div. . . Wm. G. Young, Montgomery Ward eastern regional mgr., named gen. sales mgr. of Capehart-Farnsworth, replacing E. W. Gaughan, resigned; Keith Brooks, from Montgomery Ward's Chicago headquarters, replaces Young . . . Peter J. Grant, Sylvania eastern sales mgr., promoted to mgr. of sales manpower development of TV-radio div., replacing Joseph Sullivan, now sales mgr. of York Refrigeration . . . Brooks A. Kafka promoted to sales mgr. of CR tube sub-dept. GE, Syracuse . . . W. Jesse Harber Jr., from GE's receiving tube plant at Owensboro, Ky., named mgr. of CR tube plant at Syracuse . . . John D. Van Der Veer promoted to Tung-Sol gen. sales mgr., succeeding George W. Keown, now sales v.p. . . . Jack Siegrist resigns as DuMont merchandising mgr., joins Philco Jan. 3 in undetermined capacity . . . Edward K. Foster, Bendix v.p. in charge of Towson (Md.) TV-radio plant, named 1955 Man of The Year by Towson Town Assn. for outstanding contributions to economic and civic life of the community . . . H. E. Von Kahrs, ex-Westinghouse, named Motorola regional sales mgr. for Pacific Northwest, replacing Ashton Hulbert, resigned . . . Richard B. Pell appointed New England sales rep for Stromberg-Carlson's sound systems & intercom equipment . . . Willard L. Hemsworth, ex-RCA Estate, named CBS-Columbia regional mgr. for Dakotas, Minn., Ia., Wis. & Neb. . . . Eugene B. Shields, ex-Norge, named Magnavox asst. adv. mgr. . . . Stephen Karalis promoted to production mgr. of Chattanooga plant, Campbell Industries Inc., subsidiary of Clarostat . . . Irving I. Ser promoted to sales mgr., Astron Corp. (capacitors) . . . Roger G. Hall, ex-asst. mgr. of Chicago Symphony, named midwest sales & promotion mgr., Electric & Musical Industries (U.S.) Ltd., parent of Capitol Records.

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DISTRIBUTOR NOTES: DuMont appoints Kaemper & Barrett, San Francisco (W. H. Kaemper, pres.), currently celebrating 25th year as appliance distributor . . . George Spencer Inc., Minneapolis (Admiral) elects Raymond O. Hebenstreit, v.p.-gen. mgr. of Admiral Milwaukee factory branch, as pres., succeeding George A. Bodem, now v.p. in charge of parent Admiral's electronics div., Chicago; Bodem remains chairman of Spencer and retains his financial interest . . . Emerson Radio of Pennsylvania opens branch at 1637 N. 7th St., Harrisburg (Charles Berger, sales mgr.) . . . Penn Appliance Distributors Inc., Harrisburg (Crosley-Bendix) appoints Victor Blanchard, ex-Westinghouse Electric Supply Co., as sales v.p. . . . Philco Distributors Inc., N. Y., appoints N. Kenneth Blake, ex-Northeastern Distributors, Boston, as merchandise mgr. . . . Northeastern Distributors, Boston (Zenith) appoints Martin J. Scully, ex-Admiral-Boston, as adv. & sales promotion director.

Of the \$100,000,000 principal amount of 3½% convertible subordinated debentures offered by RCA to holders of its outstanding common stock (Vol. 11:47), \$93,378,500 was purchased through exercise of rights. Remaining \$6,621,500 was sold to Lehman Bros. & Lazard Freres & Co. for account of several underwriters.

Owen D. Young has withdrawn as a director of American Broadcasting-Paramount Theatres. The retired pres.-chairman of GE, who was one of founders of RCA, has been a director since Feb. 1953, holds 1400 shares of AB-PT preferred, 1500 common stock.

Bert Williams, 52, Admiral's asst. national service mgr. in charge of field engineers, died Dec. 3 in Chicago.

Color Trends & Briefs: Color was the theme, entirely, of NBC pres. Robert W. Sarnoff's address to affiliates convention in Chicago Dec. 9. Pointing to NBC-TV's \$12,000,000 expansion program, previously announced (Vol. 11:45), he urged affiliates to invest in color facilities and profit on a long-range basis.

Reminiscent of exhortations by his father, RCA chairman Brig. Gen. David Sarnoff, when he urged NBC affiliates to take the expensive leap into TV in 1947, young Sarnoff's address expressed complete faith in future of color.

He predicted that total advertising expenditures would rise from 1955's estimated more-than-\$9 billion to \$13.5 billion in 1965 and that color would capture for TV 25% of that, compared with 12½% now—giving TV more than \$3 billion vs. \$1 billion this year.

In addition to giving details of NBC-TV's facilities expansion, including all-color plans for WNBQ, Chicago (Vol. 11:45), young Sarnoff disclosed these additional plans:

(1) Expansion of NBC's color schedule "until the entire network schedule is presented in color." For immediate future, new color programs will include several *Perry Como* shows, one or more of *Playwrights 56*, *Kraft TV Theatre*, *Goodyear Playhouse*, *Alcoa Hour*, *Robert Montgomery Presents*, *News Caravan*, and segments of *Wide Wide World* originated from mobile unit on west coast.

(2) Improvement of west coast color schedule by installation of color recording equipment using new lenticular film (Vol. 11:44)—to permit satisfactory delayed colorcasts. "The ultimate solution will come with magnetic tape," Sarnoff said, "but it probably won't be ready for full operational use by next fall."

(3) Presentation of full afternoon of product demonstrations Jan. 11 at N. Y. convention of National Retail Dry Goods Assn.

(4) Conversion of NBC-TV's owned-&-managed stations completely to color, "one by one," following pattern of WNBQ, Chicago.

"These steps are not only an expression of faith in color," Sarnoff said, "they are sound business measures which will help create a new industry—with opportunities for NBC, its affiliates and the whole medium, surpassing anything in all of broadcasting's history."

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King-size color shows in pocket-size studios are possible with new "color video inset" technique developed by NBC engineering dept. under v.p.-chief engineer Robert E. Shelby, who died Dec. 8 (see p. 7). Technique permits image of one camera to be set into image of another to form single picture with no overlapping—thus differing from superimposition. Use of inset allows actor to be placed in front of any background picked up by live camera—mountainside, street, seashore, etc.—as well as in front of "spectacular" settings scanned in miniature in studio. Used 4-5 years in black-&-white without fanfare, technique was first employed in color in Oct. 23 *Alice in Wonderland* to show Alice shrinking in size and to put dancing oysters into Walrus-&-Carpenter scene.

World's largest map of U. S., slightly less than ¼ size of football field, will be major scenic effect of CBS-TV's colorcast of "I Hear America Singing" on *Ford Star Jubilee*, 9:30-11 p.m. Dec. 17. Map was created by CBS-TV set designer Robert Tyler Lee and required week's work by 3 men to paint it on Hollywood studio floor.

New optical device for colorcasting products and opaques with 3-V film camera, such as that described by RCA (Vol. 11:49), has been built by engineers of WCAU-TV, Philadelphia, was used for first time Nov. 30.

Network Color Schedules

(Dec. 12 - Jan. 14, 1955)

- Dec. 12—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.; *Producers' Showcase*, "The Sleeping Beauty," starring Margot Fonteyn and Sadler's Wells Ballet, 8-9:30 p.m.
- Dec. 13—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *See It Now*, Ed Murrow interviews Grandma Moses, 9-10 p.m.; *Red Skelton Show*, 9:30-10 p.m.
- Dec. 14—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 15—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Shower of Stars*, "A Christmas Carol," starring Fredric March, Basil Rathbone, 8:30-9:30 p.m.
- Dec. 16—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 17—CBS: *Gene Autry Show*, 7-7:30 p.m.; *Ford Star Jubilee*, "I Hear America Singing," starring Eddie Fisher, Debbie Reynolds, Red Skelton, Nat "King" Cole, Ella Fitzgerald, 9:30-11 p.m.
- Dec. 18—NBC: *Zoo Parade*, 3:30-4 p.m.
- Dec. 19—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 20—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.; *Milton Berle Show*, 8-9 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Dec. 21—NBC: *Howdy Doody*, 5:30-6 p.m.
- Dec. 22—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.; *Dragnet*, "Christmas Story," 9-9:30 p.m. CBS: *Climax*, 8:30-9 p.m.
- Dec. 23—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 24—CBS: *Gene Autry Show*, 7-7:30 p.m. NBC: *Max Liebman Presents*, "Babes in Toyland," starring Dennis Day, Dave Garroway, Wally Cox, Jack E. Leonard, Bambi Linn, Rod Alexander, Bill & Cora Baird puppets, 9-10:30 p.m.
- Dec. 25—NBC: *Zoo Parade*, 3:30-4 p.m.; *Assignment India*, 4:30-5:30 p.m.
- Dec. 26—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 27—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Dec. 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 29—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 30—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 31—CBS: *Gene Autry Show*, 7-7:30 p.m.
- Jan. 14—CBS: *Ford Star Jubilee*, "Blithe Spirit," 9:30-11 p.m.

Order for 50 RCA color projection units, capable of producing 15x20-ft. picture, has been placed by Sheraton Closed Circuit Television Inc. (Wm. Rosensohn) to establish "the first coast-to-coast closed-circuit color TV network for the use of business and industry." Announcement by Sheraton said first installation will be made about Jan. 1 at New York's Sheraton Astor Hotel, followed by unit for Sheraton Hotel in Chicago, with 50 hotels equipped by Feb. 1. Announced plans call for color network to be expanded to 100 hotels by June 1956. Projection receivers will use NTSC standards, permitting closed-circuit telecasts to be viewed in color in some locations, monochrome in others.

Hassle has developed over procedure for showing U. S. color standards and developments to international group of engineers (CCIR) next March (Vol. 11:43). NTSC was reactivated for purpose; RCA, which claims virtually full credit for developing color system, sees no reason for this, currently plans not to participate in NTSC-sponsored demonstrations but to show its developments independently. State Dept. is caught in the middle, and efforts are being made to bring RCA back into the fold.

Biggest of all TV advertisers, Procter & Gamble, has included 20 color and 50 black-&-white Westinghouse sets, along with 500 radios and other products, as prizes in new "Pink Dref" contest to be promoted in NBC-TV's *Tennessee Ernie Ford* and CBS Radio's *Road of Life* shows as well as in 4-color ads in women's magazines, store posters.

Grandma Moses, the famous 95-year-old painter, will be featured in Edward R. Murrow's *See It Now* on CBS-TV Dec. 13—segment to be colorcast, showing some of her best known paintings. Jazz trumpeter Louis Armstrong also will be interviewed on program titled "Two American Originals." Sponsor is Shulton Inc. (Old Spice lotion).

Suggestion by color enthusiast Dan D. Halpin, gen. sales mgr. of Westinghouse TV-radio div.: "Every house needs 2 color sets—one for the children and one for the adults."

Network Television Billings

October 1955 and January-October 1955

(For September report see *Television Digest*, Vol. 11:46)

ALL 3 NETWORKS achieved all-time record billings in Oct., and 10-month total has already surpassed whole of 1954. That's main significance of Oct. report on TV billings released Dec. 7 by Publishers Information Bureau. If Oct. was record month, it's more than likely that Nov. & Dec. also will be—and that predicted \$400,000,000 gross will be exceeded by considerable amount.

Biggest gain was NBC-TV's, whose Oct. \$15,708,875 ran nearly \$2,000,000 ahead of Sept. but is still nearly \$1,000,000 behind CBS-TV's \$16,623,317. Probably the most significant increase was shown by ABC-TV, which with \$5,894,868 was more than \$1,750,000 ahead of Sept. and nearly \$2,000,000 ahead of Oct. 1954. Combined networks (including now discontinued DuMont) grossed \$328,789,322 in Jan.-thru-Oct., as against \$254,519,176 in same 10 months of 1954; for all 1954, their total was \$320,154,274. The Oct. PIB report:

NETWORK TELEVISION				
	October 1955	October 1954	Jan.-Oct. 1955	Jan.-Oct. 1954
CBS	\$16,623,317	\$13,985,922	\$155,098,072	\$116,975,813
NBC	15,708,875	12,370,228	131,974,810	100,670,045
ABC	5,894,868	3,890,802	38,613,732	26,584,163
DuMont†	—	1,447,411	3,102,708	10,289,155
Total	\$38,227,060	\$31,694,363	\$328,789,322	\$254,519,176

NETWORK TELEVISION TOTALS TO DATE					
	ABC	CBS	DuMont†	NBC	Total
Jan.	\$ 3,718,195	\$15,831,141	\$ 723,960	\$13,172,695	\$ 33,445,991
Feb.	3,567,696	14,694,726	597,275	12,419,641	31,279,338
Mar.	3,806,425	16,036,896	628,625	14,102,093	34,574,039
Apr.	3,527,558	15,426,214	462,335	13,285,933	32,702,040
May	3,606,427	15,978,680	273,640	13,591,687	33,450,434
June	3,542,304	15,724,184	218,845	12,238,694	31,724,027
July	3,263,803	14,635,011	131,105	11,966,760	29,996,679
Aug.	3,562,676	14,959,098	55,385	11,767,789	30,344,948
Sept.	4,123,780	15,188,805	11,538	13,720,643*	33,044,766*
Oct.	5,894,868	16,623,317	—	15,708,875	38,227,060
Tot.	\$38,613,732	\$155,098,072	\$3,102,708	\$131,974,810	\$328,789,322

* Revised as of Dec. 7, 1955.

† Effective Sept. 15, DuMont changed from a national network to a local operation.

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.

Speculation about FCC chairmanship flared up this week after published reports that Chairman McConnaughey may be succeeded by Comr. Doerfer or Lee under rotation policy March 21. At time of appointment to FCC last year (Vol. 10:42), McConnaughey stated that he'd been designated chairman for one year but that "nothing has been said to me about rotation." Speculation is likely to continue until President Eisenhower again acts, presumably prior to March 21 when McConnaughey's year is up. However, some highly placed sources state flatly that McConnaughey will again be named chairman. They point out that although President first spoke up for rotation policy for gov. agencies, he hasn't stuck to it in practice. They note, for example, that Federal Power Commission chairmanship hasn't rotated. McConnaughey was appointed to fill unexpired term of retired Comr. George C. Sterling, which ends June 30, 1957.

President Eisenhower personally is about to ask Congress to approve program costing more than \$125,000,000 for U. S. Information Service headed by ex-MBS chairman Ted Streibert. That would be about 50% more than present budget, expiring next July 1. Propaganda setup includes Voice of America and expanding use of foreign TV stations, which are increasing rapidly throughout world.

New TV blackout attempt by major league baseball, via "friendly" suit by Govt. to nail down anti-trust aspects of case, was turned down by Justice Dept. this week. Baseball commissioner Ford Frick revealed at majors' meeting in Chicago Dec. 6 that he had proposed: (1) Big league adoption of rule restricting telecasts to areas beyond 50 miles of home clubs' territory. (2) Immediate Justice Dept. injunction against the rule's enforcement, thereby avoiding damage suits by broadcasters and Federal anti-trust penalties. (3) "Friendly" suit by Govt. to test rule's legality, carrying case to Supreme Court for final settlement. Frick said Justice at first was agreeable, then turned him down. Frick also released details of Stephen Fitzgerald Co. fan survey (Vol. 11:34) showing that about 40% would pay 25-50¢ per game for baseball via subscription TV; that 75% felt TV & radio had stimulated interest in game. Asked for suggestions for "betterment of baseball," 34% recommended less TV coverage, but majority called for better parking facilities, shorter games, more attention to spectator comfort, etc. Meanwhile, major leagues again voted down minors' attempt to curb TV-radio broadcasts in their territories (Vol. 11:49).

Actions on applications & grants this week: (1) FCC affirmed Ch. 69 grant in Ft. Wayne to Radio Ft. Wayne after obeying Court of Appeals order that it take into account possible effect of death of Paul V. McNutt, principal of opponent Anthony Wayne Bestg. Co. (2) Telepolitan Bestg. Co., Clovis, N. M., dismissed Ch. 12 application, stating that grant should go to KICA because latter is a "home organization which has for years contributed much to this area in the way of public service." (3) KTVQ, Oklahoma City (Ch. 25) asked for temporary operation on Ch. 11 until educational grantee KOED-TV, Tulsa, is ready to use the channel. (4) Prospective applicant WLYC, Williamsport, Pa. asked for allocation of Ch. 26 to town. (5) WENS, Pittsburgh (Ch. 16), proposed that Ch. 5 be assigned to city, with limited power-height and directional antenna.

Temporary injunction barring all stock sales in New York State by West Hooker and his 2 companies was issued this week by state supreme court Justice Gavagan. Hooker last month was temporarily restrained from selling stock in Film Network Inc. and Master Television Corp. (Vol. 11:46). Justice Gavagan ruled that Hooker's prospectus "tends to mislead the public" about the amount of money raised and uses the names of Gen. MacArthur and other prominent persons without their knowledge. Hooker, editor of *Nationalist Party Bulletin*, said the injunction was part of a "smear campaign" directed against him because of his "anti-Jewish" views. Attorney General Javits is seeking permanent injunction.

TV-radio "disc jockey" tax status was clarified by Internal Revenue Service this week. It ruled that performer is a station employe subject to withholding of income and social security taxes if he is paid regular minimum and if station has full control of time, format, length & content of program. Ruling does not apply to those who buy time outright to produce shows at own financial risk.

England's second commercial outlet is now scheduled to start Feb. 17, 1956 in Birmingham, with Associated Television Ltd. (Norman Collins group) as contractor with Independent Television Authority for Mon.-thru-Fri. time and Associated British Television Ltd. (Sir Philip Warter group) as contractor for Sat.-Sun. time.

Power increases: WMUR-TV, Manchester, N. H. (Ch. 9), Dec. 1 to 282-kw ERP; WHTN-TV, Huntington, W. Va. (Ch. 13), Dec. 9 to 316-kw, using 240-ft. custom-built rectangular slot antenna; CHSJ-TV, St. John, N. B. (Ch. 4), Nov. 19 to 100-kw. WTVK, Knoxville (Ch. 26), Dec. 12 to 314-kw.

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Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — December 17, 1955

LONG-RANGE FUTURE OF TV now up to FCC as it considers 150 comments filed in rule-making; final show-down for uhf is in the works (pp. 1-7).

MADISON CH. 3 granted to WISC over dissent of Hyde & Bartley; court upholds "diversification" principle in Portland Ch. 12 case (p. 7).

TV "OSCARS," presented by group of undisputed stature, urged as substitute for "clutter of meaningless awards" by publicity-seeking commercial groups (p. 10).

TOP-NOTCH SELZNICK FILMS sold for TV to NTA, now negotiating to merge with national film distributor and due to announce another feature buy next week (p. 10).

EDUCATIONAL TV GRANTED \$6,493,840 by Ford Foundation, all but \$140,000 going to Ann Arbor program center; individual station grants continue (p. 11).

"HEAVY HABIT VIEWERS" don't elevate TV but they make ratings, says NBC Chairman Weaver, who takes lofty view of responsibility to public as whole (p. 11).

PORTLAND'S NEW KTLV (Ch. 8) to get new RCA 100-kw transmitter, most powerful yet built; Middlebrooks to manage outlet, being merged with radio KGW (p. 12).

14,000,000 RADIO SALES expected in 1955. RCA cuts cost of color service contracts. RETMA tube section cautions wide-angle tube isn't imminent (p. 13).

STORE FOR USED APPLIANCES to be established by John Shillito Co., big Cincinnati dept. store, as means of solving vexing problem of trade-ins (p. 15).

ELECTRONICS VOLUME of \$10.8 billion in 1956 and \$22 billion in 1965 forecast by Sylvania's Don Mitchell (p. 17). GE's Dr. Baker also looks to record 1956 (p. 16).

NEW "INDUSTRIAL AGE," sparked by automation, heralded in Congressional report predicting economic dislocation but recommending no new legislation (p. 17).

HALLICRAFTERS MERGER agreed upon, with 2-for-5 stock exchange amounting to \$6,300,000 sale to Penn-Texas Corp.; executive, product plans unchanged (p. 18).

COLORCASTS SCORE HITS—Sadler's Wells ballet, Grandma Moses, "Christmas Carol" illustrate kind of shows that can be exploited to sell color sets (p. 19).

UHF's QUIT THE AIR in Oklahoma City and Pensacola as WREC-TV, Memphis (Ch. 3) gets ready to start. On-air total now 459, of which 105 are uhf (p. 20).

INDUSTRY'S VHF-UHF IDEAS—THE SHOWDOWN: The shape of TV to come -- the nature of the industry 10-20 years from now -- is now up to FCC, with this week's filing of some 150 comments recommending how and where stations should be established.

Industry has until Jan. 6 to file replies to the comments submitted this week. However, few expect the Commission will know more than it will after it has studied this week's comments. We've gone through every comment that we could track down at the Commission, digested every one of them and report them herewith on pp. 3-7 -- and it's clear to us that this is the final showdown on uhf.

Paradoxically, intra-industry problems are at a critical juncture -- yet the programming levels reached as we enter this "Golden Age of Television" are beyond those ever imagined during the heyday of radio, even beginning to satisfy today's most carping critics and picayune eggheads.

There were no startlingly new suggestions among this week's comments, but the emphasis and weight given to previous ideas are of great importance.

Basic question remains this: Can a nationwide, competitive system be provided by present 12 vhf channels, by addition of a few more vhf channels, or by fostering development of uhf?

* * * *

Comments can be broken down into several main categories: (1) Existing or prospective vhf operators insist that present service must be maintained, not whittled away. (2) Uhf operators urge that stations in each city must be kept competitive, primarily vhf or uhf. (3) Majority of those with stake in overall health of the industry lean towards measures to fortify uhf.

Most important new filings came from RCA-NBC and GE, both of which had previously been quite mum. Details of their proposals are covered more fully on fol-

lowing pages, but essence of RCA-NBC's comment is that uhf is essential, must be preserved; that deintermixture is a valuable tool; that the FCC not be too hasty in altering vhf standards to add vhf stations. GE goes further, insisting that an all-uhf system should be explored before other proposals are considered.

CBS stood by its previous plans, submitted informally to FCC (Vol. 11:41). It maintains that economics of TV dictate that nation must look to the big cities for most of its service; that judicious handling of station separations, powers & heights can provide adequate competition in those large markets. CBS added a sweetener for uhf operators this time, urging FCC to seek legislation that would permit uhf stations to move directly to new vhf channels without fighting competitors.

ABC probably stands smack in the center of all proposals, recommending both deintermixture and restricted number of vhf drop-ins -- to provide "uhf islands" from which national uhf expansion can come, and to provide 3 or more competitive stations in all cities capable of supporting them.

Deintermixture is the battle-cry of virtually all uhf stations. Those doing well in predominantly uhf areas want their markets made all-uhf. Those who lost out or are losing out in predominantly vhf areas want a vhf channel, even one of reduced coverage, to compete with their vhf neighbors.

Operating vhf stations caution FCC that overzealous attempts to provide more stations could result in loss of service to hinterland folk who could get service no way except through powerful vhfs.

* * * *

FCC has obviously been torn by conflicting pressures, will continue to be. Just this week, it granted vhf Ch. 3 in Madison, Wis., up to now all-uhf -- but it steadfastly maintains it wouldn't hesitate to move any vhf station to uhf if the overall public interest dictates. Comrs. Hyde and Bartley, however, dissented bitterly -- charging majority is just doubletalking (see p. 7).

Commission is striving valiantly to get more vhf channels from military and other services, yet majority of this week's comments are shot through with doubts about such channels. Scarcely anyone endorsed them wholeheartedly. Most thought they'd be too few to mean anything and many predicted they'd have the same basic problem faced by uhf -- need for conversion.

Commission's problem is as tough as any it has ever faced -- not excluding the 1948-52 allocations proceeding, color decision, subscription TV. The New Deal "super-planners" of 1948-52 did their sincere best, but they flunked badly -- and they admit it. Current Commission, with an Eisenhower-appointed majority, has a chance to rectify to some degree the mistakes of the old regime -- but it's going to take a tremendous amount of courage and intelligence.

There were a few last-minute requests for more time to file comments. FCC ruled it would consider each on its merits, wouldn't issue blanket extension.

Feeling in industry is that there isn't much more to say, that Jan. 6 reply comments are predictable. One big question remaining is Congress. When Senate Commerce Committee starts hearings on problems Jan. 17, as promised, will it demand a specific plan of action? It depends almost entirely on how the pressures run -- next year being an election year.

* * * *

Key political figures on the Senate Commerce Committee are Senators Magnuson (D-Wash.), Bricker (R-O.), Pastore (D-R.I.). Overall, there's the extremely powerful voice of Senate majority leader Lyndon Johnson (D-Tex.), who has said nothing publicly but knows the situation very well, has watched it closely; his wife owns 2 Texas TV stations -- one vhf, one uhf.

No one in Congress has really taken a stand -- except for Sen. Magnuson's expression of impatience with Commission for taking so long to come up with a solution (Vol. 11:49). None has evinced any true comprehension of the problem or any serious interest. Perhaps they just don't see any vote-getting "sex appeal" in the issue. However, competent observers believe that the politicians making the most noise next session will have most influence on the ultimate decision.

Digests of Comments in VHF-UHF Allocations Rule-Making

AMERICAN BROADCASTING CO.—Urges provision for at least 3 competitive services in top 100 markets, 4 or more in 90 of them, and “major improvement in the smaller markets as well.” This to be accomplished through: (1) Strengthening of uhf by deintermixture. (2) Reassignment of unused educational vhf channels to commercial use. (3) Reduction of vhf co-channel separations to as low as 130-mi., with powers “calculated to produce the same interference field at the Grade A contour of the co-channel station as would be produced by a vhf station with maximum power and 1000-ft. antenna height operating at the standard separation for the zone involved.”

Mileage changes should not be based on use of directional antennas, cross-polarization or similar techniques. Such techniques, when proved feasible, should be employed to reduce interference.

The 11-p. document urges that a table of assignments be retained and that FCC make its primary objective the establishment of “multiple services in as many communities as possible to provide program choice and to facilitate competition.” Counsel: Geraldine B. Zorbaugh and McKenna & Wilkinson.

COLUMBIA BROADCASTING SYSTEM—Proposes, with some modifications, the two alternative plans previously submitted informally to the FCC (Vol. 11:41). Plan I provides for 3 or more competitive stations in 84 of top 100 markets, through 27 vhf drop-ins and move of 7 vhf channels from smaller markets. This would be accomplished by reducing separations in some cases, while protecting existing services by restricting radiation of new drop-in or move-in stations with directional antennas, cross-polarization or both. Mileage cuts to be done on a “strictly limited” basis.

Plan II would provide at least 3 vhf stations in all 100 top markets, plus 364 vhf stations in markets other than top 100. This to be accomplished by allocation of 3 new vhf channels—6A, 6B & 6C—to be obtained from other radio services, plus drop-ins and move-ins similar to those provided for in Plan I.

It's recommended that FCC urge Congress to pass legislation permitting uhf operators to move directly to new vhf channels and permitting vhf operators to move to larger cities, in certain cases—all without consideration of any other applications for the channels.

If more than 3 additional vhf channels can be obtained, it's suggested that 4 more be used for “community” vhf stations—with powers in order of 20-kw, height 500-ft., co-channel spacing 85-mi.

CBS estimates cost of converting receivers to new vhf channels would run \$5-\$30. Cost of adjusting antenna for vertical polarization is set at about \$10.

Educational reservations would be unchanged under Plan I. Under Plan II, vhf reservations would remain unchanged but uhf reservations would be shifted to vhf where possible.

Document is approximately 175-pp., includes city-by-city allocation tables for plans, maps, tables of drop-ins & moves, economic analysis of nation's station potential, estimated cost of moving all TV to uhf, etc. Counsel: Julius F. Brauner & Richard A. Forsling.

GENERAL ELECTRIC CO.—Urges consideration of an all-uhf system before trying other remedies. States that GE is neither supporting nor attacking an all-uhf service but believes its possibilities should be explored first. Asserts that transition to uhf would be eased by normal replacement of sets over a 5-7 year period. States that Commission should accept RETMA's offer to conduct technical study and estimates that RETMA could produce useful

information within 60-90 days. Urges, in meantime, that no more vhf grants be made in markets now served by uhf. Submits that no one yet knows “whether uhf can or cannot give an adequate nationwide competitive TV service.” Submitted by W. J. Morlock, gen. mgr., technical products dept.

RCA & NBC—In joint 22-p. brief, development of uhf propagation and advances in equipment are summarized and FCC is urged “to foster and preserve” the 70 uhf channels, to do what it can to help uhf. It's suggested that FCC urge Congress to repeal excise tax on all-channel receivers so as to make them competitive with vhf-only sets; that it “deintermix on a sufficiently broad basis to create a nucleus of predominantly uhf service areas from which uhf may grow and expand”; that it encourage multiple owners with resources and know-how to undertake operation of uhf stations in intermixed markets; that it permit uhf stations to use DA's and on-channel boosters.

“Careful study,” but not immediate use, of proposals to add vhf is suggested—including reduced separations, directional antennas, cross-polarization, reduced antenna heights & powers; and the proposal to obtain added vhf channels from other users of spectrum space, notably the military.

Commission is admonished to stick to a “Master Plan” if it decides to modify the present allocation plan or change present standards. Any “case-by-case” approach in which present standards are relaxed to solve individual problems “will inevitably result in progressive degradation of service to the public,” says the brief. These principles should govern if there's any modification: Modified plan should be predicated upon channels actually available for commercial TV; should allow for substantial expansion of TV service over the years; should not degrade or destroy service to rural and small communities. Counsel: Robert L. Werner, Ray B. Houston, Thomas E. Ervin & James E. Greeley.

STORER BROADCASTING CO.—Recommends: (1) Retention of uhf band. (2) Elimination of uhf-vhf intermixture “in as many areas as is feasible without deleting existing vhf services.” (3) No grants of first vhf stations in areas that are now uhf-only, nor second vhf grants in areas “where it would aggravate an intermixture problem.” The 23-p. brief proposes reallocation making following cities substantially all-vhf or all-uhf: Peoria, Ill.; Evansville, Ind.; Madison, Wis.; Hartford, Conn.; Albany-Troy-Schenectady, N. Y.; Spartanburg, S. C.; Jacksonville, Fla.; Savannah, Ga.; Orlando, Fla.; Springfield, Ill.; St. Louis, Mo.; Terre Haute, Ind.; New Orleans, La.; Baton Rouge, La.; Beaumont-Port Arthur, Tex.; Pensacola, Fla.; Lake Charles, La.; Miami-Ft. Lauderdale, Fla.; Tampa-St. Petersburg, Fla.; Corpus Christi, Tex.; Hutchinson, Kan.; Manhattan, Kan.; Raleigh-Durham, N. C.; Fresno, Cal.; Norfolk-Portsmouth-Newport News, Va. Urges for vhf no change in separations, heights & powers or directional antennas. Counsel: John E. McCoy.

WESTINGHOUSE BROADCASTING CO. INC.—Recommends: (1) Protection of service areas of existing stations. (2) Immediate adoption of CBS “Plan I” to provide 3 stations in top 100 markets. (3) Continuance of educational reservations. (4) Provision for as many uhf-only markets as possible, provided protection is given to existing stations. Counsel: John W. Steen.

CROSLY BROADCASTING CORP.—Proposes that 2 additional vhf channels be provided from FM band—92-98 mc and 102-108 mc. Exhibits include maps and tables showing reallocation making use of new channels. Submitted by Wm. S. Alberts, chief propagation engineer.

AFL-CIO—Urges preservation of all 82 channels and continued reservation of educational channels. Submitted by George Meany, pres.

GEORGE B. ANDERSON, Twin City Advertising Agency, Francis J. Matrangola, Standard Tobacco Co. (AM operators)—Endorse "Mullaney Plan" (see p. 5). Counsel: Harry J. Daly & Lenore G. Ehrig.

ATLANTIC VIDEO CORP. (WRTV, Asbury Park, N.J., Ch. 58, now off air)—Requests establishment of community vhf stations with reduced mileage separations, by using low powers & antenna heights, etc.; opposes addition of new vhf channels outside present band. Counsel: Cohn & Marks.

CAPITAL CITY TV CORP. (KCCC-TV, Sacramento, Cal., Ch. 40)—Proposes that educational vhf channels be turned over to commercial use if not used by educators by a specified time. Counsel: Fisher, Wayland, Duvall & Southmayd.

CHANNEL 16 OF RHODE ISLAND INC. (off-air WNET, Providence, Ch. 16)—Recommends assignment of Ch. 3 & 6 to Providence area and withholding of action on grants or drop-ins which might preclude the assignments. Counsel: Cottone & Scheiner.

COASTAL BEND TELEVISION CO. (KVDO-TV, Corpus Christi, Tex. Ch. 22)—Urges deintermixture, preservation of uhf band. Counsel: Cohn & Marks.

COMMITTEE FOR HOMETOWN TV INC.—Favors: (1) Deintermixture. (2) Vhf drop-ins via shorter separations. (3) Confinement of stations' coverage to their retail trading areas. (4) Simultaneous vhf-uhf operation by licensees until service areas are 85% converted to uhf or 5 years, whichever is longer. The 46-p. document attacks FCC policies, urges change in philosophy, recites history of TV development. Counsel: Arnold, Fortas & Porter.

COMMITTEE ON MANUFACTURERS RADIO USE (NAM)—States: "TV broadcasting requires a huge portion of the available spectrum and any approach to creating additional TV channels immediately presents a threat to all the non-broadcasting services, in which industry has an important and permanent interest." Expresses concern about "block allocations" policy, stating that this "freezes frequencies in localities where there is little or no prospect that they will be put to use. We know that that is true of the FM broadcast service, and we suspect that it prevails in the TV service as well." Submitted by Frank Smith.

CORNELL UNIVERSITY (grantee WHCU-TV, Ithaca, N.Y., Ch. 20)—Urges reduction in mileage separations and power & heights to permit assignment of vhf to Ithaca. Counsel: Cohn & Marks.

A. EARL CULLUM & THOMAS A. WRIGHT (engineers)—Suggest: (1) Possibility of assigning portion of FM band and 72-76 mc to TV. (2) Use of higher towers, higher gain antennas and cross-polarization. (3) Re-evaluation of grades of service, including higher levels for heart of principal city and establishment of "rural" contour beyond Grade B. (4) Changes in method of predicting signal levels, including technique for determining effective antenna heights. (5) FCC encourage filing of field intensity measurements.

RICHARD W. DAVIS (grantee WELI-TV, New Haven, Conn., Ch. 59)—Favors deintermixture, tailoring of stations to market areas.

GENE T. DYER (grantee WTVI, Ft. Pierce, Fla., Ch. 19), **MID-AMERICA BCSTG. CORP.** (WKLO-TV, Louisville, Ch. 21, now off air) & **PRAIRIE TV CO.** (WTVP, De-

catur, Ill., Ch. 17)—In separate comments, propose "long-term" policy of deintermixing vhf & uhf allocations in areas where it will improve TV service to public, authorizing directional antennas & reductions in mileage separations. Also ask immediate "interim policy" of (1) deleting from predominantly uhf areas vhf channels for which no station has been authorized, assigning these channels in predominantly vhf areas where they are needed, with use of directional antennas where necessary (in case of WKLO-TV & WTVP), or (2) permitting uhf stations in vhf areas to operate on vhf channels, using directionals where necessary (in case of WTVI). All 3 ask specific deintermixture actions in own home areas. Counsel: Haley, Doty & Wollenberg.

EDUCATIONAL CHANNELS, Groups Favoring Continuation—Joint Committee on Educational TV (see below); Broadcasting & Film Commission, National Council of Churches of Christ in the U.S.A.; Congregational Christian Churches (Office of Communication); Connecticut Citizens Council on Educational TV; National Assn. of Educational Broadcasters; National Education Assn. of the U.S.; Nashville Educational TV Foundation; Kansas State College; Southern Regional Education Board.

GERICO INVESTMENT CO. (WITV, Ft. Lauderdale, Fla., Ch. 17)—Supports nationwide deintermixture. Counsel: McKenna & Wilkinson.

GREAT LAKES TELEVISION CO. (WSEE, Erie, Pa., Ch. 35)—Proposes "immediate action" to permit uhf stations now threatened with destruction in vhf areas to operate on vhf channels with directional antennas, reduced separations, etc., WSEE to be assigned to Ch. 6. "Long-term" proposals: deintermixture, reduced vhf station separation, permanent allocation of Ch. 6 to Erie. Counsel: Haley, Doty & Wollenberg.

GULF TV CO. (KGUL-TV, Galveston, Tex., Ch. 11)—Two levels of coverage and protection are urged: (1) Protection of a station's Grade A contour at all times. (2) Protection of Grade B except when a new applicant "could prove affirmatively that the public interest would be served by a proposal causing interference within an existing station's Grade B coverage area." Suggests adoption of coverage-interference criteria proposed in FCC's "Third Notice" of March 21, 1951. Urges use of engineering standards permitting improvement of service through "limitations in power & antenna height, directional antennas, offset carrier, and perhaps cross-polarization, for the purpose of more complete spectrum utilization." Counsel: Scharfeld & Baron.

HAVENS & MARTIN INC. (WTVR, Richmond, Va., Ch. 6)—Opposes any changes that would reduce its service area. Opposes lifting Zone I full-power vhf maximum height to 2000 ft. States that insufficient information is available on directional antennas or cross-polarization to justify their use now. Counsel: John H. Midlen.

FRIEDA B. HENNOCK (attorney)—Proposes: (1) Preservation of philosophy in Sixth Report & Order, requiring both uhf & vhf. (2) Deintermixture. (3) Reservation of educational channels. (4) Encouragement of manufacturers to build all-channel sets. (5) Regulation of chain broadcasting "so as to assure non-monopolistic availability of programming on an equal basis to vhf and uhf stations."

JOINT COMMITTEE ON EDUCATIONAL TV—In 83-p. printed comments, urges that FCC "not abandon or water down the sound objectives stated in the Sixth Report." Only sound approach, it argues, "must lie in preserving and fostering the growth of the uhf service." Without taking

stand on deintermixture or other proposed remedies, it states that "the issue in this proceeding is not whether uhf service is to be maintained, but how it can be preserved and stimulated." Argues that elimination of educational vhf reservations would not contribute much to solution, even if Commission should "try to cram all TV into the vhf bands." Asks FCC to specify issues with "greater particularity." Counsel: Telford Taylor & Seymour Krieger.

KNUZ TELEVISION CO. (KNUZ-TV, Houston, Ch. 39, now off-air)—Urges "low-power community stations" on present vhf band in areas now saturated with vhf-only receivers. Counsel: Cohn & Marks.

LAKE HURON BROADCASTING CORP. (WKNX-TV, Saginaw, Mich., Ch. 57)—Requests that Saginaw area be made all-uhf or all-vhf and that FCC maintain status quo on vhf grants and power-height increases in certain Michigan and Ohio cities pending consideration of possibility of adding Ch. 10 & 11 to Saginaw area. Counsel: Cottone & Scheiner.

HERBERT MAYER, d/b as AJAX ENTERPRISES (grantee of WPHD, Philadelphia, Ch. 23, and WHMB, Boston, Ch. 38)—Urges extensive deintermixture. Suggests interim simultaneous vhf-uhf operation for vhf operations required to shift. Also recommends exploration of an all-uhf plan.

MIDDLESEX BROADCASTING CORP. (WTAO-TV, Cambridge, Mass., Ch. 56)—Recommends assignment of Ch. 13 to Cambridge, amendment of rules to permit vhf assignments with low power and reduced mileage separations "upon specified showings where it is established that the proposed channel assignment would further the objective of a nationwide competitive TV system." Counsel: Cottone & Scheiner.

JOHN H. MULLANEY (engineer) and WELCH, MOTT & MORGAN (attorneys)—Advocate elimination of allocation plan, then the assignment of some 200 more vhf stations within present 12 channels on case-to-case basis through: (1) Reduction of co-channel mileages to as low as 88-mi., adjacent-channel as low as 31-mi., with powers as low as 100-watts. (2) Use of directional antennas with 20-db suppression. (3) Possible use of cross-polarization. (4) Elimination of 104 unapplied-for vhf assignments. Existing stations would be protected to extent now provided in FCC rules.

Objectives of plan are to give each uhf operator a vhf channel, assign at least 3 vhf stations to most major markets and at least 2 vhf to "as many markets as could feasibly support" them. Document consists of 85-pp. plus exhibits, includes recitation of allocations history.

NATIONAL COMMITTEE FOR UTILITIES RADIO—Opposes any shift of frequencies of mobile radio users in Power Radio Service. Submitted by R. W. Lewis, chairman.

NEPTUNE BROADCASTING CO. (WFG-TV, Atlantic City, Ch. 46, now off air)—Asks revisions of rules to permit assignment of vhf channels to "New Jersey, and Atlantic City particularly," through authorization of directional antennas at reduced mileage separations and/or low-power operation, cross-polarization, etc. Counsel: Cottone & Scheiner.

O'NEILL BROADCASTING CO. (KJEO, Fresno, Cal., Ch. 47)—Recommends deintermixture be adopted as a general principle and that FCC "invite comments on specific channel assignments in individual communities in order to ascertain whether a pattern for general reallocation consideration exists and the nature of such pattern." Also

suggests it may be necessary to change mileage spacings, powers & heights and to consider individual topographic conditions. Counsel: Joseph Brenner.

S. H. PATTERSON (KSAN-TV, San Francisco, Ch. 32)—Supports deintermixture, and suggests: (1) Acquisition of more vhf channels. (2) Reduction of co-channel vhf spacing to 110 mi., adjacent-channel to 30 mi. (3) Reduction of power and use of directional antennas. (4) Commercial use of educational channels all hours except 3 or 4 daily. (5) Reallocation of vhf channels "when it is advantageous to existing uhf operators." (6) Addition of Ch. 11 to San Francisco via reassignments in Fresno and San Jose.

PENNSYLVANIA BROADCASTING CO. (WIP, Philadelphia)—Proposes allocation of new "Channel 6-A" by eliminating 88-94 mc from FM band and reallocating dislocated FM stations elsewhere in band; new TV channel to be assigned to large centers of population now inadequately served. Counsel: Welch, Mott & Morgan.

PIEDMONT BROADCASTING CORP. (WBTM-TV, Danville, Va., Ch. 24 now off-air)—Suggests vhf drop-ins via assignments based on protected contours. Counsel: John H. Midlen.

T. P. PIKE, Asst. Secy. of Defense—Urges attention to recommendations of Joint Industry-Govt. Tall Structure Committee in any re-evaluation of antenna heights.

PLAINS TV CORP. (WICS, Springfield, Ill., Ch. 20)—Recommends deintermixture through shift of Ch. 2 from Springfield to St. Louis. Counsel: McKenna & Wilkinson.

LEE SCARBOROUGH (TV dealer, Nacogdoches, Tex.)—Representative of "group interested in constructing local TV station" urges: (1) Allocation of more vhf channels in predominantly vhf areas through use of lower powers, reduced mileage minimums, directional antennas & cross-polarization. (2) Deintermixture action to reallocate vhf channels from successful uhf markets to vhf areas. Counsel: Haley, Doty & Wollenberg.

SIGNAL HILL TELECASTING CORP. (KTVI, St. Louis, Ch. 36)—Suggests deintermixture and: (1) Reduction of minimum separations by 40% except in unusual cases in sparsely settled areas. (2) Establishment of minimum & maximum powers and antenna heights to prevent encroachment into other markets. (3) Directional antennas; use of cross-polarization if necessary. Wants revisions of allocation plan to apply to existing and new stations. Counsel: Roberts & McInnis.

SIR WALTER TV CO. (WNAO-TV, Raleigh, N. C., Ch. 28)—Asserts additional vhf channels "would present essentially the same conversion problems now inherent in uhf with the added disadvantage that the uhf stations, such as WNAO-TV, would have to abandon already substantial uhf circulation and start from scratch in building up a new conversion ratio." Urges: (1) Deintermixture. (2) Vhf drop-ins on "market-by-market" basis. (3) Directional antennas, reduction of separations, use of cross-polarization for vhf. (4) FCC push for tax differential between vhf-only and all-channel sets. (5) If new vhf channels are obtained, they shouldn't be intermixed with present vhf or uhf channels in same communities. (6) Interim actions to preserve uhf, such as awarding a uhf channel to winner of hearing for Raleigh's Ch. 5 pending final determination of overall rule-making. Counsel: Haley, Doty & Wollenberg.

SKIATRON ELECTRONICS & TV CORP. and SKIATRON TV INC.—Request that FCC "reaffirm the objectives of the Sixth Report & Order, retain uhf as a basic part of the

national TV plan, and press forward with its rule-making proceeding [regarding subscription TV] so pregnant with answers to the basic economic questions posed in this proceeding." Asserts that advertising cannot support nationwide TV system, that subscription TV is the answer. Counsel: James M. Landis and Lyon, Wilner & Bergson.

SOUTH CENTRAL BROADCASTING CORP. (WTVK, Knoxville, Tenn., Ch. 26)—Recommends assignment of Ch. 7 to Knoxville. Counsel: Loucks, Zias, Young & Jansky.

SOUTHERN CONN. & LONG ISLAND TELEVISION CO. (WICC-TV, Bridgeport, Ch. 43)—Reiterates request for assignment of Ch. 6 to Bridgeport area through reduction of separations. Counsel: McKenna & Wilkinson.

SOUTHERN RADIO & EQUIPMENT CO. (Grantee WOBS-TV, Jacksonville, Fla., Ch. 30)—Submits detailed "plan of selective deintermixture," which would require no authorized vhf station to switch to uhf, but deleting 14 ungranted vhf assignments. Counsel: McKenna & Wilkinson.

SPECIAL INDUSTRIAL RADIO SERVICE ASSN.—Opposes any shift of frequencies now used by mobile services. Counsel: Jerome H. Heckman.

SUMMIT RADIO CORP. (WAKR-TV, Akron, Ch. 49)—Requests deintermixture of Akron area through reduction of power of "outside vhf stations," nationwide reallocation of present vhf band with more outlets provided by reduction of mileage separations, or providing vhf channel to Akron by shifting channels in other cities in area and reducing mileage separations. Counsel: Kirkland, Fleming, Green, Martin & Ellis.

TELECASTING INC. (WENS, Pittsburgh, Ch. 16)—Urges additional vhf assignments in large markets not already allocated 4 commercial vhf channels. Counsel: McKenna & Wilkinson.

TELEVISION COLUMBUS (WDAK-TV, Columbus, Ga., Ch. 28)—Requests that communities with over-50% uhf saturation be made all-uhf, and as secondary alternative the addition of vhf channels by reduction of mileage separations, antenna heights and powers. Counsel: Cohn & Marks.

TIMES-WORLD CORP. (WDBJ-TV, Roanoke, Va., Ch. 7), **GABLE BROADCASTING CO.** (WFBG-TV, Altoona, Ch. 10), **MID-CONTINENT TELECASTING** (KOAM-TV, Pittsburg, Kan., Ch. 7), **ORLANDO BROADCASTING CO.** (WDBO-TV, Orlando, Fla., Ch. 6) and **PIKES PEAK BROADCASTING CO.** (KRDO-TV, Colorado Springs, Ch. 13)—Urge FCC to forego any action which would "degrade" present vhf service until it can be determined whether additional vhf frequencies will be made available for TV. Counsel: George O. Sutton.

TRIANGLE PUBLICATIONS INC. (WFIL-TV, Philadelphia, Ch. 6)—Recommends that FCC guard against too great reduction of station separation minimums, particularly where over-water propagation is concerned. Counsel: Lyon, Wilner & Bergson.

TRI-CITY RADIO CORP. (WLBC-TV, Muncie, Ind., Ch. 49)—Opposes proposals to permit full-power vhf operation at 2000-ft. Counsel: John H. Midlen.

TRI-STATE TELEVISION INC. (WINT, Waterloo, Ind., Ch. 15)—Petitions to permit TV station to identify itself with main community served "rather than the tiny community to which it is presently licensed." Counsel: Kirkland, Fleming, Green, Martin & Ellis.

ULTRA HIGH FREQUENCY INDUSTRY COORDINATING COMMITTEE—Urges adoption of "single market" plan of confining station coverage through: (1) Selective deintermixture. (2) Tailoring of powers & heights to specific communities. (3) Adding vhf stations via lower separations on case-by-case basis. (4) Limiting Ch. 2-6 stations to 50-kw, Ch. 7-13 to 100-kw, unless showing of need for more power is made. In addition, recommends that deintermixture petitions be severed from general rule-making and granted immediately. Urges that continued efforts be made to obtain more vhf channels but that other relief be provided in meantime. Counsel: Cottone & Scheiner.

UHF TELECASTING CORP. (KVVG, Tulare, Cal., Ch. 27) and **KBAK-TV** (Bakersfield, Cal., Ch. 29)—Favor "change from the present rigid assignment plan to one based on protection from interference," including creation of separate "Western Zone," directional antennas, lower powers. Propose that existing assignments be protected "to maximum powers and antenna heights," with criteria formulated by joint industry committee if necessary. Urge that existing uhf operators get first opportunity to operate on dropped-in vhf channels. Counsel: Krieger & Jorgensen.

VAN CURLER BROADCASTING CORP. (WTRI, Albany, Ch. 35, now off air)—Urges preservation of uhf, doubts that additional vhf channels would be helpful, says FCC "must create an administrative climate favorable to uhf operators and investors," favors remedies suggested by Committee for Hometown TV Inc. Counsel: Arnold, Fortas & Porter.

WEST CENTRAL BROADCASTING CO. (WEEK-TV, Ch. 43) and **HILLTOP BROADCASTING CO.** (WTVH, Ch. 19), both Peoria, Ill. and **MONONA BROADCASTING CO.** (WKOW-TV, Ch. 27) and **BARTELL TV CORP.** (WMTV, Ch. 33), both Madison, Wis.—Urge adoption of deintermixture—plus use of low-power vhf stations and new vhf channels where new vhf assignments won't harm uhf. Counsel: Cohn & Marks; Fly, Shuebruk, Blume & Gaguine; Samuel Miller.

WILMINGTON TV CORP. (WTHI, Wilmington, N. C., Ch. 3)—Urges changes in network regulations to assure small-city stations regular network service. Submitted by A. L. Wheeler, treas.

WISE-TV INC. (WISE-TV, Asheville, N. C., Ch. 62)—Proposes assignment of Ch. 2 to Asheville. Counsel: Cottone & Scheiner.

WSAZ INC. (WSAZ-TV, Huntington, W. Va., Ch. 3)—Recommends that Zone I vhf stations operate with full power at 1250-ft. and that no changes be made that would reduce service areas of existing stations. Counsel: Cohn & Marks.

WSM INC. (WSM-TV, Nashville, Ch. 4)—Requests authorization of low-power unattended boosters on vhf as well as uhf, urges additional vhf frequencies be assigned to TV, retention of uhf, opposes drop-ins and reduced separations. Counsel: Kirkland, Fleming, Green, Martin & Ellis.

WTVJ INC. (Miami, Ch. 4)—Endorses CBS proposals. Counsel: Segal, Smith & Hennessey.

ZENITH RADIO CORP. & TECO INC.—Propose in 18-p. brief that FCC authorize subscription TV for temporary 2-year period by (1) stations which operated at loss during last year; (2) stations which carry, or expect to carry next year, less than 7½ hours weekly of paid CBS or NBC programs, and (3) all new stations coming on air. Petition

also asks that fee-TV be limited to 15% of any station's broadcast time and that Commission defer further consideration of allocations actions until it observes how well the fee-TV proposal works. Counsel: Joseph S. Wright; Pierson, Ball & Dowd; Loucks, Zias, Young & Jansky.

The following urge that no changes be made that would reduce service rendered by existing stations, particularly in rural areas: Alvarado Broadcasting Co. Inc., Albuquerque, N. M.; Mt. Washington TV Inc., Poland Spring, Me.; KAKE-TV Inc., Wichita, Kan.; Harbenito Broadcasting Co., Harlingen, Tex.; Regional Broadcasting Co., Jonesboro, Ark.; WJNO-TV Inc., W. Palm Beach, Fla.; Louisiana TV Broadcasting Corp., Baton Rouge, La.; Forest Capital Broadcasting Co., Lufkin, Tex.; Arizona Broadcasting Co. Inc., Tucson, Ariz.; WSAV Inc., Savannah, Ga.; Montana Network, Billings, Mont.; Richmond TV Corp., Richmond, Va.; Greater Rockford TV Inc., Rockford, Ill.

Note: Following parties filed brief statements reserving right to participate in further proceedings if desired: Alabama Educational TV Commission; American TV Co. Inc., Ft. Smith, Ark.; Bell Pub. Co., Temple, Tex.; KDRO Radio & TV Inc., Sedalla, Mo.;

MADISON'S CH. 3 was granted this week to WISC, over sharp dissent of Comrs. Hyde & Bartley, who blasted action as "untimely and ill-advised" in view of Commission's current allocations rule-making proceeding. Only other grant this week was non-commercial Ch. 13 in Monroe, La. to State Dept. of Education.

In granting Ch. 3 to WISC, Commission overruled initial decision which favored opponent WIBA and the petitions by 2 Madison uhf outlets which argued that no grant should be made pending outcome of allocations proceeding. Commission based its preference on fact that WISC (owned by Morgan Murphy-Superior Evening Telegram), despite its interlocking ownership with other newspapers and stations (including WEAU-TV, Eau Claire), evidenced less concentration of media locally than did WIBA, owned principally by *Capital Times* and *Wisconsin State Journal*, city's only morning papers.

Hyde-Bartley dissent charged grant "will complicate and hinder proper consideration of [deintermixture] proposals which the Commission has stated would be fully explored" in current rule-making proceedings. "The Commission has decided that the pending rule-making proceeding is the forum where proposals and petitions concerning deintermixture should be heard. However, at the same time, [the] Commission is deciding, as a practical matter, the very issues it proposes to consider in the future . . ."

In another newspaper ownership case, Appeals Court significantly upheld FCC grant based largely on diversification issue despite fact that newspaper was found to have "relatively small voice" in rejected applicant. In appeal by Columbia Empire Telecasters from grant of Portland, Ore. Ch. 12 to KLOR, Judges Edgerton, Bazelon & Fahy ruled: "However small their [newspaper and radio stations'] 'voice' in Columbia's affairs may have been, Columbia was not, as [KLOR] was, 'dissociated from existing media of mass communication.'"

Meanwhile, Supreme Court refused to touch Appeals Court decision which ordered FCC to hold hearing on WSAY's protest of Ch. 10 share-time grant to WHEC-TV & WVET-TV, Rochester (Vol. 11:31). Thus, there's strong possibility the Ch. 10 stations may have to go off air pending the protest hearing. In interim, they've applied for uhf Ch. 27 in hopes of having channel to go to in event they're pushed off Ch. 10; WSAY asked FCC to

Midnight Sun Broadcasting Co., Anchorage & Fairbanks, Alaska; KFJI Broadcasters, Klamath Falls, Ore.; Hawaiian Broadcasting System Inc., Honolulu, Hilo & Wailuku, Hawaii; Mosby's Inc., Missoula, Mont.; Bi-States Co., Kearney & Hayes Center, Neb.; Magic Valley TV Corp., Twin Falls, Ida.; KIDO Inc., Boise, Ida.; Fisher's TV Co., Seattle, Wash.; Curators of U of Missouri, Columbia, Mo.; Black Hills Broadcast Co. of Rapid City, Rapid City & Lead, S. D.; Northwest TV Co., Ft. Dodge, Ia.; Jefferson TV Co., Jefferson City, Mo.; Oregon Radio Inc., Salem, Ore.; KBIZ, Inc., Kirksville, Mo.; Springfield (Mo.) TV Inc.; Rivoli Realty Co., Johnstown, Pa.; Greater East Tennessee TV Inc., Knoxville, Tenn.; The Brockway Co., Carthage, N. Y.; Vindicator Printing Co., Youngstown, O.; Greenville (S. C.) TV Co.; M & M Broadcasting Co., Marinette, Wis.; Radio Augusta Inc., Augusta, Ga.; Patriot-News Co., Harrisburg, Pa.; Irwin (Pa.) Community TV Co.; Mountain City TV Inc., Chattanooga, Tenn.; Port Arthur (Tex.) College; Triad TV Corp., Parma, Mich.; WIRL TV Co., Peoria, Ill.; Columbia Amusement Co., Paducah, Ky.; Hazleton (Pa.) TV Corp.; KEDD Inc., Wichita, Kan.; Associated Bcstrs. Inc. & WGAL Inc., Bethlehem & Lancaster, Pa.; South Bend (Ind.) Tribune; A. S. Abell Co., Baltimore; Sangamon Valley TV Corp., Springfield, Ill.; On the Air Inc., Evansville, Ind.; Meyer Bcstg. Co., Bismark, N. D.; Travelers Bcstg. Service Corp., Hartford, Conn.; Biscayne TV Corp., Miami; Port Huron (Mich.) Bcstg. Co.; Jefferson Standard Bcstg. Co., Charlotte, N. C.; Cedar Rapids (Ia.) TV Co.; Alexandria (La.) Bcstg. Co.; Herald Publishing Co., Albany, Ga.; Arthur R. Olson, Tulsa; WGN Inc., Chicago; Lycoming Bcstg. Co., Williamsport, Pa.; Great Lakes TV Inc., Buffalo; Capitol Bcstg. Co., Jackson, Miss.; Valley Electric Co., San Luis Obispo, Cal.; Radio Honolulu Ltd.; Peninsular Bcstg. Co., Grand Rapids; WJR, The Goodwill Station, Flint; Wilton E. Hall, Anderson, S. C.; Elfred Beck, Tulsa.

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refuse them Ch. 27. They've also formed agreement with Rochester Institute of Technology whereby latter would continue operating on Ch. 10, retaining profits, pending disposition of the protest.

Another appeal was filed, meanwhile, Southland TV Co. seeking to reverse FCC's decision picking Shreveport TV Co. (KSLA-TV, Ch. 12).

Court of Appeals bowed to Supreme Court ruling in famous Easton-Allentown radio case (Vol. 11:24), reversing itself this week and ruling that FCC's decision stands. FCC had granted 1230 kc to WEEX, Easton, because of city's greater need for station. Appeals Court said Commission erred in reversing examiner who had picked WHOL, Allentown. Supreme Court then slapped down Court of Appeals. Net effect of whole litigation is affirmation of FCC's power to overrule examiners and to weigh needs of communities before considering qualifications of competing applicants. Appeals Court majority in this week's decision comprised Judges Prettyman and Miller, with Bazelon dissenting.

FCC network study staff headed by Roscoe Barrow, dean of U of Cincinnati Law School, got 2 more staffers this week—Dr. Jesse Markham, ex-chief economist, Federal Trade Commission, now associate professor of economics, Princeton; Dr. Warren Baum, ex-Dept. of State, Mutual Security Agency and other govt. agencies, currently employed by Rand Corp. They're in addition to the 6 announced last week (Vol. 11:50).

First non-govt. use of "scatter" techniques (Vol. 11:32, 47) for regular operational long-distance radio communication was approved this week by FCC, when it granted Aeronautical Radio Inc. modification to use vhf ionospheric scatter to supplement its aeronautical fixed communication service between Miami and San Juan, Puerto Rico, distance of 1040 miles.

Personal Notes: Andrew Hammerschmidt, associate director of NBC technical operations, promoted to chief engineer, succeeding the late Robert E. Shelby . . . Lester W. Spillane, chief of FCC Renewal & Transfer Div., joins John P. Hearne in San Francisco law practice, with offices at 405 Central Tower Bldg.; he's a veteran FCC employe, having started in old Commerce Dept. radio div. in 1928, then transferred to Federal Radio Commission, forerunner of FCC . . . Alfred Larson, ex-commercial mgr. of KPHO-TV, Phoenix, named asst. to Payson Hall, TV-radio director of Meredith stations, working out of Des Moines; he's succeeded at KPHO-TV by Howard Stalnakar, from radio KPHO . . . Jack Gross, onetime owner of KFMB-TV, San Diego & KFMB, who recently acquired radio KXOC, Chico, Cal., has become chairman of board of Trans-Community Television Network Inc., headed by Jerome L. Doff, Beverly Hills attorney—promoting "Commprovision" system for piping closed-circuit films, kine & live programs to homes in small communities . . . Gordon R. Kerr, ex-radio WCOP, Boston, named gen. mgr. of General Teleradio's recently acquired WEAT-TV & WEAT, W. Palm Beach; he had previously been sales mgr. of General Teleradio's WGTH-TV & WGTH, Hartford, whose sale to CBS pends FCC approval . . . John Reynolds, gen. mgr. of KHJ-TV, Hollywood, and James Richards, eastern sales mgr., elected Don Lee v.p.'s . . . Jerome Harris, ex-ABC-TV eastern sales mgr., joins exec. staff of McCann-Erickson TV-radio dept. . . . Kenyon Brown, KWFT-TV & KWFT, Wichita Falls, named chairman of exec. committee, Radio Advertising Bureau . . . Gil Johnston named sales mgr. of KWK-TV, St. Louis, succeeded in N. Y. CBS-TV Film Sales office by A. Robert Bonagura, ex-NBC . . . Donald H. McGannon, who recently succeeded Chris Witting as pres. of Westinghouse stations, is subject of personality sketch in Dec. 9 *Printers' Ink* . . . Richard Sloan, ex-KXLY-TV, Spokane, and WJHP-TV, Jacksonville, named sales mgr. of WGBS-TV, Miami, succeeding Walter M. Koessler, now managing director . . . James M. Dolan resigns as DuMont sports director . . . Charles G. Baskerville, ex-gen. mgr. of WNAO-TV, Raleigh, named gen. mgr. of radio WALT, Tampa, Fla. . . . John Croft, ex-national sales mgr., WJTV, Jackson, Miss., joins WFBM-TV, Indianapolis . . . Wilfred C. Prather promoted to technical supervisor of WNBQ & WMAQ, Chicago, in charge of color training for station personnel . . . Willard S. Smith, ex-TV-radio director of Brooke, Smith, French & Dorrance, N. Y., named mgr. of promotion & merchandising, WJBK-TV, Detroit . . . LeRoy V. Bertin, No. Cal. regional mgr. of *TV Guide*, named director of sales promotion & development, WNBK-TV & WNBK, Binghamton, N. Y. . . . Gordon W. Davis, program mgr. of Westinghouse's radio KYW, Philadelphia, promoted to gen. mgr., reporting to v.p. Rolland V. Tooke . . . James H. Carmine Jr., son of Philco pres., resigns as sales rep of Philco Distributors, Philadelphia, to join sales staff of Westinghouse's radio KYW, Philadelphia . . . Gilbert Zingaro promoted to exec. v.p. in charge of operations, Cellomatic Corp., producers of live animations . . . Fred A. Niles resigns as exec. v.p. of Kling Film Productions, Chicago, which he founded in 1947 . . . Frank G. O'Halloran, ex-NBC, named sales mgr. of Sterling TV's industrial film div.

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New administration in AFTRA's big New York local was voted in by record 1650 TV-radio performers, who tossed out most of the "right-wing" officers in favor of new "middle-of-the-road" group headed by John Henry Faulk. Principal issue in campaign was alleged sympathy for "blacklisting" shown by old officers through their endorsement of Aware Inc. (Vol. 11:25, 28). Unofficial tally showed 27 of the 35 candidates on Faulk's slate elected, 8 incumbents reelected.

ADVERTISING AGENCIES: Ernest A. Jones, exec. v.p. of MacManus, John & Adams, Detroit (Cadillac, Pontiac), elected pres., succeeding James R. Adams, who moves up to chairman and head of new creation planning committee; John R. MacManus, senior partner, becomes exec. v.p. & chairman of operating committee . . . Harry W. Chesley Jr. resigns as Philip Morris marketing v.p. to become exec. v.p. & director of D'Arcy St. Louis office . . . Mann Holiner resigns as v.p. & mgr. of Hollywood office, Ted Bates & Co., reportedly to prepare Broadway musical; Austin Peterson returns to agency to replace him, after serving several months at NBC-TV . . . George M. McCoy Jr., ex-Colgate-Palmolive media dept., joins N. W. Ayer as mgr. & administrator of timebuying dept. . . . Don Rowe, business mgr. of BBDO's TV dept., N. Y., transfers to Hollywood as mgr. of TV-radio production, succeeding v.p. Walter Tibbals, moving to N. Y. office as major account exec. . . . Wm. R. Simpson, BBDO copy chief, San Francisco, and J. B. Pollock, supervisor of Standard Oil of California account, each elected v.p. of BBDO . . . Sherman E. Rogers, ex-Platt-Forbes Inc., named copy chief, Anderson & Cairns Adv. . . . Lee Randon named TV-radio mgr., Henri, Hurst & McDonald, Chicago, replacing James Shaw, now Ziv . . . Arthur E. Duram, TV-radio mgr., Fuller & Smith & Ross, elected a director . . . Forrester Mashbir, ex-KPIX, named TV-radio director of San Francisco office of J. Walter Thompson as Kalman Phillips transfers to L. A. office . . . Grant M. Thompson promoted to v.p., Wm. Esty Co.; v.p. Wm. L. Young, in charge of marketing-merchandising dept., made member of copy & planning board . . . New Leo Burnett Co. v.p.'s: Lee Bland, in charge of broadcasting div.; David W. Dole, in charge of broadcasting business div.; Gordon Minter, v.p. & mgr. of film production, Hollywood office.

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Canadian Temperance Federation adopted resolution urging FCC to end "sabotaging of Canadian anti-liquor advertising laws by beer broadcasts on Buffalo TV and radio stations." Dr. Caradine Hooton, exec. secy. of Methodist Board of Temperance in Washington, D. C., promised to take matter up with FCC. CBC bans all liquor and beer ads, unless special permission is granted by provincial authorities.

Thomas Alva Edison Foundation program awards for contributions to improvement of juvenile behavior and advancement of science went to *You Are There* (CBS-TV), *Let's Take a Trip* (CBS-TV), *Mr. Wizard* (NBC-TV). WBNS-TV, Columbia, won award as station "best serving interests of youth." Radio winners were *Family Theatre* (MBS), *Adventures in Science* (CBS), ABC and WTIC, Hartford.

Canadian Station Representatives Ltd. has been formed as separate corporation by Adam J. Young Jr. to handle Canadian list, now consisting of CFCQ-TV, Saskatoon; CFRN-TV, Edmonton; CHCH-TV, Hamilton, Ont.; CHLT-TV, Sherbrooke; CJBR-TV, Rimouski; CKCW-TV, Moncton; CKNX-TV, Wingham; CKVR-TV, Barrie.

Walter Weir, v.p. of Donohue & Coe, is author and NBC-TV's Hudson Faussey is producer-director of *The Dope Peddlers*, original skit satirizing advertising & marketing, to be produced at American Marketing Assn. annual Christmas party in New York's Hotel Biltmore, Dec. 21.

CBS-TV's "Extended Market Plan," inaugurated last Dec. to help small-market stations get top network programs at minimum cost to advertisers (Vol. 10:49), now has 26 station members, with 46 sponsors feeding 59 network programs per week.

Gruen Watch Co. has set up own TV-radio service for its dealers, detailing Ralph M. Somerfield as director of new dept. designed to aid them in their local advertising.

Station Accounts: L. Bamberger & Co., big N. J. dept. store chain which once owned WOR, Newark, and was later absorbed by R. H. Macy & Co., has entered into \$15,000-a-week contract with Irving Rosenhaus' WATV & WAAT, Newark, for sponsorship of 8 hours of TV programming for 52 weeks, plus unstated number of TV-radio spots—all to promote stores' goods & services. It's one of biggest dept. store TV-radio contracts on record. All other media will retain their share of ad budget . . . Sears Roebuck to sponsor *What's the Pixie?*, panel quiz show featuring local TV-radio personalities, on WNBQ, Chicago, for 26 weeks starting Jan. 4, Wed. 10:30-11 p.m., thru George A. Hartman Co., Chicago . . . Hamm Brewing Co., St. Paul, Minn., buys half hour of Sat. 8-10 p.m. *California Hayride*, on KVOR, Stockton, Cal., thru Campbell-Mithun, Minneapolis . . . Among advertisers currently reported using or preparing to use TV station time: Alberto-Culver Co. of Hollywood, Chicago (Alberto VO5 for hair & scalp), thru Geoffrey Wade Adv., Chicago; Riken Optical Industries Ltd., N. Y. (importers of Richoflex cameras), thru Kameny Assoc., N. Y.; Royal Victoria Hotel, Nassau, Bahamas, thru Grant Adv., Miami; Dad's Root Beer Co., Chicago, thru Martin Co., Chicago; Helbros Watch Co., N. Y., thru Erwin, Wasey & Co., N. Y.; Fantastic Inc., Los Angeles (Fantastic home permanent), thru Kline Simpson & Assoc., L. A.; Charles E. Hires Co., Philadelphia (Hires root beer), thru N. W. Ayer, Philadelphia; International Breweries, Detroit (Mel-O-Dry beer & ale),

thru Brooke, Smith, French & Dorrance, Detroit; Golden Mix Inc., Warsaw, Ind. (griddle cake & waffle mix), thru Garfield Adv. Assoc., Detroit; Park Sausage Co., Baltimore (meat products), thru Applestein, Levinstein & Golnick, Baltimore; Church Industries, Chicago (Evr-Foam Magic sponge), thru Olian & Bronner, Chicago; Hancock Corp., Philadelphia (Quickie Speedway mops, kitchen stools & housewares), thru Gresh & Kramer, Philadelphia; Hazel Bishop ("Liquid Make-Up"), thru Raymond Spector Co., N. Y.; Albers Milling Co., L. A. (Albers cereals), thru Erwin, Wasey & Co., L. A.; Diamond Crystal Salt Co., N. Y., thru Ogilvy, Benson & Mather, N. Y.; M-O-Lene Rug Cleaner Inc., Chicago, thru Arthur Meyerhoff & Co., Chicago; Tuxedo Candy Co., div. of Safeway Stores Inc., thru Foote, Cone & Belding, San Francisco.

Rate increases: KFMB-TV, San Diego, raises base hour from \$800 to \$900, min. \$180 to \$230. WOW-TV, Omaha, raises base hour from \$800 to \$850, min. \$160 to \$200. KWTV, Oklahoma City, Feb. 1 raises base hour from \$750 to \$800, min. \$150 to \$180. KSLA-TV, Shreveport, Jan. 1 raises base hour from \$300 to \$400, min. \$60 to \$80. WKNX-TV, Saginaw-Bay City, Mich. has raised base hour from \$300 to \$375, min. \$60 to \$75. KDUB-TV, Lubbock, Tex. raises hour from \$300 to \$350, min. \$50 to \$60. KHOL-TV, Kearney, Neb. in Jan. will raise hour from \$200 to \$250, min. \$30 to \$50, after satellite KHPL-TV, Hayes Center, Neb. gets on air.

HOW TV-RADIO billings account for as high as 70%, seldom under one-fourth, of the total business done by 36 of the top U. S. advertising agencies, is pointed up in 1955 rankings compiled for Dec. 12 *Broadcasting-Telecasting* by its agency editor Florence Small. Survey covers 36 agencies, whose TV billings this year totaled \$658,200,000, radio \$154,300,000—combining to represent 38% of their total business. The rankings (reproduced with permission, all dollar figures in millions):

Rank	Agency	Combined TV-Radio Billings	TV Only	Radio Only	TV-AM Share of Overall Billing	Comparison with 1954 TV-Radio Billing
1.	Young & Rubicam	\$72	\$60	\$12	40%	\$12 +
2.	BBDO	60	49.5	10.5	40%	1 +
	McCann-Erickson	60	49.5	10.5	30%	14 +
4.	J. Walter Thompson	58	53	5	33 1/3%	8 +
5.	Leo Burnett	42.1	36.3	5.8	62%	8.8+
6.	Benton & Bowles	39	35	4	58%	9.8+
	William Esty	39	35	4	50%	8 +
8.	Ted Bates	37	30	7	70%	9.5+
9.	Kenyon & Eckhardt	34.5	30	4.5	55%	12 +
10.	Blow-Belrn-Tolgo	30	25	5	68%	3.4-
	Dancer-Fitzgerald-Sample	30	17	13	52%	1.5+
12.	Compton Adv.	25.5	21	4.5	50%	3.2+
13.	N. W. Ayer & Son	21	11	10	20%	3 +
14.	Foote, Cone & Beld'g	20.5	17	3.5	30%	1.5-
15.	Lennen & Newell	20	16	4	50%	same
16.	Sullivan, Stauffer, Colwell & Bayles	17.8	14.5	3.3	58%	4 +
17.	Cunn'gham & Walsh	17	13.5	3.5	33%	1 +
18.	Ruthrauff & Ryan	15.5	11.5	4	25%	2.5+
19.	Campbell-Ewald	14	11	3	25%	4 +
	Kudner Agency	14	11.5	2.5	35%	same
	Maxon Inc.	14	11	3	40%	same
22.	Tatham-Laird	12.2	11.3	.9	60%	2.7+
23.	Needham, Louts & Brorby	12	9	3	40%	.1+
24.	Grant Adv.	11.1	8.5	2.6	20%	5.6+
25.	Geoffrey Wade Adv.	11	7	4	85%	same
26.	D'Arcy Adv.	10	6.5	3.5	22%	2 +
	Weiss & Geller	10	8	2	60%	same
28.	Bryan Houston	9.8	7	2.8	50%	1.7-
29.	MacManus, John & Adams	8.5	7.8	.7	25%	1.5+
30.	Erwin, Wasey & Co.	8	5	3	25%	same
	Grey Adv.	8	6.3	1.7	30%	2.9+
32.	Geyer Inc.	7	5	2	30%	1 +
33.	Earle Ludgin & Co.	6.3	6	.3	60%	*
34.	Norman, Craig & Kummel	6	4	2	30%	*
	Doherty, Clifford, Steers & Shenfield	6	4	2	50%	same
36.	Warwick & Legler	5.7	4.5	1.2	38%	.2+
TOTAL		\$812.5	\$658.2	\$154.3		

* Unlisted in 1954.

Network Accounts: Procter & Gamble, network TV's biggest sponsor, is now so heavily in TV it's competing with itself on rival networks in same time period—though for non-competitive products. This week it bought Mon.-Wed.-Fri. 4-4:45 p.m. segments of *Queen for a Day* on NBC-TV starting Feb. 6, thru Compton Adv., despite fact it sponsors *On Your Account* on CBS-TV Mon.-thru-Fri. 4:30-5 p.m. Also, it bought alt. week sponsorship (with GE lamp div.) of *Medic* on NBC-TV starting Jan. 2, Mon. 9-9:30 p.m., placing it opposite its full sponsorship of *I Love Lucy* on CBS-TV . . . North American Philips Co. (Norelco electric shavers) to sponsor 3 programs in NBC-TV's "Project 20" series of telementaries next spring and fall, thru C. J. La Roche Co.; programs are *World War I, Rise and Fall of a Dictator, Rebirth of Freedom* . . . Toni to replace Elgin Watch as sponsor of Ed Murrow's *Person to Person* on CBS-TV Jan. 6, 20 & Feb. 3, Fri. 10:30-11 p.m., thru North Adv. Inc., Chicago . . . Alka-Seltzer buys Thu. 4:30-4:45 p.m. segment of *Queen for a Day* on NBC-TV starting Jan. 5, thru Geoffrey Wade Adv., Chicago . . . Miller Brewing Co., Atlantic Refining & Buick to share sponsorship of National Football League playoff game from Los Angeles on NBC-TV Mon. Dec. 26, starting at 3:45 p.m., thru Mathisson & Assoc., N. W. Ayer, Kudner . . . Whitehall Pharmacal drops out as co-sponsor with Western Union of *Down You Go* on ABC-TV Thu. 9:30-10 p.m. . . CBS-TV's effort to program successful morning show opposite NBC-TV's hit *Today* Mon.-thru-Fri. 7-9 a.m. ran into more trouble this week—newsman Walter Cronkite leaving *Morning Show* for second time in format reshuffle, with prospect that Will Rogers Jr. (who substituted for vacationing Dave Garroway on *Today* last summer) will replace m.c. Dick Van Dyke in Jan.

New reps: WEWS, Cleveland, to Blair Jan. 1 (from Branham); WCPO-TV, Cincinnati, to Blair Jan. 1 (from Branham); WMCT, Memphis, to Blair, date not set yet (from Branham); KKTU, Colorado Springs, to Bolling (from Hollingbery); KRDO-TV, Colorado Springs & KCSJ-TV, Pueblo (Silver Dollar Net) to Pearson (from Avery-Knodel); WMTW, Poland Spring, Me., names Kettell-Carter New England rep, replacing Paul Tiemer, who has been in charge of station's Boston office.

Telecasting Notes: Plea for annual TV awards of the stature of movies' Oscar is voiced in Dec. 12 *Advertising Age* editorial, which urges "central control to prevent a multitude of meaningless awards from cluttering up the programs." It dismisses the awards by commercial organizations (Sylvania, *Look*, *Billboard*, *Variety*) as being inspired by desire for inexpensive publicity and using "random list of semi-qualified judges." Peabody Awards, it says, "are probably more genuine than the others, but the method of categorizing shows, the nature of the judging, and the eligibility of the judges [are] pretty foggy" . . . Hope for unified TV awards, says *Advertising Age*, seems to come from National Academy of TV Arts & Sciences, now making effort to get together TV leaders for purpose of making annual awards. "The newest member of show business certainly needs a spokesman to answer the hairbrained do-gooders who are always conducting fascinating surveys about TV and crime, or TV and commercialism or hootchy-kootchy dancers on TV or something else. This answer cannot come from a commercial or semi-commercial TV organization. It must come from a cultural organization dedicated to the well-being of TV and with cognizance of the responsibilities of the medium" . . . TV film commercials have cost sponsors \$20-30,000,000 in 1955, about 15% more than last year, Leon Morse estimates in Dec. 17 *Billboard*. If industrial films (many of which find their way to TV) are also included, commercial & industrial production together gross \$60-70,000,000. Survey reports color film commercials cost up to 25% more than black-&-white . . . No fenders were dented when NBC-TV topkicks decided to assign Fred Coe to repeat his top-notch job as producer of "Peter Pan" Jan. 9. Coe's regular job is producer of NBC-TV's *Playwrights 56*, sponsored by Pontiac; "Peter Pan" will be sponsored by Ford . . . TV tryouts get first large-scale use for testing new movie scripts as Universal-International makes dozen unproduced stories available to leading TV drama shows—at a price—in newest twist of Hollywood-TV partnership . . . TV writers' income increased more than 90% in 1955 over 1954 in New York, about 90% in Hollywood, according to Writers Guild of America pres. F. Hugh Herbert . . . NBC-TV has 108 new show properties under development, according to trade reports—a new record and nearly twice the 60 which were incubating this time last year . . . Now it's \$100,000: First contestant to go the full route on NBC-TV's *Big Surprise* was 72-year-old Mrs. Ethel Park Robertson, who reportedly gets about \$28,000 of it as take-home pay, \$72,000 going to Uncle . . . Highly lauded educational series, *Camera Three*, after 2½ years on New York's WCBS-TV, Jan. 22 becomes CBS-TV network show, Sun. 11:30 a.m. . . Repeating hit performance of several years ago, Charles Laughton will read special Christmas selections over NBC-TV 11 p.m.-midnight Dec. 24, live from Hollywood . . . Two top movie producer-directors, Wm. Wyler & John Huston, reportedly have been signed to do two 90-min. spectacles each for NBC-TV in 1957.

Repeats of hit spectacles seem to be the order of the day at NBC-TV for the holiday season. Christmas Eve will see live repeat of Max Liebman's "Babes in Toyland" (color), 9-10:30 p.m. There will be 2 repeats Christmas Day—the color film documentary, "Assignment: India," 4:30-5:30 p.m., and NBC-TV's perennial Yule opera, "Amahl and the Night Visitors," which gets its 6th live performance, this time on *Alcoa Hour*, 9-10 p.m. And Jan. 9 is date for long-awaited live repeat of TV's most widely praised show, "Peter Pan," in color, 7:30-9:30 p.m.

Saturday Evening Post single-copy sales increased by 2,000,000 during 6 weeks it ran Arthur Godfrey series; first installment set record for a single issue—5,200,000.

FEATURE FILM SALES to TV make news nearly every week now—and this week's important movies-to-TV sale is highly significant in 2 respects: The block of David O. Selznick pictures is one of best packages ever sold for TV use, and the deal is indicative of determination of National Telefilm Associates to rise to top in film syndication and distribution.

NTA's Selznick package was purchased at price of over \$1,000,000, or more than \$100,000 per picture. So far, 11 titles in package have been identified, but a few more may be disclosed as rights are legally cleared. The pictures include: *Farmer's Daughter*, for which Loretta Young received Academy Award, with Joseph Cotten & Ethel Barrymore; *Notorious* (Cary Grant, Ingrid Bergman); *Since You Went Away* (Jennifer Jones, Lionel Barrymore, Claudette Colbert, Shirley Temple); *Portrait of Jennie* (Cotten, Ethel Barrymore, Jennifer Jones); *Paradine Case* (Gregory Peck, Charles Laughton, Ethel Barrymore); *I'll Be Seeing You* (Ginger Rogers, Cotten, Shirley Temple); *Spiral Staircase* (Dorothy McGuire, Ethel Barrymore); *Garden of Allah* (Marlene Dietrich, Charles Boyer); *Bill of Divorcement* (John Barrymore, Katharine Hepburn), and remake of same picture (re-titled for TV) with Adolph Menjou & Maureen O'Hara; *Intermezzo* (Ingrid Bergman, Leslie Howard). NTA gets U. S.-Canadian rights for 5 years.

NTA lost out in bidding for General Teleradio's 750-film RKO backlog, whose sale to Matty Fox (Vol. 11:48-49) is now virtually certain. But NTA next week is due to announce acquisition of another block of outstanding American feature films. To exploit these top-notch productions, the firm is planning to enter field of national distribution (it previously has been principally a syndicator), and is negotiating to buy out a privately owned distributor, though NTA says deal is still far from consummation.

In other film developments: (1) Sir Alexander Korda finally signed contract giving NBC-TV rights to present Sir Laurence Olivier's 3-hour *Richard III* on TV simultaneous with its U. S. theatre premiere (Vol. 11:26). NBC will pay \$500,000 for first showing, probably early in March, and has option for second and third showings at \$100,000 each after theatrical release and reissue. (2) Following pattern set by Paramount and Warner Bros., 20th Century-Fox now is offering its backlog of 400-plus short subjects to TV—and, according to unverifiable rumors, some of its older feature pictures.

"TV's Silent Critics" titles article in Dec. 11 *New York Times* by Richard F. Shepard, detailing stepped-up activities of U. S. Customs Service in inspecting and evaluating their "most perishable import"—TV news film. Says article: Five years ago, only 100 foreign film shipments a month arrived in New York. Three years ago, figure was 650, and it now stands at about 1200. Overwhelming part consists of TV newsreels, which must be classified for duty purposes (1-3¢ a foot) and screened in accordance with laws forbidding entry of obscene material or matter urging treason, insurrection or resistance to U. S. laws.

"Vidpix Bundles from Britain" headlines Dec. 14 *Variety* story relating that American TV film distributors have written \$3,000,000 in contracts for total of 25 TV film series playing on British TV (though some have been made in Britain under U. S. company auspices or partnership). CBS TV Film sales is No. 1 in British sales, with 6 series on BBC & ITA (plus kine of *Person to Person*, distributed by CBS network); Ziv is second with 5.

EDUCATIONAL TV got a whopping \$6,493,840 grant this week from its chief benefactor, the Ford Foundation, which gave all but \$140,000 to Educational TV & Radio Center at Ann Arbor, Mich. (H. K. Newburn, pres.) in far-reaching step emphasizing importance of developing programs, now that educational TV forces have completed first stage of "missionary" public relations work in getting stations on air.

Ford Foundation also created new Joint Council on Educational TV in Washington (Ralph Steetle, exec. director), to which it allocated \$140,000 for one year's expanded operations, including assumption of public relations responsibilities of National Citizens Committee on Educational TV (Robert Mullen, exec. director), which is abolished.

Grant is unrelated to the much-publicized \$500,000,000 allocation this week by Ford Foundation to privately-supported universities and colleges and to hospitals, and does not affect the continuing grants to individual educational stations by Ford Fund for Adult Education.

"By 1959 the [Program] Center will be able to distribute approximately double the 5 hours weekly of TV programs which are now made available on film to the nation's educational stations," said announcement. "At the same time, the new funds will permit the expenditure of greater amounts per program, thus making it possible to improve materially the . . . quality of the program efforts."

The Council, which supersedes former Joint Committee on Educational TV, which Steetle also directed, will be expanded to be "more widely representative than the earlier organization [and] will continue to work toward the preservation and utilization of those channels reserved by the FCC for educational TV and radio stations." It's expected to absorb most of NCCET staff. Mullen plans to open public relations office in Washington.

Note: Board of Regents of U of State of N. Y., holding CPs for 8 uhf stations in as many cities since 1952 but stymied by failure of State Legislature to appropriate for them (Vol. 10:26), this week made new appeal to Legislature for \$975,000 for projected WGTW in N. Y. (Ch. 25) and WTVZ, Albany (Ch. 17). N. Y. station would be operated by Metropolitan Educational TV Assn., composed of leading educators and chartered by board of regents. Funds requested also would cover cost of closed-circuit equipment in one N. Y. elementary school and one high school and create TV unit in State Dept. of Education.

"Robert E. Sherwood Awards" is designation of Fund for the Republic's 1955-56 TV prizes, in memory of the late playwright who was member of Fund's board. The Fund announced it has increased total amount of awards from \$40,000 to \$55,000, with \$20,000 each to go to commercial network drama and commercial network documentary which treat subjects in field of civil liberties "with the greatest distinction, taste and effectiveness," \$15,000 to best program concerning liberty and freedom produced by an independent commercial station. Added to awards jury were Robert Taft Jr., Cincinnati attorney and son of late U. S. Senator, and attorney Philip H. Willkie, Rushville, Ind., son of late Wendell Willkie. Alf M. Landon has resigned because of business commitments.

New York Herald Tribune's pocket book size *TV & Radio Magazine*, section of Sun. edition, devotes Dec. 18 front and back covers to Perry Como and Jackie Gleason, respectively, "to dramatize the spiciest series of Sat. night fights ever conducted over TV." Inside pages are devoted to their stories.

RATINGS ARE MADE by the "heavy habit viewers," in opinion of NBC chairman Pat Weaver, who expounded at quite some length on his philosophy of programming at NBC-TV affiliates convention in Chicago last week (Vol. 11:50). Transcript of his extemporaneous remarks, made available this week, reveals some interesting angles:

"Our basic policy," he asserted, "is that we won't run a TV network that does not service the American public. By that I mean all the audiences in it, not just the heavy habit viewers . . . [the] group of people who will turn to whatever they like of what is on. If you cater only to the largest share of audience of this group, the heavy viewer group, you are really aiming TV downhill to the real trivia type, time trap, escape, series of nothing.

"In other words, the forces that you set in motion, if you place too high a value on heavy viewers, are forces that really call for the degradation of the service . . . We don't want to give the people what they already want solely. We want to give the people something that will make more of them want more of the better things."

That's not to deprecate CBS-TV and the high ratings its shows have received, some of which Weaver said NBC has tried to get, some of which were taken from NBC. But his thesis was that the innovations, the spectaculars, the experimental shows, the over-all programming structure, have won for his network a "cumulative rating" that is more important than "quantitative ratings." He went on:

"We do want the biggest share of the habitual viewers as much of the time as we can get them. But we have to program responsibly. We have to realize we can elevate taste and upgrade standards and improve TV. That means we can improve both individuals and the society in which we live . . .

"We believe that every NBC show should serve a purpose beyond diversion, and every time we can increase information, contact, facts, knowledge, and we deliver a fact somewhere to a mind somewhere in the country, we have added one more tool, one more weapon in the fight against bigotry, stupidity, intolerance and prejudice, and we have taken one more step forward toward sanity, maturity and adulthood.

"We are going to program up, and not down. We will use our showmanship and skill to get great audiences, but we will continue, in any event, to meet our commercial challenges—and well within doing the kind of shows that we know must be done. TV is far too great an instrument to be degraded into a 'home jukebox' to keep the kids quiet."

The affiliates—hard-headed business men, keenly competitive operators—evidently liked what they heard, for they gave Weaver a standing ovation. And the story, unverifiable, is that his new 15-year contract with NBC gets him an annual income which, with benefits, runs up to \$200,000 a year; that new pres. Robert W. Sarnoff's salary is \$100,000.

Look Magazine's annual TV awards, to be presented on ABC-TV's *Masquerade Party* Dec. 21, 9-9:30 p.m.: best special performance, *Peter Pan* (NBC-TV); drama, *Climax* (CBS-TV); children's, *Disneyland* (ABC-TV); quiz, *\$64,000 Question* (CBS-TV); public affairs, *Meet the Press* (NBC-TV); sports, *Cavalcade of Sports* (NBC-TV); news, *News Caravan* (NBC-TV); religious, *Life Is Worth Living* (ABC-TV); comedian, George Gobel (NBC-TV); m.c., Garry Moore (CBS-TV); director, Alfred Hitchcock (CBS-TV); producer, Robert Montgomery (NBC-TV).

MOST POWERFUL TV transmitter ever sold is RCA's new 100-kw high-band vhf unit, first of which has been ordered by upcoming KTLV, Portland, Ore. (Ch. 8) as part of \$1,000,000 equipment package, which also includes 6 camera chains including remote (see below). New transmitter combines two 50-kw amplifiers to provide double the output of most powerful vhf transmitters installed to date. In normal operation, station will combine 100-kw transmitter with 3.6-gain antenna to achieve 316-kw ERP, but maximum power can also be achieved through simple switching arrangement to combine 50-kw portion of transmitter with antenna gain of 7.2.

Pittsburgh's WIIC (Ch. 11), now delayed by litigation, is also reported to have ordered RCA 100-kw transmitter, to be used with new GE helical antenna—adaptation of GE's uhf helical antenna. GE engineers call new vhf antenna the simplest ever made. With gain of 4, its cost is comparable to high-gain batwing types, and it eliminates need for diplexer. Modified version will be made for low-band vhf. GE earlier announced its own 100-kw high-band vhf transmitter.

RCA this week announced availability of 25-kw uhf power amplifier tube, the type used in its new 25-kw transmitter (Vol. 11:21). Transmitter is now available for virtually immediate delivery.

Equipment shipments and orders this week: GE reports Nov. 28 shipment of 6-bay batwing antenna to KDKA-TV, Pittsburgh (Ch. 2). DuMont reports order for 50-kw transmitter and associated studio equipment to be shipped in Feb. to newly granted WRVA-TV, Richmond, Va. (Ch. 12). And General Precision Lab reports order for two additional 16mm recorders from Canadian Broadcasting Corp., making total of 10 that CBC has ordered for all its stations. GPL states its video recorders are now in use in more than 90% of all studios.

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In our continuing survey of upcoming stations, these are latest reports received from principals:

KTLV, Portland, Ore. (Ch. 8) not only will spend \$1,000,000 on new 100-kw RCA transmitter and allied equipment (see above) but proposes to be completely ready for color when station is ready to start next July under gen. managership of James L. Middlebrooks, onetime CBS engineering executive, now director of engineering for KING-TV, Seattle (Ch. 5) whose owner Mrs. Dorothy S. Bullitt was prime mover in acquiring the CP and who will be KTLV's exec. v.p. This week, CP-holder North Pacific TV Inc. announced it was applying to FCC to change proposed transmitter site to West Hills, in Portland, where 600-ft. Ideco tower would be installed with 46-ft. RCA superturnstile antenna which would give it height of 1550 ft. above average terrain. FCC will also be asked to permit same corporation to take over radio KGW, Portland, which Mrs. Bullitt's group purchased last year from *Portland Oregonian* for \$500,000. In addition to Mrs. Bullitt and Middlebrooks as executives & directors, merger will have Gordon Orput, insurance man, as pres.; Paul F. Murphy, realtor, v.p.; Henry A. Kuckenber, contractor, v.p.; W. Calder McCall, oilman, treas.; Prescott W. Cookingham, secy.; Henry B. Owen, exec. v.p. of KING-TV, v.p.; Otto P. Brandt, asst. secy. All save the KING-TV executives are Portland residents.

KPAR-TV, Sweetwater, Tex. (Ch. 12), with 689-ft. Andrews tower about ready, plans start early in Jan., writes W. D. (Dub) Rogers, pres. of parent KDUB-TV, Lubbock (Ch. 13). Transmitter house is nearly ready for 5-kw DuMont transmitter formerly used by KDUB-TV. Dan Guthrie will be KPAR-TV station mgr., with KDUB-TV personnel handling sales, programming & engineering. It has signed with CBS under Extended Market Plan. Base

hour will be \$200; station also will be sold in combination with KDUB-TV at \$495 base rate. Rep for both stations will be Branham.

KRMA-TV, Denver (Ch. 6, educational) expects to have 5-kw GE transmitter installed by Dec. 20, has tentative Dec. 30 target for test patterns, plans programming about month later, reports TV engineer T. G. Morrissey. Ideco 210-ft. tower with GE antenna is ready at site near Lookout Mt., where Denver's 4 commercial outlets have transmitters. CP is held by Denver public school system, headed by Dr. Kenneth Oberholtzer, supt. It will be 19th non-commercial station.

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CFCL-TV, Timmins, Ont. (Ch. 6) has started construction of studio-transmitter building, plans June start, reports owner J. Conrad Lavigne, operator of predominantly French-language radio CFCL. It's nearly 200 mi. NE of Sault Ste. Marie. GE transmitter has been ordered for March delivery, and construction of 330-ft. Wind Turbine tower, with 4-bay batwing antenna, is due to start in May. Base hour will be \$160. Rep: Omer Renaud & Co. Ltd.

Radio station sales approved this week, involving principals with TV interests: (1) WLOW, Portsmouth, Va. sold for \$212,500 by ex-owners of WTOV-TV, Norfolk (Ch. 27) and Boston admen Emyl J. Arnold & Harold Kaye to owners of WTOB-TV, Winston-Salem (Vol. 11:47). (2) WILD, Birmingham, sold for approximately \$400,000 by George Mattison and Houston ex-Mayor Roy Hofheinz to Sherwood R. Gordon's WSAI, Cincinnati (Vol. 11:42); Hofheinz owns 16% of Houston's KTRK-TV & 25% of radio KTHT there. (3) 75% of KMBY, Monterey, Cal., sold for \$50,000 by Mr. & Mrs. Fred Gwynn to B. T. (Tim) Timothy, one of founders of Avery-Knodel rep firm (Vol. 11:36); veteran radio engineer Gwynn acquired KMBY for \$70,000 earlier this year after KSBW-TV, Salinas, had bought out time-sharing KMBY-TV & KMBY for \$230,000, then had to sell KMBY to retain own KSBW (Vol. 11:10).

Stamford, Conn. Mayor Thomas Quigley called on FCC this week, urging that CP for WSTF (Ch. 27) not be extended, stating group in city is willing to build station if it can get the channel. Commission has been automatically extending uhf CPs until Jan. 16, 1956. FCC staff suggested to Mayor Quigley that he explore possibility of getting another uhf channel assigned to Stamford. (For principals in WSTF, which has held grant since May 27, 1953, see p. 264, *TV Factbook No. 21*.)

Over-the-horizon microwave service between Florida City, Fla. and Guanabacoa, Cuba, is sought by AT&T in application filed with FCC. Initially, the link would provide telephone service only, using maximum of 36 channels, but company would also use the link to continue experiments in Florida-Cuba TV service (Vol. 10:39, 45, 49, 51). Transmissions would be on 692-740 & 840-880 mc.

Top network newsmen in Washington named to public relations committee of Alexander Hamilton Bicentennial Commission: Bryson Rash, ABC; Theodore Koop, CBS; Robert Hurleigh, MBS; Julian Goodman, NBC.

Christmas Eve Mass recited by Pope Pius XII in St. Peter's basilica will be televised this year for first time in history, inaugurating new microwave network linking Naples with Rome & Milan.

GOP closed-circuit rally, to be handled by Theatre Network TV Inc., will link 75-100 cities during "Salute to Eisenhower" fund-raising dinners Jan. 20.

Second color "Vitascan" units have been ordered from DuMont by WTVY, Dothan, Ala. (Ch. 9) and upcoming WITI-TV, Milwaukee (Ch. 6).

THE 'WHY' OF 14,000,000 RADIO SALES: "We're like a prizefighter who has been on the ropes, ready for a knockout, and then rallied to win the fight. Last year, we were down to 10,300,000 sales, and everybody was saying TV was ready to put the slug on us. But we're in the recovery stage now, and I'd say our future is excellent."

Motorola radio sales mgr. J.B. (Kip) Anger gave us that "horseback" analysis of radio's status when we sought out the reasons behind its extraordinary comeback this year, in which at least 14,000,000 sets will be sold. Though their metaphors were somewhat less colorful, radio sales managers of several other companies agreed that radio's upsurge was one of the bigger if less publicized developments in the trade this year -- and they saw no letdown in 1956. Typifying optimism was forecast by Sylvania pres. Don G. Mitchell of over 12,000,000 radio sales next year (p. 17).

High demands of auto industry are pacing comeback, what with 7,000,000 units installed at factory in the 8,000,000 cars being produced this year. But home sets are also enjoying boom -- spurred by compact size of receivers, utility of portables and clock sets, colored cabinets, new styles and low prices (retail average: \$30). All these factors have made radios particularly attractive as Christmas gifts.

"Portable radios are a story in themselves," said one manufacturer. "We used to think of them in terms of beaches and outings -- uses outside the home. That's all changed now. We've found that they have a lot of in-home applications. Women like their mobility and enjoy taking them from room to room as they work."

Transistorization is key word in future, of course. Though transistorized radios on market today are priced at \$50 and up, manufacturers expect sharp drop in cost within 18 months, anticipating day when cord will disappear from all radios.

Brief highlights of other major trade developments this week:

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Tube Turmoil: RETMA CR tube section took unusual step of issuing a press release to warn that a TV set incorporating the "much-publicized wide-angle small-neck picture tube was not imminent. Agitated by published reports which some tube makers contended gave impression that such a set was "around the corner," the dozen manufacturers who attended meeting in N.Y. issued statement asserting that glass bulbs for wide-deflection tubes won't be sampled until early next year and that "neither the bulb nor the deflection components have reached a stage whereby they may be evaluated in the light of necessary technical and economic considerations." So important does RETMA regard development of 110 or 120-degree tube that it set up an engineering advisory committee to work with JETEC technical committee to evaluate problems involved and to report to industry. Our own reports on development of the wide-angle tube, derived from personal observations and discussions with top leaders of industry, have stressed that much work remains to be done in lab on "sweeping" face of tube economically and that set makers are shooting for June 1956 as date for introduction of the shallower sets, a goal still deemed realistic (Vol.11:44-45,49).

Color Exposures: Besides introducing \$100 cheaper color set, at \$695 (Vol.11:50), RCA cut cost of 12-month color service contract from \$140 to \$100 and reduced 90-day contract price from \$50 to \$40. Move was welcomed by RCA distributors as "the best news we could have, short of a big price cut in the sets themselves." Announcement was made by RCA Service Co. pres. E.C. Cahill to field reps' parley in Atlantic City.

"The cost reductions now being made mirror the fact that every day more and more people are buying big color TV sets and that the demand will increase by leaps and bounds during the weeks and months ahead," he said. "In reducing the service contract prices, RCA hopes to speed the nation-wide coverage of color TV by making efficient, competent service available at the lowest possible cost to consumers."

Color thus took another stride in its evolutionary industry-wide advance -- what with Philco now making sets in modest quantities, Sylvania planning to start production of own sets next April, Hoffman planning color speedup, Admiral coming out this week with new color console, CBS-Columbia offering up to \$400 in trade-ins on color in N.Y. market. On bearish side, GE's Roy W. Johnson, exec. v.p. of new consumer products group, this week said industry still doesn't know how to make good color set, said it will be late 1956 or early 1957 before GE markets color receiver. When it does, he said it will use own "post-acceleration" color tube (Vol. 11:40).

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On merchandising front, big push is to get color exposed to as many people as possible. One of most ambitious ventures is piping of continuous color programs 12 hours a day by closed circuit to various N.Y. locations (see p. 19). Irving Sarnoff, exec. v.p. of Bruno-N.Y., says more people will see color in RCA Exhibition Hall by Christmas than have seen it in all N.Y. stores. In Boston, RCA distributor Eastern Co. has sold color sets to 6 big local Ford dealers for installation in their show-rooms. Dealers report that additional thousands have thus viewed color -- and a lot of cars have also been sold thereby.

At retail level, Polk Bros. dept. store, Chicago, continues to lead color parade, having sold more than 200 sets in Sept.-Nov. period by aggressive, creative selling. Its latest advertising stunt is mailing colored Vogue cigarettes to key business executives in nation, inviting them to "smoke on Polk" and calling their attention in accompanying letter to fact that store will prepay freight on color set anywhere in nation and arrange for installation and servicing. It invites collect phone calls to store for further information.

Retail Sales: Bearing out reports of retail sales decline in 4th quarter, RETMA this week reported that TV sales dropped to 746,274 in Oct., compared to 978,838 in 5-week Sept. and 799,164 in Oct. 1954. Retail sales in the first 10 months totaled 5,896,251, compared to 5,444,227 in corresponding period year ago -- but despite further declines in Nov. and Dec., they're still expected to reach at least 7,400,000 for year, or 100,000 above record 1954. Retail sales of radios in first 10 months, excluding auto radios, totaled 4,666,981 vs. 4,602,989 in first 10 months of 1954. Auto radios would add another 6,500,000 to the 1955 10-month total. Sales of radios in Oct., excluding auto, totaled 724,305, compared to 753,068 in Sept., 570,285 in Oct. 1954. Auto sales in Oct. totaled 645,000.

60% TV-Radio-Appliance Tax: If you think our 10% manufacturers' excise tax on TVs is onerous, consider what the recent tightening-up on so-called "hire purchase" and "credit trading" in Britain must mean -- this to slow down a booming TV industry stimulated by new commercial competition for BBC. To combat inflation, so-called "purchase tax" rates were upped 20%, so that TV-radio receivers are now taxed 60%. That isn't quite up to the 66½% of 1951-53, but it led secy. S.E. Allchurch of the British Radio Electronics Manufacturers Assn. to exclaim: "There have been 7 changes of P.T. [purchase tax] on radio industry products and 4 changes of H.P. [hire purchase, or installment buying] agreements in 3½ years. These constant changes and uncertainty every time there is a Budget are more damaging to the industry than the actual increase in purchase tax now announced. They make nonsense of efforts to achieve any effective production and commercial planning, and also have an indirect adverse effect on export." In addition, the Chancellor of Exchequer's new budget hiked tax on distributed profits (dividends) from 22½% to 27½% from Nov. 1. Note: First 9 months of 1955, British Treasury collected \$58,800,000 from purchase tax on TV sets, \$18,800,000 on radio sets -- based on old rates.

Production: TV output totaled 142,982 week ended Dec. 9, compared to 154,126 preceding week and 132,331 Thanksgiving week. It was year's 49th week and brought production for year to date to about 7,400,000 vs. 7,000,000 in same period of 1954. Radio output totaled 421,572 (194,544 auto) week ended Dec. 9, compared to 426,927 week ended Dec. 2 and 376,079 Thanksgiving week. For 49 weeks, radio production was estimated at 13,900,000, as against 10,000,000 in corresponding period of 1954.

Topics & Trends of TV Trade: How to handle trade-ins, one of dealers' biggest headaches (Vol. 11:32), has been solved by at least one big dept. store—John Shillito Co., Cincinnati. It's setting up own retail outlet next spring to deal exclusively in used TV-radio-appliances—chiefly those taken in at its main store as trade-ins. As far as is known, it's first such outlet in nation.

Store spokesman explained that establishing a separate outlet for used appliances enables main store to devote more manpower and space to merchandising new items and "solves the perennial problem of what to do with the old sets customers turn in." Prices of used merchandise will be determined by Walter Winston, appointed mgr. of new store. The spokesman commented: "We do not expect to make money the first year or so. We'll be satisfied to reach the break-even point at the start, but after that we believe the store will prove profitable."

Note: Another big dealer, 5-store Hudson-Ross Inc., Chicago, expanded its operations this week by leasing the TV-radio-appliance depts. of 6-outlet Wieboldt Stores Inc. Hudson-Ross already leases and operates TV-appliance depts. of big Mandel Bros. Leonard Wolfe, Hudson-Ross TV-radio buyer, will manage expanded operation. Wieboldt pres. James F. Tobin said he considered leasing a "sound move" because "TV-radio-appliance business has progressively become so highly specialized."

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Admiral's new fill-in sets, introduced Dec. 15 at distributors convention in Chicago, are further reflections of "gimmick merchandising" we reported last week (Vol. 11:50). Admiral's device, incorporated in 5 of its 7 sets, is "automatic power tuner" consisting of 2 buttons located in upper corners of set. By pushing button in left-hand corner, receiver is turned on automatically to "normal listening volume"; pressing button in right-hand corner automatically changes channels. Optional remote control unit is offered at \$20 extra. Automatic tuners are in charcoal metal table models at \$200 & \$230, open-face mahogany consoles at \$270, \$300 & \$340. In addition, 2 new tables at \$180 & \$230 do not incorporate the tuners.

Sparton quits TV-radio production in U. S. as of Jan. 1. Pres. John J. Smith, announcing this Dec. 15, cited "continued operating losses of the domestic TV receiver division." Plans are to expand TV-radio production at London, Ont. plant, and continue to produce electronic remote controls for industry & Govt. at Jackson, Mich. plant and wood cabinets for TV manufacturers at Steger, Ill. factory. Some 300-400 are employed in its TV-radio div. Sparks-Withington is third company to discontinue TV production voluntarily this year, others being Arvin and Stewart-Warner.

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Picture tube sales in first 10 months totaled 8,905,771, valued at \$170,579,766, compared to 7,746,240 worth \$161,520,089 in same 1954 period, reports RETMA. Receiving tube sales were 395,788,000 at \$292,649,000, as against 308,397,000 at \$220,991,000 in first 10 months of 1954. Oct. receiving tube sales of 48,119,000 set all-time record for third straight month. RETMA's monthly breakdown:

	Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
Jan.	866,956	\$ 17,661,018	37,951,000	\$ 26,879,000
Feb.	859,529	17,119,568	38,526,000	28,108,000
March (5 wk)	913,003	17,625,881	40,859,000	29,743,000
April	788,317	14,620,075	35,426,000	26,780,000
May	779,329	14,572,518	32,919,000	25,916,000
June (5 wk)	706,890	13,244,499	40,821,000	31,256,000
July	515,793	9,498,169	28,340,000	21,167,000
Aug.	1,048,534	19,812,567	45,238,000	33,099,000
Sept. (5 wk)	1,202,430	22,867,851	47,588,000	34,596,000
Oct.	1,224,990	23,507,620	48,119,000	35,105,000
TOTAL	8,905,771	\$170,579,766	395,788,000	\$292,649,000

Desire for "full line" merchandising, in which TV could be "cranked into the over-all sales planning of major appliances," was motivation for GE's recent switch of TV into new consumer products group, said exec. v.p. Roy W. Johnson at press conference this week—thus indirectly confirming our own analysis (Vol. 11:49). He said it was likely that GE Supply Co. would continue to distribute TV-radio despite the organizational transfer. Discussing TV industry rankings, in reply to question, he said: "One thing all of us are sure of is that RCA is No. 1. From there on it is difficult to evaluate, but there are 3 of us within 100,000 sets of each other." He estimated RCA's share of market at 15-16% and said, "this is the only industry I know of where the leader has so small a percentage of the business." He said GE was "running a lot better than 8%." RCA and Philco are generally regarded as 1-2, followed (but not necessarily in this order) by Admiral, Zenith, Motorola, GE. He said his own company is No. 1 in home radio output.

NARDA convention banquet speaker at Chicago's Conrad Hilton Hotel Jan. 16 will be NBC chairman Sylvester L. (Pat) Weaver Jr., substituting for RCA pres. Frank M. Folsom. Chris J. Witting Jr., Westinghouse exec. v.p. for consumer products, will address luncheon session next day. Other speakers include James M. Toney, v.p.-gen. mgr. of RCA Victor Radio & "Victrola" div.; Dan D. Halpin, sales mgr. of Westinghouse TV-radio div.; Cliff M. Knoble, Raytheon TV-radio merchandising mgr.

Improved version of AM-FM classroom radio, called "Educator," is being produced by Fairchild Controls Corp. (Richard Hodgson, ex-Chromatic Labs, pres.), which recently acquired old Freed-Eisemann facilities in Syosset, L. I. It has 12 tubes, 8-in. speaker, 100-15,000 cycle range. It's also releasing 2 new pamphlets, *Perfect Classroom Reception* and *Radio—Classrooms' Newest Tool*, available free from company's electronic div., 200 Hudson St., N. Y.

Next British National Radio Show will be held in Earls Court, London, Aug. 22-Sept. 1, 1956, with preview for overseas visitors Aug. 21. Organizer is Radio Industry Council, 59 Russell Sq., London WC-1. Annual Radio Component Show will be held at Grosvenor House, London, April 10-12, with preview April 9. Organizer is Radio & Electronic Component Manufacturers Federation, 21 Toothill St., London SW-1.

DuMont has sold its old plant at 1500 Main St., Clifton, N. J., which formerly housed transmitter and instruments manufacturing divisions, now in new building adjacent to tube plant in Clifton. An old textile mill, it has 150,000 sq. ft., DuMont retaining about 50,000 for storage space. Purchaser was Getty Clifford Corp., realtors.

Crosley introduced 14 new models at Miami Beach convention last week, ranging from \$140 for 17-in. walnut table model to \$280 for 21-in. blonde console. Nine of new models comprise "Advance V" series, superseding "Super V" line, which 2 years ago pioneered vertical chassis trend. "Advance V" series also contains vertical chassis.

More merchandising devices: Malin Enterprises, 3732 E. Olympic Blvd., Los Angeles, offering "Select-O-Vision" remote control unit at \$50—a 5½x3x2¼-in. plastic unit adaptable to all sets except those with continuous tuners.

Motorola will introduce "a couple" of black-&-white fill-in models in Jan. "in a price bracket where the need for bolstering the line is greatest," said company spokesman. He declined to give details.

National Assn. of Music Merchants schedules annual convention Feb. 13-14 at Mark Hopkins, San Francisco.

Zenith distributors' convention is scheduled Jan. 15-17 at Miami Beach's Fontainebleau and Eden Roc Hotels.

Trade Personals: John W. Craig, ex-v.p. & gen. mgr. of RCA Victor home appliance div., serving since Sept. as Whirlpool-Seeger v.p. & director of merchandise development, elected v.p.-gen. mgr. of Westinghouse electric appliance div., Mansfield, O., succeeding John H. Ashbaugh, who remains as v.p. & special consultant to Chris J. Witting, exec. v.p. for consumer products . . . R. L. McCormack promoted to mgr. of Raytheon's new "special tube" div., in charge of all non-entertainment tube types, headquartering in Newton, Mass. and reporting to N. B. Krim, v.p. in charge of tube operations . . . Myles M. Walker promoted to new post of market development mgr., Raytheon commercial equipment div., Waltham . . . John M. Malone promoted to mgr. of Tung-Sol initial equipment tube sales . . . John E. Kelly, adv. & sales promotion mgr. of Philco-Los Angeles, promoted to national adv. mgr. of parent company's TV-radio div.; Jack Frietsch continues as sales promotion director . . . George Forman, ex-Bulova Watch, appointed Emerson adv. mgr., succeeding Edward Kantrowitz, now asst. to marketing v.p. Lester Krugman . . . Edward Berman, DuMont sales training director, promoted to new post of mgr. of new market dealer development . . . John S. Herbst, Hoffman Electronics, elected exec. v.p. of Los Angeles Electric League; Robert H. Thompson, Packard-Bell, elected a director . . . Roy E. Mulhausen named Spartan district merchandiser, headquartering in Denver . . . Alan Livingston, v.p. in charge of artists & repertoire, and Daniel C. Bonbright, v.p. in charge of finance, elected to board & exec. committee of Capitol Records . . . Keith Kirstein, Radio-TV Service Co., Sacramento, elected pres. of Cal. State Electronics Assn. . . . Hans H. Nord, ex-DuMont, named senior engineer, Foto-Video Labs, Little Falls, N. J. . . . Anthony Dillon promoted to new post of CBS-Columbia market development mgr., reporting to sales director David J. Hopkins.

DISTRIBUTOR NOTES: Whirlpool-Seeger appoints 2 more RCA distributors—Dulaney Distributing Co., Oklahoma City, and Wyatt-Cornick Inc., Richmond . . . RCA Victor Distributing Corp. opens branch at 2001 W. 12th St., Erie, for Whirlpool appliance distribution (Nelson P. Reed, mgr.) . . . CBS-Columbia establishes factory branch, CBS-Columbia Distributors Inc., 2223 El Cajon Blvd., San Diego (Mike Nicolin, gen. mgr.) . . . CBS-Columbia appoints Radio, Television & Appliance Co., 511 Westlake Ave. N., Seattle (F. T. Brien, pres.) . . . Bendix Radio appoints J. K. Hagemeyer Co., Meridian, Miss. . . . Southern Wholesalers, Washington (RCA) elects John E. O'Connor sales v.p.; Frank Levine promoted to merchandise mgr. of TV-radio-appliances; Ralph Lane resigns as gen. mgr. . . . Goldberg Co. Inc., Richmond (CBS-Columbia) will merge shortly with A. R. Tiller Corp., local Sunbeam & Vornado outlet . . . L&P Electric Co., Brooklyn (Raytheon) elects gen. mgr. Michael S. Morris a v.p. . . . GE Supply Co., San Francisco, promotes R. A. McWhinney to district mgr. of consumer goods, Frank Jordan to merchandise mgr. . . . Peaslee-Gaulbert Corp., Louisville (Admiral) promotes R. H. Means to mgr. of TV-major appliance dept., succeeded as sales mgr. by W. D. Edens . . . Interstate Distributors, Kansas City (Sylvania) extends territory to southern Mo., adjacent to Springfield . . . Admiral-Boston names Sherman M. Clough, ex-Frigidaire, as adv. & sales promotion mgr., replacing Martin Scully, now Northeastern Distributors, Boston (Zenith) . . . Graybar transfers E. I. Funk from Akron to New Orleans as branch mgr., succeeding A. W. Wheeler, now Shreveport branch mgr.; D. J. Mertzluft succeeds Funk at Akron . . . Strawbridge & Clothier, Philadelphia dept. store, appoints Alphonse C. Stine as TV-major appliance buyer, replacing Sol Goldin, now Whirlpool-Seeger range product mgr. . . . L. Bamberger & Co., N. J. dept. store chain, reports resignation of Herbert J. Zients as mgr. of TV-radio-appliances dept.

ELECTRONICS INDUSTRY will more than equal 1955's record activity next year, says Dr. W. R. G. Baker, GE v.p. in charge of electronics div. and RETMA engineering chairman, in year-end statement which forecasts "new all-time peaks in total industry volume." His prognostications for 1956:

(1) Swing to color "will proceed rapidly" as new advances are made in color and as 65 new stations go on air, more than half of them able to transmit color—bringing total stations to 535 by end of 1956. Presently, 250 stations possess network color facilities, 80 color film & slide equipment, 25 live color equipment—but only about 150,000 color sets will be sold in 1956.

(2) Sales of monochrome TVs should total 7,100,000 next year, sales of home & portable radios 7,000,000. Sales of mobile communications equipment will go up 15%.

(3) "Electronics will become a more vital link in the overall weapons concept of modern defense. Greater emphasis will be placed on equipment capable of control, guidance and navigation of airborne weapons systems with extreme accuracy and reliability."

(4) More efficient production will be achieved through use of more flexible automatic machinery. As automation progresses, there will be "dramatic increase" in the use of printed wire boards in electronic circuitry.

(5) Transistors will achieve "major break-through" in devices for entertainment & industrial uses as well as for military use. They will reduce size and complexity of computing machines. Nevertheless, there will be steady growth in demand for electronic tubes of all types due to increased use of electronic controls in industrial & military equipment.

Excellent agenda of technical papers has been lined up for Jan. 30-Feb. 3 meeting of AIEE at Hotels Statler & Governor Clinton, N. Y. by committee on TV & Aural Broadcasting Systems under live-wire chairman Joseph B. Epperson, Scripps-Howard stations' technical director. The papers: Feb. 1—"Light Amplifying Phosphors," F. E. Williams, GE; "Evaluation of Radio Influence Voltages in Fluorescent Lighting Installations," F. H. Wright & S. A. Zimmerman, GE; "Conversion of Studio Lighting from Black-&White to Color TV," P. W. Wygant, WBAP-TV, Ft. Worth; "Reduction of TV Studio Temperatures Using Heat Control Coatings," G. T. Howard, GE, and A. F. Turner, Bausch & Lomb. Feb. 2—"TV in the World Today," C. J. Hirsch, Hazeltine; "Color TV System Performance Requirements," Ralph C. Kennedy, NBC; "Vitascan," J. H. Haines & G. R. Tingley, DuMont; "Engineering ITV Installations," J. W. Belcher, GPL; "Electron Color Microscope," J. J. Reeves, CBS Labs; "Ampliphase Transmitter," T. J. Boerner, RCA.

Maj. Gen. George I. Back, recently retired Army chief signal officer, has joined International Resistance Co. as asst. to pres. Charles Weyl investigating new markets for IRC products and processes.

LaMotte T. Cohu, chairman of Kay Lab, San Diego, ex-pres. of Consolidated Vultee and director of General Dynamics, elected to board of trustees of Whittier College.

GE Research Lab has assigned Dr. George J. Szasz as its first scientific representative abroad, assigning him first to European tour including meetings and visits to labs.

Dr. Harold V. Gaskill, ex-Iowa State College, joins Collins Radio as v.p. in charge of planning.

Lynn Eaton, v.p. of National Co., appointed asst. to pres. Joseph H. Quick.

Kenneth Kistler, 39, DuMont traffic mgr., died Dec. 8 of coronary thrombosis at his home in Fairlawn, N. J. He is survived by wife, 2 young daughters and father, latter a DuMont employe.

UPDATED FIGURES on electronics industry's immediate and 10-year prospects—both electronics as a whole and TV-radio in particular—are offered by Sylvania chairman-president Don G. Mitchell in a year-end statement that sets forth figures that are even more startling than those which his finance v.p. W. Benton Harrison advanced before the Financial Analysts of Philadelphia in a widely-quoted speech last March 10 (see our Vol. 11:11 & full-text Supplement).

Theirs are perhaps the most authoritative industry statistics of them all, for they're the product of the research machinery of the industry's Mr. Statistics himself—Frank W. Mansfield, Sylvania director of sales research and chairman of the RETMA statistical committee, some of whose forecasts we also published in Vol. 11:47. It's noteworthy that Mitchell revises most of the Harrison prognostications upward. In summary:

(1) Electronics as whole will achieve sales of \$10.8 billion in 1956, or nearly \$1 billion more than 1955. By 1960, volume will exceed \$15.6 billion; by 1965 it will be \$22 billion. (Mr. Harrison had estimated \$9 billion for this year and \$20 billion by 1964.)

(2) About 7,600,000 TV sets will have been sold to public during 1955, valued at \$1.055 billion at factory. In 1956, TV set sales will be approximately 7,500,000, of which 200,000 are color sets, representing factory value of about \$1 billion. In 1960, TV set sales will total 9,600,000 (31% of them color units) valued at \$1.521 billion. In 1965, "it is likely" that 11,600,000 sets will be sold at factory price of nearly \$2 billion. "Color is on the way, after a slow start," says Mitchell, "But it will be . . . 6 years before color TV unit sales catch up with black-&-white."

(3) Home radio sales this year will total 6,700,000 sets at factory value of \$134,000,000; next year, 6,000,000 sets will be sold at \$120,000,000; in 1960, about 7,000,000 at \$133,000,000; by 1965, 7,300,000 at nearly \$140,000,000. Add 7,000,000 auto radios this year at \$175,000,000 factory

value; in 1956, 6,000,000 at \$150,000,000; 1960, 5,500,000 at \$137,000,000; 1965, 6,000,000 at \$150,000,000.

(4) TV picture tubes, radio receiving tubes, special electronic tubes and other components for repair purposes will amount to \$680,400,000 at factory in 1955, \$800,000,000 in 1956, \$1.25 billion in 1960, in excess of \$2 billion in 1965.

(5) Records & phonographs should increase steadily from this year's \$121,000,000 to \$123,000,000 in 1956, \$135,000,000 in 1960, \$144,000,000 in 1965—and "the increasing demand for high-fidelity systems may increase this total substantially."

Foregoing are "factory door" prices, Mitchell emphasizes—and he estimates that sale of end products and parts through distribution channels should be just short of \$2.2 billion this year, nearly \$2.3 billion in 1956, more than \$3.3 billion in 1960, at least \$4.8 billion in 1965.

To the foregoing he adds repairmen's service, which he estimates at about \$930,000,000 this year, nearly \$1 billion next year, more than \$1.23 billion in 1960, about \$1.685 billion in 1965. Then there are also TV-radio broadcasting revenues: \$1.435 billion this year, \$1.9 billion in 1956, more than \$3.4 billion in 1960, above \$5.4 billion by 1965.

* * * *

Uncle Sam is biggest customer of the electronics industry as a whole, of course, his purchases in that field running 7.4% of all defense expenditures—and even without a "shooting war" Mitchell forecasts that this year's total of just under \$2.5 billion will be exceeded next year, maybe accounting for as much as 10%. "We see govt. purchases in the vicinity of \$3.3 billion by 1960 and at nearly \$4 billion in 1965," he said. "These are only estimates, and it is quite possible that govt. purchases could double over 10 years."

As for so-called industrial uses of electronic systems and equipment—e.g., electronic computers, closed-circuit TV in factories, offices & homes, devices for auto safety and airport controls, other non-entertainment applications—the Sylvania chief estimated they totaled about \$670,000,000 this year, should reach nearly \$800,000,000 in 1956, will be about \$1.2 billion in 1960, nearly \$1.9 billion by 1965.

Electronics Reports: "We are clearly on the threshold of an industrial age, the significance of which we cannot predict, and with potentialities which we cannot fully appreciate." So said report on recent automation hearings (Vol. 11:44) by Senate-House subcommittee on economic stabilization, headed by Rep. Patman (D-Tex.). Stating that automation is due to advance to levels that "may well surpass the imagination," report predicted that economic hardships and dislocations were inevitable, and that "maintenance of a good, healthy, dynamic and prospering economy"—rather than specific legislation—is best hope for the transition period. Excerpts from 13-p. printed report (available from committee on request):

"Along with automation and the introduction of labor-saving machinery and techniques in some parts of the economy, whole new industries have arisen and may be expected to arise. The electronics industry, for example, is today made up of hundreds of companies, both large and small, employing ever-increasing numbers." But the subcommittee warns that these new industries will not take care of those displaced from older industries.

Automation makes possible new goods and services. "The mass production of color TV turns upon the development of automatic processes for placing literally hundreds of thousands of separate and individual colored dots upon the face of a picture tube, a task all but beyond human capabilities for precision and tolerance for tedium . . ."

While employment potentials in new industries "may not be as high as they would seem at first thought," sub-

committee draws attention to employment possibilities in service industries associated with new products. "For every employe counted as employed in TV manufacturing, countless local TV repairmen, scattered in every city and hamlet of the nation, depend for their livelihood on the mass production and mass distribution of the TV sets produced by automated industry." Subcommittee was particularly disturbed by shortage of trained technicians and engineers, urged "fullest attention" to the problem of providing technical training to young people with demonstrated ability and aptitude.

* * * *

To help relieve nickel shortage in 1956, Office of Defense Mobilization announced this week it will divert 4,100,000 lbs. monthly to private industry from scheduled shipments to Govt., same amounts as in Nov. & Dec. but double the monthly amounts diverted earlier this year. This sizable diversion is expected to prevent the "severe cutback" in production of receiving tubes which was predicted this month by RETMA pres. H. Leslie Hoffman in plea to Commerce Secy. Weeks for more nickel to industry (Vol. 11:49).

Dr. Louis N. Ridenour, ex-v.p. of Paramount's International Telemeter Corp., named director of Lockheed Aircraft Corp.'s missile systems div. research lab, succeeding Dr. Ernst Krause, who resigned along with about 15 other missile scientists over differences in policy matters. Since April 1955, Dr. Ridenour has been head of missile division's program development branch.

Financial & Trade Notes: Hallicrafters Inc., as forecast in this column 4 weeks ago (Vol. 11:47), becomes a subsidiary of big Penn-Texas Corp., operating as a coordinate division much along the lines of Stromberg-Carlson in General Dynamics, as result of merger agreement concluded Dec. 14 and subject to ratification by stockholders of both corporations sometime before Feb. 27. Deal in effect amounted to \$6,300,000 sale of Hallicrafters, inasmuch as it calls for issuance by Penn-Texas of 332,000 shares of its stock to Hallicrafters stockholders, or 2 for 5. Penn-Texas closed on N. Y. Stock Exchange Dec. 16 at 18 $\frac{3}{8}$ and Hallicrafters on Midwest at 7.

Deal followed shortly upon retirement of Raymond W. Durst as Hallicrafters' president, due to personal matters; he remains as consultant and a director, Penn-Texas policy being to have separate board for each of its subsidiaries. Chairman Wm. J. Halligan Sr. has assumed his duties, with Wm. J. Halligan Jr. promoted to sales v.p.; Robert F. Halligan, another son, to v.p.; Charles T. Marshall to communications sales mgr.

Merger also follows close upon release of Hallicrafters' report showing earnings of \$140,500 (17¢ per share) on sales of \$4,707,221 in quarter ended Nov. 30 compared to \$104,292 (13¢) on \$6,420,537 in same 1954 period. During fiscal year ended last Aug. 31, Hallicrafters earned \$406,146 (49¢) on sales of \$29,063,463 as against loss of \$940,946 on sales of \$31,054,363 in preceding year (Vol. 11:47).

There will be no changes in the Hallicrafters setup, it was stated. Its 2 Chicago plants, employing more than 1000, are outgrowth of "ham" equipment business founded in 1933 by the then 34-year-old Halligan, who chose upon graduation from West Point in 1922 to become a Boston newspaper reporter rather than an Army man and who turned to manufacturing while writing one of the early radio columns for the old *Boston Telegram*. There is no intention to quit any phases of the TV-radio or communications equipment businesses "as long as they're profitable," and the advantages of the new tieup were said to include

availability to Hallicrafters of the engineering & scientific divisions of Penn-Texas—notably in the aircraft parts and machine tool fields.

Working capital of Hallicrafters last Aug. 31 was \$4,793,531, and last week Halligan reported that his company had further improved its financial position by paying off \$891,387 in bank loans and notes, reducing accounts payable by \$767,409, reducing inventories more than \$1,000,000, increasing earned surplus (reported as \$3,088,219 on Aug. 31) by \$442,352. It has 825,000 shares of common stock outstanding, of which Halligan and his family own 201,600 (24.4%) and Durst, 32,900.

There were no banking intermediaries in the deal. Penn-Texas is headed by 50-year-old L. D. Silberstein, about whom there has been very little publicity but who is described by acquaintances as a wizard with a genius for putting companies together. Originally known as Pennsylvania Coal & Coke Corp., Penn-Texas assets climbed to \$85,000,000 this year from only \$4,600,000 in 1950. Its total sales have gone up to an estimated \$80,000,000 from \$6,000,000 in same period. Its net earnings this year are expected to total \$4,500,000, or about \$1.20 per common share after reflecting 10-month loss of about \$500,000 by Colt's, according to study by McLaughlin, Cryan & Co., 1 Wall St., N. Y. Its most recent acquisitions were Pratt & Whitney and Liberty Products Corp. (aircraft parts) and Colt's Mfg. Co. (arms & instruments).

Only Penn-Texas subsidiary previously in electronics field is Crescent Co., Pawtucket, R. I., making wire & cable. Other subsidiaries are Chandler-Evans (aircraft components); Potter & Johnston Co. (automatic turret lathes); Industrial Brownhoist Co. (heavy materials-hauling equipment); "Quick-Way" Truck Shovel Co. (power shovels); Bayway Terminal Corp. (industrial service); Tex-Penn Oil & Gas Corp., Pennco Oil Corp. & P-T Corp. (oil & gas producers); Pennsylvania Coal & Coke Corp. (mining); Saxon Steamship Co., Seaborne Steamship Co. & Seasplendor Steamship Corp. (ships).

Indiana Steel Products Co., with quarterly dividend of 25¢ distributed Dec. 10 to stockholders of record Nov. 23, reported operations for 10 months ended Oct. 31 resulted in net income after taxes of \$614,542 (\$2.16 per share) compared to \$1.69 per share for same 1954 period. Last board meeting decided to retire \$100,000 more of outstanding debentures as of Dec. 1, reducing funded debt to about \$200,000.

National Telefilm Associates Inc. (Eli Landau, pres.), which recently marketed 312,500 shares of its stock at \$5 (Vol. 11:22), reports net profit of \$60,531, equal to 9¢ per share on 650,000 shares of common outstanding, during quarter ended Oct. 31. Film rentals totaled \$660,995 during period. Comparable figures are unavailable.

IT&T's earnings for 9 months ended Sept. 30 were highest for any similar period in its history—consolidated net income amounting to \$16,036,240 (\$2.23 a share) as against \$12,838,789 (\$1.79) in 1954 period. Net sales were \$313,496,377 vs. \$260,014,244.

American Electronics Co. reports sales of \$4,318,619 and net profit of \$117,377, or 34¢ per share on 517,860 shares outstanding, during first 9 months of 1955 vs. \$3,441,745 sales and \$190,186 profit (40¢ on 476,000 shares) in same 1954 period.

Edward Lamb Enterprises, headed by the Ohio-Pa. broadcaster-publisher and investor in various appliance firms, has acquired, along with group of friends of Mr. Lamb, "in excess of 100,000 shares" of the 392,000 outstanding shares of Seiberling Rubber Co., Akron.

George Link, v.p. of Link Aviation Inc., elected a director of General Precision Equipment Corp.

Clevite Corp. will set new sales and earnings record this year, according to pres. William G. Laffer, addressing Cleveland Society of Security Analysts this week. He estimated earnings at \$4,750,000 (about \$2.50 a share) on sales of \$72,000,000, which would compare with \$2,668,648 (\$1.33) on \$59,204,627 last year and with previous high of \$3,914,228 on \$70,528,107 in 1953. Advent into electronics fields has proved excellent move, said Laffer, though "greatest growth in this part of the company's business is still to come."

Magnavox stockholders Dec. 14 approved issuance of 120,000 shares of new \$50 preferred stock, for which SEC registration has been filed, and pres. Frank Freimann announces that it will be offered by underwriting group headed by Reynolds & Co., N. Y., shortly after Jan. 1.

George J. DeMartini, partner of Cohen, Simonson & Co., New York brokers, has been elected a director of Guild Films Inc.

* * * *

Dividends: Emerson Radio, 10¢ quarterly plus 5¢ extra payable Jan. 16 to stockholders of record Jan. 6; Motorola, 37 $\frac{1}{2}$ ¢ Jan. 13 to holders Dec. 30; Packard-Bell, 12 $\frac{1}{2}$ ¢ Jan. 25 to holders Jan. 1; IT&T, 35¢ Jan. 15 to holders Dec. 22; Gabriel Co., 12 $\frac{1}{2}$ ¢ Feb. 1 to holders Jan. 16; Lear Inc., 15¢ Jan. 13 to holders Dec. 21; Electrical & Musical Industries Ltd., 12¢ Jan. 4 to holders Dec. 20; Electronic Associates, 25¢ Dec. 31 to holders Dec. 21; Howard W. Sams & Co., 10¢ regular, plus 10¢ extra Jan. 25 to holders Jan. 16; National Co., 10¢ Dec. 30 to holders Dec. 25; Canadian Westinghouse, 25¢ Jan. 3 to holders Dec. 15 (down from previous 50¢ quarterly).

Color Trends & Briefs: NBC-TV hit the cultural jackpot with its Dec. 12 colorcast of Sadler's Wells presentation of "The Sleeping Beauty" ballet. And, to everyone's surprise, it also hit a rating jackpot, NBC estimating audience at 30,000,000—mostly black-&-white, of course—or 25,000,000 more than have seen the Sadler's Wells ballet in all its 2000 performances in the last 10 years in Europe, U. S. & Canada.

Impact of telecast of a major ballet has been praised and analyzed by critics all over U. S., but too few were able to comment on significance of color. In our opinion, no show has ever been more enhanced by color—and NBC-TV engineers and equipment were at their technical best.

Those newspaper reviewers lucky enough to see the ballet in color fell all over themselves. Examples: John Crosby, N. Y. Herald Tribune Syndicate—"This was one of those shows which were just made for color TV, which adds almost another dimension to the screen." Jack Gould, N. Y. Times—"For those blessed with a color receiver in accurate adjustment, many of the scenes were breathtaking in their loveliness. Ballet truly emphasizes the value of the medium in natural tints."

CBS-TV also scored smash hits with color this week—the Grandma Moses interview, with splendid shots of her paintings, on Ed Murrow's *See It Now* Dec. 13 and the sepia-tinted (well suited to mood) telecast of "A Christmas Carol" with Frederic March on *Shower of Stars* Dec. 15.

In Washington, alert RCA distributor Southern Wholesalers loaned color sets to the 3 newspaper TV reviewers, reaped the kind of promotional comment that no kind of newspaper ad can match. This suggests that distributors the nation over have been missing an extremely good bet; that a few judiciously placed color sets could bring tremendous returns.

* * * *

Color exposure 11 a.m.-11 p.m., 7 days a week, in and around New York's Rockefeller Center, is being provided from now until Jan. 2 by WRCA-TV and RCA distributor Bruno-New York. Hamilton Shea, v.p. in charge of WRCA-TV, estimates more than 150,000 people will see color on sets located in Rockefeller Center lobby, Chase Bank, Liberty Music Show, Radio City Music Hall, "21" Club, RCA Exhibition Hall—plus Abraham & Straus store in Brooklyn. Closed-circuit color film will be fed to receivers when no color shows are on air.

RCA & NBC are going all-out in preparations for color demonstrations at convention of National Retail Dry Goods Assn. in N. Y. Jan. 11 (Vol. 11:50). Show will originate at Colonial Theatre, to be seen on 40 color sets at Statler Hotel grand ballroom. Speakers will include veteran merchandisers RCA pres. Frank Folsom and consumer products exec. v.p. Robert Seidel—both formerly with Montgomery Ward, Folsom also previously with San Francisco's Hale Bros., Seidel with W. T. Grant Co. Program will run all afternoon, will include closed-circuit color films when no color shows are on air. Arlene Francis will be m.c.

More than 200 RCA 21-in. color sets have been ordered for use by Sheraton Closed Circuit TV Inc., according to exec. v.p. Wm. P. Rosensohn. These will be supplemented by 2 existing RCA projection color units, to be installed in New York's Sheraton Astor Hotel and Chicago's Sheraton early next year. RCA says it is ready to produce more theatre-type color TV projectors if there are orders. Statement last week by Sheraton Closed Circuit gave erroneous impression that "closed-circuit color network" would use theatre-type color projection equipment exclusively.

Thomas W. Sarnoff, NBC Pacific Coast director of production and business affairs, speaking last week before Los Angeles Ad Club, described expansion plans for color at Burbank studios, said RCA-NBC have thus far spent \$65,000,000 on development of color TV.

Network Color Schedules (Dec. 19, 1955 - Jan. 15, 1956)

- Dec. 19—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 20—NBC: *Home*, 11:37-11:44 a.m.; *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.; *Milton Berle Show*, 8-9 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
 Dec. 21—NBC: *Howdy Doody*, 5:30-6 p.m.
 Dec. 22—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.; *Dragnet*, "Christmas Story," 9-9:30 p.m. CBS: *Climax*, 8:30-9 p.m.
 Dec. 23—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 24—CBS: *Gene Autry Show*, 7-7:30 p.m. NBC: *Max Liebman Presents*, "Babes in Toyland," starring Dennis Day, Dave Garraway, Wally Cox, Jack E. Leonard, Bambi Linn, Rod Alexander, Bil & Cora Baird puppets, 9-10:30 p.m.
 Dec. 25—NBC: *Zoo Parade*, 3:30-4; *Assignment India*, 4:30-5:30 p.m.
 Dec. 26—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 27—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
 Dec. 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 29—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 30—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Dec. 31—CBS: *Gene Autry Show*, 7-7:30 p.m.
 Jan. 1—NBC: *Sunday Spectacular*, "Happy New Year," starring Barbara Ann Scott, Dick Button in ice ballet, Peggy Lee and Stan Kenton's orchestra, 7:30-9 p.m.
 Jan. 2—NBC: Tournament of Roses Parade from Pasadena, Cal., 12:15-1:45 p.m.
 Jan. 3—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Jan. 4—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Jan. 5—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Jan. 6—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Jan. 9—NBC: *Howdy Doody*, 5:30-6 p.m.; *Producers' Showcase*, "Peter Pan," Mary Martin & Cyril Ritchard, 7:30-9:30 p.m.
 Jan. 10—NBC: *Howdy Doody*, 5:30-6 p.m.; *Milton Berle Show*, 8-9 p.m.
 Jan. 11—NBC: *Howdy Doody*, 5:30-6 p.m.
 Jan. 12—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Jan. 13—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
 Jan. 14—CBS: *Ford Star Jubilee*, "Blithe Spirit," 9:30-11 p.m.
 Jan. 15—NBC: *NBC Opera*, "The Magic Flute," 4-6 p.m.

Disc color converter produced by Color Converter Inc., Columbia City, Ind. (Vol. 11:22, 42) has been introduced in N. Y. market by MARRT Electronics Inc., Woodmere, L. I. MARRT offers \$195 package including \$149.95 for converter, \$20 installation, \$25 service policy. MARRT v.p.-chief engineer Russell Gerstein reports having sold about 100 so far, says company is receiving 25 every 2 weeks. Reporting observation of 30-in. disc in action, *Retailing Daily's* Henry Brief wrote: "The demonstration of the color converter seen by this reporter disclosed a color picture completely satisfactory so far as color reproduction was concerned. This, however, was more than offset by a noticeable and annoying flicker. It should be pointed out that the color show was viewed in the MARRT shop under far from ideal conditions. Bright sunlight streamed in from a large, undraped display window." Color Converter Inc. obtained rights to build device from Airtronics Research Inc., Bethesda, Md., where it was developed by youthful engineer Robert P. Benjamin (Vol. 10:6).

Admiral introduced new 21-in. color console, at \$895 in mahogany, \$915 in blonde, at distributors convention this week. Joe Marty Jr., gen. mgr. of electronics div., said new color set has top-front tuning, 28 tubes, illuminated channel numbers, removable window, turret tuners, dual 6x9-in. speakers and "color killer that automatically cuts out unused color circuits during black-&-white programs and automatic color control circuits to suppress interference, maintain color intensity and keep colors true." The 3-gun picture tube provides 260-sq.-in. picture, said Admiral, which gave no indication of production plans.

Lease of color mobile unit to individual stations, is new plan announced by RCA. First will be available this month, to be used initially by WCAU-TV, Philadelphia, for New Year's Day Mummers' Parade. Unit is offered to all stations within 150-mi. of Philadelphia; others will be built for use in other areas. Unit includes 2 live color cameras, complete with video & audio facilities, and RCA offers services of 2 engineers to train and supervise station personnel.

MEMPHIS' THIRD station, Hoyt Wooten's WREC-TV (Ch. 3), was readying this week end for probable Dec. 19 start of test patterns in preparation for Christmas Day commercial debut as CBS basic. Finishing touches were being put this week to 25-kw RCA transmitter installation, with 6-bay antenna on 1077-ft. Ideco tower, and new studios in Hotel Peabody, also home of radio counterpart. Most of staff has been mustered from radio WREC, including Charles Brakefield, commercial mgr.; Jack Michael, program director; Wilson Raney, chief engineer. Base hour is \$800. Rep is Katz.

WREC-TV will bring on-air total to 459, of which 105 are uhf—two more uhf having reported this week that they had quit the air. They're KTVQ, Oklahoma City (Ch. 25), which left air Dec. 15 pending FCC action on request for temporary operation on educational Ch. 11, assigned still-unbuilt KOED-TV, Tulsa (Vol. 11:50); and WPFA-TV, Pensacola, Fla. (Ch. 15) which notified Commission it was going dark Dec. 18 after having been in operation since Oct. 1953.

They are first to quit air since WWOR-TV, Worcester, Mass. (Ch. 14) dropped last Sept. 5 (Vol. 11:37), and they bring to 17 the total of uhf stations leaving the air this year. Altogether, 51 uhf have ceased operation to date, or about half as many as have survived.

Oklahoma City station was established in Oct. 1953 by John Esau group, later turned over to attorney-oilman Jack Farris who had advanced it some \$100,000. Despite hypos from GE-supported National Assn. of TV Stations (NATS) (Vol. 11:21), it has been unable to meet competition from the 2 local vhf outlets. Pensacola station's operation was taken over under lease last year by Charles W. Lamar, then part owner of successful WAFB-TV, Baton Rouge, La. (Ch. 28) and still 40% owner of KTAG-TV, Lake Charles, La. (Ch. 25).

Televised murder trial in Waco, Tex. (Vol. 11:50) has given strong impetus to TV's demands for access of visual reporting media to courtrooms. In Denver, it was cited as a precedent after State Supreme Court Justice E. V. Holland barred photographic and recording equipment from hearing of John Gilbert Graham on charge of murder in bombing of United Air Lines plane—despite fact that trial judge had previously admitted such coverage earlier in same hearing. Denver's KLZ-TV & KLZ took their case directly to viewers in TV-radio editorial, featuring filmed & recorded statement by pres. Hugh B. Terry and recorded statements of support from NARTB pres. Harold Fellows, CBS news chief John Day & Radio-TV News Directors Assn. pres. Russ Van Dyke. Meanwhile, CBS-TV west coast news director Sam Zelman cited Waco case in plea to Conference of California Judges to overturn ruling of Santa Monica Superior Judge Stanley Mosk barring cameras from trial of John R. Crooker, accused of murdering socialite Mrs. Norma McCauley. Waco's historic televised trial lasted 4 days, jury finding Harry L. Washburn guilty of murdering his ex-mother-in-law with homemade automobile bomb.

Opposition to NCAA game-of-the-week telecasts was reaffirmed this week by NARTB sports committee, which said they "militate against the public interest by depriving large segments of the American people of football broadcasts which they want to receive." Committee chairman George J. Higgins, KMBC-TV, Kansas, said matter would be placed on agenda of NARTB board meeting in Feb.

Extension of Lamb case deadline for filing exceptions to Examiner Sharfman's initial decision (Vol. 11:50) was requested this week by FCC Broadcast Bureau. In asking that date be postponed from Dec. 27 to Feb. 6, Bureau said it needs more time to examine decision and decide what to do.

General Teleradio Inc. becomes General Teleradio div. of parent RKO Teleradio Pictures Inc. as result of FCC approval this week of transfer of all TV-radio stations in group headed by Thomas F. O'Neil (Vol. 11:48). Commission also approved \$2,250,000 purchase of Macy's 10% interest in General Teleradio. RKO Radio Pictures will be name of motion picture div. of newly incorporated General Tire & Rubber Co. subsidiary. Stations involved are WOR-TV & WOR, New York; WNAC-TV & WNAC, Boston; KHJ-TV & KHJ, Los Angeles; WHBQ-TV & WHBQ, Memphis; WEAT-TV & WEAT, W. Palm Beach; radio KFRC, San Francisco. General Teleradio div. also has 55% of WGTH-TV & WGTH, Hartford, which is being sold to CBS (Vol. 11:28, 36, 49).

Agreements to purchase more stock in WAFB-TV, Baton Rouge (Ch. 28) have been made by WDSU Broadcasting Co., operating WDSU-TV, New Orleans (Ch. 6) and, if FCC approves transfer, latter will own slightly more than 60% (about 1900 out of 3100 shares). Plan is to continue to operate the stations separately, with local stockholders continuing to hold shares, and to link them via microwave for joint regional programming. Cities are 75 mi. apart. WDSU-TV is NBC basic, as is its AM counterpart; WAFB-TV gets ABC & CBS service, its radio affiliate being MBS. WDSU owners (Edgar B. Stern Jr. group) already own slightly more than 20% of WAFB-TV & WAFB. The Baton Rouge uhf was first station to begin operating in city (April, 1953) and is reputed to be well in profit column. Its pres. & gen. mgr. is Tom E. Gibbens.

Detroit stereotypers strike, which has shut down *News*, *Free Press* and *Times* since Dec. 1, has resulted in business bonanza for area's TV-radio stations as well as big expansion of public service broadcasts. Afternoon network shows have generally been cancelled to make way for local demands, including considerable time sales to dept. stores to advertise Christmas goods. There was no tendency of station management to gloat over bad break suffered by their newspaper colleagues, but added business provided welcome windfall and gave some advertisers first taste of the air media; stations hope many will stay with them.

Record-breaking \$4,000,000 sale of New York independent radio WNEW (Vol. 11:44, 50) was approved by FCC this week. Richard D. Buckley continues as pres.-gen. mgr. & 25% owner, other principals (37½% each) being oilman Jack Wrather, who also owns 39% of San Diego's KFMB-TV & KFMB, and John L. Loeb, partner of bankers Carl M. Loeb, Rhoades & Co. Sellers are Horace Lohnes estate (25%) and 3 other stockholders who, with Buckley, acquired station last year for then record \$2,100,000 (Vol. 10:16).

Charleston Evening Post has sold its 29.5% interest in WUSN-TV, Charleston, S. C. (Ch. 2) for \$206,310. Stock is now voted by Hazard E. Reeves, of New York, being held in equal parts by his Preview Theatre Inc., Reeves Products, Reeves Sound Studios and Three Hundred Four Corp. Newspaper also turned over option on additional 823 shares in WUSN-TV to pres. J. Drayton Hastie, who with family is largest stockholder.

Contracts: Judy Garland this week signed 3-year exclusive pact with CBS-TV, providing for one network appearance a year through 1959, with renewal options, her first appearance to be on live spectacular next fall. Martin & Lewis signed 5-year contract with NBC-TV, said to involve "several million dollars."

Shades of 1945: "The day when the expensive nature of TV is overcome, and TV programmes are possible not only from a studio or a *nearby* play-field but from *distant* interesting places, television will be accepted on a level similar to the radio (beyond the stage of novelty)." — Editorial in *Radio Times of India*, Nov. 1955.

THE AUTHORITATIVE
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OF THE VISUAL BROADCASTING AND
ELECTRONICS ARTS AND INDUSTRIES

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SUMMARY-INDEX OF THE WEEK'S NEWS — December 24, 1955

CERTIFICATION OF TV SETS and other receivers in 30-890 mc range ordered by FCC in radiation control ruling; "seal" to be affixed to approved sets (p. 1).

VHF GRANTS CONTINUE at FCC while industry studies allocations comments; Seattle lawyer to run Senate Commerce Committee investigation (p. 2).

LIFE EXPECTANCY OF PICTURE TUBES estimated at 4 years by GE market research on basis of survey of 4000 sets; life span varies with size of tube (p. 3).

NETWORK LINEUPS ALTERED considerably during 1955 as coverage expands and rates go up. ABC-TV now has 213 affiliates, NBC-TV 193, CBS-TV 158 (p. 3).

ILLEGAL BOOSTER operators plead with FCC for legalization; Commission considers new 10-watt "TV translator" service on Ch. 70-83 (p. 7).

INVENTORY OF 2,150,000 TVs, 3,000,000 radios at year's end not regarded as dangerous. GE ships new 14-in. model. TV production breaks full-year record (p. 9).

LICENSING OF SERVICEMEN, with arguments pro and con, reviewed by official of service dealers' group. Pending legislation in several areas taken up (p. 11).

STEP-UP IN MILITARY ELECTRONICS due next year, as Secy. Wilson reveals huge shift from conventional to "wonder weapons"—missiles, atom power, etc. (p. 12).

ALL-TIME HIGH of \$6.8 billion factory value of electronic products predicted in 1956 by Commerce Dept., with color TV retail sales at \$250,000,000 (p. 12).

SEATONS' KHAS-TV, HASTINGS, Neb. (Ch. 5) gets under way this week as uhf owned by Longview (Tex.) appliance dealer quits air, 18th this year (p. 8).

FCC ORDERS 'CERTIFICATION' OF TV SETS: Sweeping order with teeth in it -- to control radiation from all receivers operating in 30-890 mc range, including TV & FM sets -- was finalized by FCC at week's end.

It provides that all sets made after next May 1 (except uhf TV receivers, which have later deadline) must be "certified" as adhering to specific radiation limits and tagged or labeled for information of the purchaser.

Order was devised in cooperation with RETMA, but differs in some respects from earlier published RETMA and FCC proposals (Vol. 10:16). An industry spokesman said order appears reasonable and should impose no hardships on set makers.

Issued at 11th hour just before holiday week end, new order is identified as "First Report and Order," Public Notice 55-1260 -- copies available from FCC, or we shall be glad to get one for you. Principal provisions:

(1) Maximum radiation limits are established in frequencies from 25-1000 mc, adhering very closely to RETMA recommendations. "Power line" method is temporarily adopted for establishing limits between 450 kc & 25 mc.

(2) Manufacturer must certify that each receiver conforms to radiation limits for 25-1000 mc on basis of tests made "on a sufficient number of production units to assure that all production units comply with the radiation limitations."

(3) Seal or label is to be placed on each certified receiver to indicate to purchaser that it complies with FCC regulations.

Rule applies to all sets made after May 1, 1956 -- except uhf TV sets, for which same requirements will be applied to all new models placed in production after Dec. 31, 1956 and every set manufactured after June 30, 1957.

Radiation at frequencies below 25 mc -- from sweep circuits, color oscillators, 21-mc IF circuits, etc.--must meet specified limits in all new TV models placed in production after June 30, 1956 and in all TV sets made after Dec. 31, 1956.

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If certification seems a roundabout way to regulate receivers, it's because Commission has no authority over set makers, as such. It does have power to clamp down on the owner of a radiating receiver -- whether it be a police radio, aircraft receiver or TV set. In effect, it's telling prospective purchaser that he'll be sure he's complying with the law when he buys a set with a certification seal.

Order makes no mention of RETMA's standard intermediate frequency of 41.25 mc, is aimed only at keeping radiation below the established limits.

Set makers will have no trouble complying with order, in opinion of RETMA exec. v.p. James D. Secrest. He said at least 90% of current set production already conforms with the limits, and remaining few can easily meet them in time.

Commission offered to cooperate with set makers to insure implementation of new rules. It proposed conference before March 1 to exchange information and devise best means of getting certification program off the ground.

New radio receiver rule is first in new series of specific radiation orders. Others will apply to community antenna systems, wired campus-type radio systems, carrier systems, wireless phonographs, radio garage door openers, and the like.

ALLOCATIONS QUIET, SENATE READIES HEARING: Like digesting a too-large Christmas dinner, industry is slowly ruminating the huge mass of comments on allocations filed with FCC last week (Vol. 11:51) -- and wondering what to say on the next go-around.

Though deadline for reply comments is Jan. 6, there has been at least one request for extension -- Committee for Hometown TV asking 30 days -- and chances are that Commission will grant 2 weeks' postponement next week.

Commission is continuing firm in its policy of making vhf grants, meanwhile -- clearing Evansville's Ch. 7 this week. Decision hasn't been released, but it's understood examiner's choice was affirmed, CP going to Evansville TV (Rex Schepp) over WEOA & WGBF. Another big decision, though not involving allocations, is due out next week -- approval of NBC-Westinghouse Philadelphia-Cleveland station swap (Vol. 11:21, 25, 43). Vote is said to have been 6-1, Bartley dissenting.

First court appeal against vhf grants in deintermixture cases was made this week -- KVDO-TV, Corpus Christi (Ch. 22) asking Court of Appeals to review action of FCC and requesting stay of effectiveness of Ch. 6 grant to KRIS (Vol. 11:50).

No major FCC action is expected Christmas week, no regular meeting scheduled. Following week may be light, too, for at least 2 commissioners won't be in town -- Chairman McConnaughey & Comr. Webster -- and Commission usually delays action on big issues when vote is close and there are absentees.

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There were few late filings on allocations to add to those we digested last week (total: more than 150). The most substantial was that of consulting engineer & ex-FCC Comr. T.A.M. Craven, filing on his own. He argues that at least 65 channels are needed, suggests deintermixture be explored. He believes that more vhf channels should be obtained but that lower part of uhf band must also be used.

Craven would like to see another vhf channel in 54-90-mc band, 14 more in 225-470-mc, plus the 38 uhf channels comprising Ch. 14-51. He suggests cutting co-channel separations to 160-mi. in Zone I, with 1250-ft. antenna maximum, 190-mi. in Zone II & III with 2000-ft. antenna. He appends Zone I table of assignments which would create some uhf-only "islands," shifting some vhf stations to uhf.

Sen. Hubert Humphrey (D-Minn.) filed a "comment" -- letter urging that FCC continue educational channel reservations because educators move slowly.

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Commission is doing its homework, too, preparing for Senate Commerce Committee hearing which starts Jan. 17. Committee began to show signs of life this week, Chairman Magnuson (D-Wash.) announcing from Seattle the appointment of attorney Kenneth A. Cox "to direct the investigation into radio & TV" -- taking over the post vacated last summer by New York attorney Sidney Davis.

Cox is a partner in the Seattle firm of Little, LeSourd, Palmer, Scott and Slemmons. He's 39, had no previous experience in communications. He has already started work, according to Magnuson, is due in Washington first week in January.

List of proposed witnesses is being prepared by committee staff, meanwhile, with first invitations to go out next week. Lead-off witness probably will be FCC Chairman McConnaughey. Hearings will be held by full committee under Magnuson, with some aspects of investigation possibly to be farmed out later to communications sub-committee under Sen. Pastore (D-R.I.).

LIFE SPAN OF PICTURE TUBES—AND SETS: It's a curious fact that none of the 50-odd TV picture tube manufacturers, big or little, can provide detailed statistics about the life expectancy of CR tubes. However, at our request, GE came up this week with the first data we've been able to secure on the subject -- in form of "conclusions" by its tube dept. market research mgr. R.B. Yepsen:

(1) Average picture tube life in the home is approximately 4 years -- that is, 50% have to be replaced by the end of their fourth year of use.

(2) Life span varies with the size of the tube -- and, generally, it can be stated that the larger the tube, the shorter the life.

(3) Changes in technology, both in sets and in picture tube manufacture, are bringing trend to longer tube life -- a significant factor being aluminized tubes.

"Factored into these conclusions," Yepsen tells us, "is the supposition that TV sets are scrapped when they require a second replacement tube, at about 8 years of life. Surveys indicate the average set owner decides to scrap his set instead of installing a second picture tube replacement, because the tube replacement averages somewhere between a fourth and a third of the price of a new set. This contrasts with the automobile market where even a major repair job is only a small percentage of the cost of a new car."

How did the GE researchers reach their conclusions? By surveying 4000 sets operating in homes and representing a composite of all brands and all sizes in proportion to actual sales in the last 5 years. "The data from these surveys was translated into picture tube life curves which were then applied to retail set sales by size by year. While the number of complete histories of tubes was limited by the sample size and the length of time that tubes were in use, we were able to obtain sufficient information on 16-in. & 17-in. tubes through about the fourth year of life and on 21-in. tubes through 2½ years of life to be able to extrapolate..."

Why aren't actual engineering tests run? They are and they do serve certain engineering requirements. But: "They are somewhat unsatisfactory as a practical standard of measure to marketing personnel because of the arbitrary assumptions which must be made as to actual end of life under field conditions. Engineering surveys also are very costly because of the hundreds of tube samples that must be kept operating continually year after year. To our knowledge, no tube manufacturer has ever been able to determine picture tube life by engineering tests alone."

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Note: Up to 8½ years has generally been accepted in the trade as the life expectancy of a TV receiver -- at least the length of time it's kept before being scrapped or turned in. But these are the first definitive figures we've been able to get on how long the picture tube lasts. They also point up enormous importance of the tube replacement market -- considering that some 37,500,000 sets are now in use and from 7,000,000 to 8,000,000 sets are now being sold each year.

GE tube dept. mgr. J. Milton Lang just year ago (Vol. 11:1) predicted that 5,500,000 tubes would be required as replacements in 1955 -- then about one in every 6 sets as against one in 7 in 1954. He estimated that about 11,500,000 tubes would be made this year, presumably including rebuilds. Actually, he turns out to be about 1,000,000 shy for, while RETMA figures do indicate about 11,500,000 new tubes, they don't include estimated 1,000,000 rebuilds, which bring total to 12,500,000.

With 1955 set production running about 7,650,000, each requiring a new tube, it's estimated 4,250,000 new & rebuilt tubes went for replacements, or about one in 9 sets-in-use. Remaining 600,000 new & rebuilds went to export and Govt. This week, Lang predicted consumers will spend \$300,000,000 in 1956 to replace picture tubes in 6,000,000 sets -- in addition to replacing more than 150,000,000 TV circuit tubes.

NETWORK LINEUPS—YEAR'S FLUX, HIGHER COSTS: Nowhere in the flourishing business of telecasting has change and expansion been more pronounced than in network TV, whose 10-month time billings totaled nearly \$329,000,000 as against \$254,000,000 in same 1954 period, according to PIB (Vol. 11:50). That indicates 1955 will run better than \$400,000,000, representing actual revenues of some \$300,000,000 after all discounts.

More affiliates and higher time rates tell part of the story. More stations

on the air (approximately 60 so far this year) have also been accompanied generally by increases in rates of existing stations, both local and network, as illustrated by a comparison of the network lineups now with those at start of this year.

In compiling data for our semi-annual TV Factbook, Spring-Summer edition of which is due off the presses in early Feb., we're struck by the fact that the new network rate cards (which will be published in detail, along with executive personnel listings) and the new station rate cards (which are all digested) show quite a few changes in affiliations and a constant flux upwards. Consider the networks' year:

There was demise of DuMont Network at midyear, leaving 3 national networks in the field. There was the upsurge of ABC-TV from a weak third runner to a fast comer, though it's still a far third to CBS-TV & NBC-TV. Then there's the competition among all of them for exclusive station affiliations, to say nothing of the intense rivalry for business leadership and top ratings -- CBS-TV maintaining top place. Here's numerical gist of what has happened among networks in last 3 months:

(1) CBS-TV starts the new year with 158 affiliates, of which 51 are "basic required", i.e., must be bought as a package or not at all; one-time rate for these basics is \$63,800 for an hour. Year ago the basic group comprised 56 stations and could be bought for \$54,975. Among the CBS basics, there were a dozen changes during the year -- additions, deletions, switches. As of now, CBS-TV has 49 "basic optionals" (total cost per hour: \$19,150) as against 44 last year (\$19,300); in addition, it has 51 supplementary connected and 7 non-interconnected affiliates as against 59 & 11 year ago. To buy today's entire CBS-TV lineup of 158 stations would cost an advertiser \$97,730 now as against 170 for \$90,005 a year ago.

(2) NBC-TV has 193 affiliates today, of which 55 are basics costing \$68,375 an hour. Year ago there were 52 basics, costing \$62,075. NBC-TV lists 108 more as "interconnected", costing \$36,000 as against 106 in the same category year ago costing \$34,650. In addition, it has 30 non-interconnected affiliates vs. 33 year ago. To buy the entire NBC-TV lineup of 193 stations would cost advertiser \$109,050 as compared with 191 stations at \$102,055 year ago. There were only 7 changes among its basic affiliations this year, most notably the addition of some uhf outlets.

(3) ABC-TV rate card simply lists 195 connected stations (at \$99,205), 13 non-connected (\$1750) -- total costing \$100,955. Year ago there were 158 connected (at \$86,325), 55 non-connected (\$10,580) -- entire 213 costing \$96,905. Thus 37 were added to connected list during year. But ABC-TV affiliates in many instances also have primary tieups with CBS-TV and/or NBC-TV, due to fact no second or third outlet is available in some cities -- and time clearances are still its biggest headache.

Note: All 3 networks have a liberal sprinkling of uhf affiliates -- their reply to outcry that Madison Ave. is talking down uhf. But fact is CBS-TV has only one uhf on its basic (its own WXIX, Milwaukee) and 11 on its basic optional list. NBC-TV has 5 uhf basic (2 of which it's buying) and 11 uhf interconnected.

Ohio Education Assn., representing 45,000 teachers and school administrators, debunks notion that educators have only scallions for commercial sponsors, gives awards to 7 sponsors for "outstanding contributions to education" after hearing its awards chairman Betty Stautzenberger declare: "Sponsors are the forgotten men of TV-radio awards. We are quick to single out the sponsor for criticism when he is associated with an inferior program, but when everything goes smoothly—even unusually well—we merely tolerate him." Awards went to Camels & Plymouth for John Cameron Swayze's *News Caravan* (NBC-TV); Pan-American Airways & Johns-Manville for *Meet the Press* (NBC-TV); American Chicle & Mutual of Omaha for *Zoo Parade* (NBC-TV); Ohio Bell Telephone for *Ohio Story* (local radio).

FCC's network study committee appointed another consultant this week—Edward R. Eadeh, 1952-55 DuMont network research director. He previously held coverage and market analysis positions with ABC, MBS & CBS. (For other appointments to FCC group, see Vol. 11:50-51.)

Page, Creutz, Garrison & Waldschmitt, Washington engineering firm, has formed new operating company for domestic broadcast and communications work—Page, Creutz, Steel & Waldschmitt Inc. Officers: Esterly C. Page, pres.; John Creutz, exec. v.p.; David L. Steel Sr., v.p.-treas.; Joseph A. Waldschmitt, v.p. Other subsidiaries: Page Communications Engineers Inc., handling govt. and foreign business; Rixon Electronics Inc., research & development. Organization has added west coast office at 303 White-Henry-Stuart Bldg., Seattle (phone Mutual 3280).

"Candelabra" antenna, giving Dallas' WFAA-TV & KRLD-TV co-equal height on 1521-ft. tower (Vol. 11:30), was placed in operation Dec. 23. Stations claim coverage of 42 counties, 2,272,600 people, 552,740 sets.

Tallest structure between Tampa and Atlanta is claim for new 995-ft. tower, with 6-bay GE superturnstile, to be erected March 1 for WMBR-TV, Jacksonville, by Tower Construction Co., Lodi, N. J.

Station Accounts: Sales in 56 markets less than 2 weeks following its release are reported by Ziv for new weekly 30-min. series, *The Man Called X*. Biggest single sponsor is Ohio Oil Co. (Marathon gasoline & oil), buying 13 mid-western markets, thru N. W. Ayer. Among others are Gold Seal Glass Wax on WCAU-TV, Philadelphia, thru Campbell-Mithun, Minneapolis; Safeway Stores on WKY-TV, Oklahoma City, thru Foote, Cone & Belding, San Francisco; Duquesne Light & Power Co. on KDKA-TV, Pittsburgh; GE Supply Co. on KING-TV, Seattle; Marine Trust Co. on WBEN-TV, Buffalo, thru BBDO, Buffalo; Royal Cup Coffee & Tea on WABT, Birmingham; Sahara Hotel on KLAS-TV, Las Vegas; Edison Electric Co. on KHJ-TV, Los Angeles . . . Studebaker, typifying TV splurges of auto makers, increases its 1956 TV budget by 60% over 1955 "to add new stations in line with dealer recommendations and to carry out a balanced spot TV program," according to gen. sales mgr. Wm. A. Keller . . . Colgate-Palmolive & American Gas Assn. to use extensive spot campaign starting next month to promote joint sponsorship of \$100,000 consumer jingle-writing contest, top prizes being automatic gas washer-dryer, water heater & sink-cabinet layout . . . Vaseline planning big spot campaign in more than 100 markets starting second week in Jan., thru McCann-Erickson . . . Lucky Lager Brewing Co. buys 30-min. *Crunch and Des* series from NBC film div. for 8 western states, Hawaii & Alaska, as replacement for *Great Gildersleeve*, thru McCann-Erickson, San Francisco . . . Among advertisers currently reported using or preparing to use TV station time: Brooklyn Products Co., Brooklyn, Mich. (Chem-O-Cel sponges), thru Patten-Gillie-Beltaire, Detroit; Henry K. Wampole & Co., Philadelphia (Bionoid pharmaceutical), thru Critchfield & Co., Chicago; Smith-Douglass Co., Norfolk, Va. (fertilizers), thru Lindsey & Co., Richmond; Charles Antell Inc., Baltimore (Power Pak cosmetics), thru Product Services Inc., N. Y.; Radiant Mfg. Corp., Chicago (Magic Ovenliner), thru Irving J. Rosenbloom Adv., Chicago; Crescendoe Gloves Inc., Johnstown, N. Y. (gloves), thru Leber & Katz, N. Y.; Protex Products Co., N. Y. (Compliment closet accessories), thru Posner-Zabin Adv., N. Y.; Banquet Canning Co., div. of F. M. Stamper Co., St. Louis (canned chicken), direct; Marlowe Chemical Co., N. Y. (Fire Chief home fire extinguisher), thru Kastor, Farrell, Chesley & Clifford Inc., N. Y.; Mercedes-Benz Distributors Inc., N. Y., thru Robert W. Orr & Assoc.

Biggest single ad medium outside the networks, *Life Magazine*, reports its 1955 ad revenues will be \$121,000,000, up \$7,400,000 from 1954; total pages went up to 4397 from 4195. Curtis Publishing Co. also reveals that 1955 gross advertising revenues for *Saturday Evening Post*, *Ladies Home Journal* & *Holiday* came to \$113,142,595, up 9.1% from 1954.

New reps: WSUN-TV, St. Petersburg, Jan. 1 to Venard, Rintoul & McConnell (from Weed); WALB-TV, Albany, Ga. Jan. 1 to Venard, Rintoul & McConnell (from Burn-Smith); WJTV, Jackson, Miss. Jan. 1 to Katz (from Weed); WCMB-TV, Harrisburg, to Gill-Perna (from Forjoe).

Station Reps Assn. elects: pres., Adam J. Young Sr., Adam Young Inc.; managing director, Lawrence Webb (re-elected); secy., Robert Meeker, Robert Meeker Assoc.; treas., Eugene Katz, Katz Agency Inc. Elected to board were Joseph Weed, Lewis H. Avery, John P. Blair, John E. Pearson.

Pepsi-Cola's \$8,000,000 annual account, up for grabs since its switch from Biow-Beirn-Toigo 2 weeks ago (Vol. 11:50), was awarded to Kenyon & Eckhardt, which drops \$1,500,000-\$2,000,000 Welch Grape Juice account.

Network Accounts: Daytime color spectaculars once a month are planned by NBC-TV starting in spring. Plan envisions expanding *Matinee* colorcasts, Mon.-thru-Fri. 3-4 p.m., to 2-4 p.m. once a month for dramatic presentations, first of which may be *Barretts of Wimpole Street*, originating from Hollywood and featuring Katharine Cornell. Prospect is that, like *Matinee*, it will be sold to partic. sponsors . . . Colgate-Palmolive, which dropped *Colgate Variety Hour* last week, will become alt. sponsor (with Camels) of *Crusader* on CBS-TV starting Jan. 13, Fri. 9-9:30 p.m. . . . Pharmaceuticals Inc. to sponsor Ted Mack's *Original Amateur Hour*, which goes to full-hour on ABC-TV starting Jan. 1, Sun. 9:30-10:30 p.m., thru Edward Kletter Assoc., cancelling *Life Begins at 80* Sun. 10-10:30 p.m. . . . Amana Refrigeration Inc. to sponsor Pacific Coast Conference basketball games on CBS-TV in West starting Dec. 24, Sat. 2-4 p.m., thru Maury, Lee & Marshall . . . Hazel Bishop to sponsor alt. Thu. 10-10:15 a.m. segment of *Garry Moore Show* on CBS-TV starting Jan. 5, thru Raymond Spector Co. . . . Shaeffer Pen to sponsor Mon. 2-2:15 p.m. segments of *Robert Q. Lewis Show* on CBS-TV Jan. 9 & 16, thru Russel M. Seeds . . . McKesson & Robbins (Neo-Aqua-Drin throat lozenges) to sponsor Jimmy Powers' pre-game warm-up before Sugar Bowl Jan. 2 on ABC-TV, Mon. 1:45-1:55 p.m., thru Ellington & Co., N. Y. . . . NBC-TV to launch new Goodson-Todman audience partic. show, *Choose Up Sides*, Jan. 7, Sat. noon-12:30 p.m., with *Mr. Wizard* moving to 12:30-1 p.m.

Rate increases: WTOV-TV, Norfolk, adds Class AA hour (7:30-9:30 p.m. daily) \$500, min. at \$100, Class A hour going from \$350 to \$400. WFIE, Evansville, Ind. Jan. 1 adds Class AA hour (7-10 p.m. Mon.-Sat. & 6-10 p.m. Sun.) at \$350, min. at \$70, Class A hour remaining \$300. WJHL-TV, Johnson City, Tenn. Jan. 1 raises base hour from \$250 to \$300, min. \$50 to \$60. KOPO-TV, Tucson, Jan. 1 adds Class AA hour (6:59-10 p.m. Mon.-Fri., 5:59-10 p.m. Sat., 4:59-10 p.m. Sun.) at \$300, min. at \$60, Class A hour remaining \$250. KROC-TV, Rochester, Minn. Jan. 1 raises base hour from \$200 to \$250, min. \$40 to \$50. Spot increase: WXEL, Cleveland, Jan. 1 raises Class AA min. from \$375 to \$400.

New Advertising Research Foundation officers: chairman, J. Ward Maurer, Wildroot Co., succeeding Fred B. Manchee, BBDO; vice-chairman, Dr. W. H. Wulfeck, Wm. Esty Co.; pres., Wm. A. Hart (re-elected); secy., Edward F. Herrick (re-elected); treas., Edward P. Seymour, Crowell-Collier.

New Electronicam business: George Jessel's audience-participation show, *Love & Marriage*, goes before the Dumont film-live cameras in New York Dec. 28, when 3 complete half-hour shows will be put on film in single day.

National Community TV Assn. 1956 convention will be held in William Penn Hotel, Pittsburgh, June 12-14.

1956 AM-FM Station Directory

ALL SUBSCRIBERS to the full TV-AM-FM services of *Television Digest* will, toward the end of January, receive copies of our *1956 AM-FM Station Directory*, revised to Jan. 1. The new directory lists not only all North American AM-FM Stations by States and Cities (with company names, addresses, frequencies, powers, FM antenna heights, network affiliations) but also includes lists of AM & FM stations by frequencies, AM & FM applications by states & frequencies pending as of Jan. 1, AM & FM stations alphabetically by call letters. It's the only handy volume of its kind, and carries no advertising. Extra copies, if pre-print orders for 10 or more are placed by Jan. 10, cost \$5.00 each; single copies \$7.50.

Personal Notes: George P. Hollingbery moves from pres. to chairman of TV-radio rep firm bearing his name, with exec. v.p. F. Edward Spencer Jr. going to vice chairman; Harry Wise, to pres. of TV div.; Fred F. Hague, to pres. of radio div. . . . Richard L. Linkroum promoted to exec. producer of NBC-TV's *Today, Home & Tonight*, succeeding Mort Werner, now network programs v.p.; Giraud Chester promoted to gen. programming exec., Richard B. Jackson to mgr. of partic. programs, Erik Hazelhoff to director of program sales . . . George W. Norton Jr., president of WAVE-TV, Louisville, named Louisville's 1955-56 Man of the Year by Louisville Ad Club . . . I. S. Becker, pres. of CBS-owned Air Features, package firm, named CBS Radio v.p. in charge of business affairs; Jack Donahue, from Chicago office, transferred to Los Angeles as CBS Radio west coast sales mgr. . . . Robert W. Sarnoff, pres. of NBC, addressed Cleveland Friends of Jewish Theological Seminary of America Dec. 18 on occasion of *Eternal Light* awards dinner . . . Wayne Oliver, ex-AP, now editor of *Television*, resigns as of Jan. 9 to join business news staff of *United States News & World Report*, Washington . . . John B. Poor, MBS exec. v.p., designated its representative on NARTB radio board & AM committee, replacing Earl M. Johnson, resigned . . . Howard H. Bell, asst. to NARTB pres. Harold E. Fellows, assumes additional duties as coordinator of all joint projects with state broadcaster associations . . . Wm. Fairbanks resigns as ABC Radio national sales mgr. to take same position at NBC Radio . . . J. Birney Blair, from KHQ, named sales mgr. of KHQ-TV, Spokane, replacing John Pindell, now local sales mgr. of KING-TV, Seattle . . . Wm. J. Mullen named national sales mgr. of WABI-TV, Bangor, Me. and affiliated radios WABI and WPOR, Portland, Me. . . . John B. Shelton, ex-Chicago office of Crosley Bcstg. Co. ex-Avery-Knodel, named Chicago mgr. of Everett-McKinney, succeeding Robert Meskill, now with CBS Radio Spot Sales there . . . Malcolm Klein promoted to asst. gen. sales mgr. of KABC-TV, Los Angeles, succeeding Donald Quinn, resigned to become partner in McGovern-Quinn Co. . . . Harley F. Reynolds, chief engineer, now also operation supervisor of WGVL, Greenville, S. C., succeeding Ben K. McKinnon, who left to become gen. mgr. of Birmingham radio WSGN; Wade Angus Davis named national sales mgr. . . . Ray Rand resigns as head of A-V Tape Libraries, N. Y., which has been sold by Audio & Video Products to James Rizek group . . . Nelson Alquist, ex-WMCT, Memphis, named chief engineer, KBTB, Denver . . . Jimmie Isaacs promoted from local sales mgr. to v.p. & gen. sales mgr. of W. D. (Dub) Rogers' KDUB-TV, Lubbock & upcoming KPAR-TV, Sweetwater (Ch. 12), due in early Jan., with James Phillips named controller & asst. secy.-treas.; W. H. Shipley, promoted from promotion mgr. to v.p. & administrative asst.; Ray Trent, to asst. mgr., program director & film buyer; Rudy Starnes, to asst. mgr. & chief engineer; Dan Guthrie, to KPAR-TV station mgr.; John Kreiger, radio mgr. . . . Bill Schock, ex-WPLC-TV, Lake Charles, La., named chief engineer of upcoming KOSA-TV, Odessa, Tex. (Ch. 7), due on air momentarily; Stu Klein, ex-KTBC-TV, Austin, Tex., production mgr. . . . Jack Williams promoted to director of promotion & merchandising, WSAZ-TV, Huntington, W. Va.

Storer Broadcasting Co. elects 5 more v.p.'s, including first of radio station managers to get the title: Bill Michaels, managing director of WJBK-TV, Detroit; Harry Lipson, radio WJBK, Detroit; James Bailey, WBRC, Birmingham; Paul Miller, WWVA, Wheeling.

Assn. of Radio News Analysts elects these officers: pres., John MacVane, ABC (re-elected); v.p.'s, Eric Sevareid & Ned Calmer, both CBS; secy., Walter Cronkite, CBS; treas., Cesar Saerchinger, ABC.

ADVERTISING AGENCIES: Rolland W. Taylor, serving last 3 years as adv. v.p. of Colgate-Palmolive, returns to Foote, Cone & Belding as exec. v.p. & director in charge of N. Y. office, succeeding Elwood Whitney, now devoting full time to creative plans & account supervision; Stuart Sherman, member of Foote, Cone & Belding exec. committee since 1948 and before that pres. of old Sherman & Marquette Inc. (now Bryan Houston Inc.), replaces Taylor at Colgate-Palmolive . . . Harry A. Berk, v.p. & director of Warwick & Legler and onetime pres. of Foote, Cone & Belding International, named v.p. & director of McCann-Erickson (International) under chairman Frank White, onetime NBC pres. . . . Harold Rosenzweig, ex-partner in Ira Rubel & Co., accountants, elected v.p.-treas. of new North Adv. Inc., Chicago, formed recently by Don Paul Nathanson, ex-Weiss & Geller; George Gruenwald elected v.p. in charge of 3 Toni product accounts (Deep Magic facial cleansing lotion, Tonette children's home permanent, Sofstyle curlers) . . . J. Hugh Davis, ex-Foote, Cone & Belding, Chicago, recently a Hollywood packager, rejoins Hearst as v.p. & associate publisher of *Puck*, Sun. supplement . . . Charles W. Alexander, ex-Hicks & Greist, named v.p. of Mohr Assoc., N. Y., heading electronics accounts.

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Rear Admiral Stanley F. Patten, USN ret., v.p. of Allen B. DuMont Labs, elected pres. of N. Y. chapter, Armed Forces Communications & Electronics Assn., succeeding Col. Allen E. Wharton, of N. J. Bell Telephone Co. Other officers elected: v.p.'s, Harry R. Bang, N. Y. Telephone Co., Col. Ludwig R. Engler, RCAC & Col. Benjamin H. Oliver Jr., AT&T; secy., Lt. Col. David Talley, Federal; recording secy., Royal F. Jewett, Western Electric. Directors: Vice Admiral W. S. Anderson, USN ret.; George W. Bailey, IRE; Col. T. L. Bartlett, RCA; Thomas Brown, N. Y. Telephone Co.; E. C. Carlson, Mutual Life Insurance Co.; Rear Admiral R. W. M. Graham, Raytheon; Lt. Col. W. L. Hallahan, Laird & Co.; John V. L. Hogan, Hogan Labs; Fred L. Lack, Western Electric; Maj. Gen. F. N. Lanahan, Federal; D. F. McClure, N. Y. Telephone Co.; Col. L. Z. Millar, Western Union; Col. T. H. Mitchell, RCAC; Leroy Spangenberg, Mackay Radio; Rear Admiral Ellery W. Stone, American Cable & Radio.

"Liberally salted with American favorites," as Pulse puts it, are the top 10 TV programs in London area, according to first report of newly established British Pulse Ltd. rating service (15 Sackville St., London, W. 1; John Robertson, managing director). These were initial findings: *Double Your Money*, counterpart of the \$64,000 *Question* but on much smaller scale, 64; *Take Your Pick*, 57; *Jack Hylton Presents*, 57; *I Love Lucy*, 56; *People Are Funny*, 56; *Robin Hood*, 56; *Roy Rogers*, 56; *Theatre Royal*, 56; *Dragnet*, 55; *Palladium*, 55; *Colonel March*, 54.

Up-to-date information on all documentary, business, educational and cultural films will be given wide distribution as result of "substantial contribution" to Film Council of America by Alfred P. Sloan Foundation. Grant will make it possible to distribute 500,000 copies of FCA's *Film Users' Guides* to libraries, program chairmen, etc.

Three-hop 75-mi. private microwave has been installed by WHIS-TV, Bluefield, W.Va. (Ch. 6), bringing signals from Roanoke. Equipment is first installation of RCA's new TVM-1A, operating in 5850-7125 mc band, giving ERP up to 10 kw.

Thumb-size microphone offered by RCA is claimed as smallest dynamic type yet developed. It weighs 2.3-oz., measures 2 9/16 x 15/16-in., has frequency response of 80-12,000 cycles.

Tele-Press has been projected by French National Press Federation to operate commercial TV network and stations along lines of Britain's new ITA.

ILLEGAL BOOSTER operators from State of Washington had another "day in court" this week as full FCC held *en banc* oral argument which featured defense of boosters not only by attorney R. W. Gibson, Quincy, Wash., but by Congressmen Walt Horan (Republican of Wenatchee) and Don Magnuson (Democrat, Seattle).

Commission treated the Congressmen with deference, as it has the whole illegal-booster issue—particularly since Washington Senators Warren Magnuson (D) and Henry Jackson (D) have in past also spoken up for the booster operators.

Oral argument was on examiner J. D. Bond's initial decision which recommended boosters be kept on air because they performed useful service, hurt no one (Vol. 11:43).

Burden of boosters' argument was that FCC has no jurisdiction because the repeaters are so low powered that they're not interstate in character and don't cause interference. Under persistent questioning by Comr. Webster, a stickler for respect for the law, booster defenders conceded possibility that repeaters could get out of hand. They pleaded that the vhf boosters be permitted to continue until Commission found some way to legalize them or provide a satisfactory substitute. One substitute they don't want is community antenna service; they have a violent opposition to paying the cable companies.

With the boosters continuing to spring up all over Pacific Northwest despite FCC's frowns, Commission has speeded up its search for a "legal home" for the boosters. With Sen. Magnuson anxious to corral every possible vote for reelection next year, Commission is really under pressure to produce.

The answer, undoubtedly, will be uhf. In fact, Commission on Dec. 21 briefly considered staff draft of proposed rule-making to establish "TV translator" service.

Telecasting Notes: New slump in movie attendance has developed in recent months, and rising foreign receipts of motion picture industry aren't enough to offset it. So said Motion Picture Assn. pres. Eric Johnston at Hollywood press conference last week. While he said he couldn't estimate size of boxoffice recession, other sources put decline between 10% & 20% since early spring. Johnston said it was difficult to pin down responsibility for slump, but expressed belief movie business is still trying to find its proper place in competition with TV and other entertainment & recreation media . . . "Marriage" of the circus with TV, a la the movie-TV nuptials, is in plans of Ringling Bros. and Barnum & Bailey, writes *Billboard's* Sam Chase from Sarasota, Fla. in Dec. 24 issue. Among plans to revamp the Big Top for the electronic age: (1) Weekly TV show using circus as background, and of course, promoting circus' live attractions. (2) Construction of year-round elaborate zoo at site of circus' Florida training grounds, as Disneyland-type attraction. (3) Cutting down on regular summer tour, using TV's promotional benefits to attract smaller-town circus fans to nearby larger cities where circus is playing . . . Paddy Chayefsky's *Marty*, which began as a TV drama and ended up as one of year's top movies, won another prize this week—Best Motion Picture of 1955, by vote of committee on exceptional films of National Board of Review of Motion Pictures, which also named film's star, Ernest Borgnine, as year's best actor . . . British movie short, *On the Twelfth Day*—subject of big color spread in recent issue of *Life*—will be featured on NBC-TV color spectacular *Happy New Year*, Jan. 1, 7:30-9 p.m. It's also being shown in some theatres, by permission of NBC which holds 2-year rights . . . Ratings:

It was passed over, is expected to come up again Jan. 4. There seems little question rule-making will be issued along these lines:

(1) Set aside uhf Ch. 70 to 83 for exclusive use of the service—which would simply pick up and rebroadcast signals of regular stations.

(2) Limit transmitters to 10 watts, permitting directional antennas giving up to 50-60 watts ERP.

(3) Make grants on case-to-case basis, putting burden on operators to clean up interference as it arises and to protect regular uhf stations operating on channels below.

(4) Establish extremely limited operator requirements—perhaps permitting restricted-license operator to look at receiver occasionally to see if booster is operating, turn it off if something seems wrong.

(5) Authorize equipment on a "type approval" basis. This means manufacturer could submit a sample, go ahead and sell units if Commission engineers approve design.

Much of FCC's consideration of problem is based on work of engineer Ben Adler, New Rochelle, N. Y., who supplied equipment for experimental station in Manson, Wash. It's said that a single-channel booster can be sold for about \$1000.

One problem facing Commission is fact that it's now considering whole TV allocations problem—which involves all vhf & uhf channels—and has some fear of prejudging its final decision by an allocation for "translator" service. It's argued by some at FCC, however, that public can't lose if such service is established now—because receivers purchased in reliance on the service will be useful for both vhf & uhf in future, regardless what the final allocation looks like.

Community antenna operators won't be happy when "translator" rule-making starts. But they've long anticipated it and they claim they'll be able to out-serve the little repeaters by providing multiple trouble-free signals.

NBC-TV's Saturday night *Perry Como Show* finally out-Trendex Jackie Gleason's *Honeymooners* Dec. 17, 8:30-9 p.m., 28.3 to 22.3. Re-runs of *I Love Lucy* made Trendex's top 10 for Dec. 1-7. The regular Mon. evening *Lucy* series was No. 2 (following \$64,000 *Question*) with 40.6, *Saturday Lucy Show* (6:30-7) No. 10 with 25.7 (tied with *Honeymooners*) . . . General Teleradio is using its TV know-how to promote RKO movies: 13 TV stations have indicated their intention to participate in promotion campaign for Howard Hughes' *The Conqueror*, opening in theatres in Jan., in exchange for cut in film's local gross. Teleradio used similar arrangement for TV promotion of its movie version of *Gangbusters* . . . Transfilm, big producer of TV commercials and industrial films, sets up Special Projects Div. headed by exec. v.p. Walter Lowendahl, to enter fields of TV film programming and feature film production . . . Martin & Lewis' NBC-TV contract (Vol. 11:51) runs 5 years, calls for 4 shows a year, with \$1,500,000 a year for the team, who retain all rights to their shows; also signed to new 15-year contract this week by NBC-TV was Eddie Fisher.

Junior Achievement, national non-profit organization sponsored by many leading industrial concerns as means of helping business careers of teen-agers, will tell its story next year in series of public service TV-radio spots, under direction of public relations chairman W. T. Okie, v.p. of J. M. Mathes Inc., 260 Madison Ave., N. Y.

Jack Wrather, the Texas-Oklahoma oil heir who owns substantial interests in KFMB-TV, San Diego, and radio WNEW, New York, and is applicant for Ch. 13 in Yuma, Ariz., heads group which has acquired control of 2000-acre Corrigan movie ranch in California.

YEAR'S 58th NEW STATION began test patterns Dec. 23—KHAS-TV, Hastings, Neb. (Ch. 5), which will start regular programming Jan. 1 as NBC interconnected. Same day, FCC was notified that KTVE, Longview-Tyler, Tex. (Ch. 32) was leaving the air Christmas Day after having been in operation since Oct. 1953, making it the 18th uhf station to quit thus far this year, 52nd since TV began. Total number of stations now on air is 459 (104 uhf).

New vhf starter in southeastern Nebraska is controlled by Seaton Publishing Co., headed by Fred A. Seaton, asst. to President Eisenhower. Firm publishes *Hastings Tribune* along with other small-town newspapers in Nebraska, Kansas & other midwest states. Station is second outlet in area that also gets service from KHOL-TV, Kearney, Neb. (Ch. 13) with transmitter about 37 mi. away.

KHAS-TV uses 10-kw RCA transmitter, 600-ft. Ideco tower with 12-bay antenna. Duane L. Watts, ex-KHOL-TV, is gen. & sales mgr.; Robert Schnuelle, ex-KHOL-TV, production mgr.; W. L. Murray, ex-KBTV, Denver, operations mgr.; Duane B. Allison, from radio KHAS, chief engineer. Base hour is \$200. Rep is Weed.

Longview-Tyler outlet leaving air is owned by appliance dealer A. James Henry. Its chief competitor was KLTV, Tyler-Longview (Ch. 7), which started about year later, is owned by Mrs. Lucille Ross Lansing, managed by Marshall H. Pengra. Area had another uhf which went off air in Oct. 1954 after about year of operation—Jacob Newborn's KETX, Tyler (Ch. 19).

Only new equipment shipments reported this week were by GE: 12-bay antenna Dec. 17 to upcoming KOSA-TV, Odessa, Tex. (Ch. 7), due on air in Jan.; 100-watt transmitter to uhf WTVK, Knoxville (Ch. 26). GE also reported order for 6-bay batwing antenna for Feb. delivery to WMBR-TV, Jacksonville (Ch. 4).

* * * *

In our continuing survey of upcoming stations, these are latest reports from principals:

KPIC, Roseburg, Ore. (Ch. 4) has DuMont transmitter on hand, expects to be on the air next Feb., reports Wm. B. Smullin, whose California-Oregon TV Inc. (KIEM-TV, Eureka, Cal. & KBES-TV, Medford, Ore.) owns 50%. Other half is owned by KVAL-TV, Eugene, Ore. KPIC will use Fisher tower with RCA antenna, has studio-transmitter house under construction. Rep not chosen.

KBST-TV, Big Spring, Tex. (Ch. 4) has delayed test pattern to Jan. 6, CBS programming debut to Jan. 15, reports pres.-gen. mgr. Jack Wallace. It will use 5-kw GE transmitter and 500-ft. Andrews tower with 3-bay antenna. Owners include Robert W. Whipkey, publisher of *Big Spring Herald*, and Lewis O. Seibert, owner of San Angelo radio KGKL and 45% of KPLT, Paris, Tex. Base rate will be \$150. Reps will be Pearson.

WDAM-TV, Hattiesburg, Miss. (Ch. 9) has RCA transmitter ordered for mid-Jan. delivery, plans March 1 start, reports Dave A. Matison Jr., 33 1/3% owner, who also has interest in local radio WHSY and operates chain clothing store. Construction of studio-transmitter building starts about Jan. 1. WDAM-TV will use RCA 6-bay antenna on 500-ft. Ideco tower. Base rate will be \$150. Rep not reported.

KRIS-TV, Corpus Christi, Tex. (Ch. 6), which got CP Dec. 9, plans start by mid-spring, reports pres. T. Frank Smith. It will be city's second, KVDO-TV (Ch. 22) having started in June, 1954. Equipment hasn't been ordered yet, but 692-ft. Andrews tower is planned at site 14 mi. W of city. Rep not chosen.

Network Color Schedules
(Dec. 26, 1955 - Jan. 31, 1956)

- Dec. 26—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 27—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Dec. 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 29—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 30—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 31—CBS: *Gene Autry Show*, 7-7:30 p.m.
- Jan. 1—NBC: *Sunday Spectacular*, "Happy New Year," starring Barbara Ann Scott, Dick Button in ice ballet, Peggy Lee and Stan Kenton's orchestra, 7:30-9 p.m.
- Jan. 2—NBC: *Tournament of Roses Parade from Pasadena, Cal.*, 12:15-1:45 p.m.
- Jan. 3—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Jan. 4—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 5—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 6—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 7—CBS: *Gene Autry Show*, 7-7:30 p.m.
- Jan. 9—NBC: *Howdy Doody*, 5:30-6 p.m.; *Producers' Showcase*, "Peter Pan," Mary Martin & Cyril Ritchard, 7:30-9:30 p.m.
- Jan. 10—NBC: *Howdy Doody*, 5:30-6 p.m.; *Milton Berle Show*, 8-9 p.m.
- Jan. 11—NBC: *Howdy Doody*, 5:30-6 p.m.
- Jan. 12—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 13—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 14—CBS: *Gene Autry Show*, 7-7:30 p.m.; *Ford Star Jubilee*, "Blithe Spirit," 9:30-11 p.m.
- Jan. 15—NBC: *NBC Opera*, "The Magic Flute," 3:30-5:30 p.m.
- Jan. 16—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 17—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 18—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 19—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Shower of Stars*, 8:30-9:30 p.m.
- Jan. 20—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 21—CBS: *Gene Autry Show*, 7-7:30 p.m. NBC: *Max Liebman Presents*, 9-10:30 p.m.
- Jan. 22—NBC: *Zoo Parade*, 3:30-4 p.m.
- Jan. 23—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 24—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Jan. 25—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 26—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 27—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 28—CBS: *Gene Autry Show*, 7-7:30 p.m.
- Jan. 29—NBC: *Sunday Spectacular*, 7:30-9 p.m.
- Jan. 30—NBC: *Howdy Doody*, 5:30-6 p.m.; *Producers' Showcase*, 8-9:30 p.m.
- Jan. 31—NBC: *Howdy Doody*, 5:30-6 p.m.; *Milton Berle Show*, 8-9 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.

Color Trends & Briefs: "Color era" may be gold mine for many TV film syndicators, Dec. 21 *Variety* predicts on basis of sampling of key syndication topkicks. "Those most benefitting will be the distributors currently stockpiling tint negatives while selling the black-&-white versions in the present market," says article. "When color comes . . . syndication will return to the state of a 'seller's market' like the one which existed some 3 years ago in syndication."

Basis for bullish appraisal is the phrase "color residuals"—the distributors feeling that second runs in color of already televised monochrome film series will attract first-run prices or better. "In short, some syndicators are taking the stand that shooting in color gives the equivalent of 2 separate series insofar as sales prospects are concerned," says *Variety*. Ziv and Flamingo are cited as examples of TV film producers now shooting all series in color, though now distributing only black-&-white prints.

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Another color converter—and how to build it for \$50-\$85—is highlight of annual TV issue, Jan. *Radio-Electronics Magazine*, which also contains articles on Standard Coil's new "Rainbow" color TV tuner, color TV receiving tubes, color test equipment.

TV color film packages now available from RCA Recorded Program Services: *Town & Country Time*, 52 quarter-hours; *Sam Sneed Show*, 39 five-min. golf programs; *Foy Willing & Riders of the Purple Sage*, 100 western musical selections; *World Around Us*, 26 quarter hours.

INVENTORIES IN GOOD SHAPE AS YEAR ENDS: Thanks to a production cutback which offset 4th quarter retail sales decline, TV inventories at year's end aren't likely to be a problem. Frank Mansfield, RETMA statistical chairman and Sylvania director of sales research, estimates year-end inventories at about 2,150,000 -- 300,000 higher than at start of year but in his opinion, "not dangerously high."

"The industry showed commendable alertness in cutting back its TV production when sales started to get a little soft about 6 weeks ago," said Mansfield. "As a result, what could have been a serious stockpile problem failed to materialize. If the industry continues to be cautious in early 1956, we can reduce them further."

Inventories were 2,400,000 on Dec. 1, indicating how sharply they were cut in Dec. If production had not been cut sharply in Dec. (to estimated 600,000 for full month), it's admitted that some serious liquidations and "dumping" would occur in first quarter of 1956. That prospect is now regarded as very unlikely.

Radio inventories of slightly over 3,000,000 at year's end are likewise not considered dangerous, even though they're more than 300,000 higher than at start of year. So strong is the continuing demand for radios that trade statisticians regard inventories under 3,000,000 as too low to keep up with requirements.

Brief highlights of other major trade developments this week:

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Production: TV output totaled 133,966 week ended Dec. 16, compared to 142,982 preceding week and 154,126 week ended Dec. 2. It was year's 50th week and brought production for year to date to about 7,500,000, exceeding previous record full-year total of 7,463,800 in 1950 and ahead of last year's 7,346,715. Full 1955 production is now estimated at about 7,650,000. Radio output totaled 400,607 (187,015 auto) in week ended Dec. 16, compared to 421,572 week ended Dec. 9 and 426,927 week before. For 50 weeks, radio production was estimated at 14,200,000, as against 10,100,000 in same 1954 period. Full 1955 radio output is estimated at 14,600,000.

New GE Portable: Further evidence of GE's determination to break into the Big 4 of TV manufacturers is a new 14-in. portable now being shipped to key GE Supply Co. outlets for distribution to dealers starting next month. It's an even lighter, step-up version of its successful \$99.95 & \$129.95 portable, of which company has sold 200,000 since its introduction last May and which will remain in production. New set weighs 26 lb., or 6 lb. less than the \$99.95 model, has aluminized tube and is equipped with handle. Though national list price has not been established yet, it's expected to retail at about \$140. It comes in 3 color combinations -- brown-ivory, gold-ivory & blue-ivory -- and will be shown to dealers at winter markets in Chicago Jan. 9-20, along with 6 or 7 "conventional" fill-in models.

Color Exposures: CBS-Columbia reports sales of 357 color sets to dealers, 128 to consumers in first 10 days of its metropolitan N.Y. trade-in plan, in which dealers allow up to \$400 on black-&-white sets toward purchase of 19-in. \$895 color model 205C2 (Vol. 11:49). A number of dealers were reported bypassing trade-in and simply offering color set at a sharply reduced price.

Hoffman Electronics, declaring its color plant at Pasadena is back-ordered on receivers, is supplying its dealers with gift certificates redeemable for color sets because "the company is unable to meet the demand for Hoffman Colorcasters," said gen. sales mgr. Paul E. Bryant. Under plan, dealers will be able to take orders for color sets and deliver them in future. Hoffman is also using extensive ad campaign in connection with Tournament of Roses Parade colorcasts, while continuing weekly ads on TV-radio pages of newspapers in 19 markets.

Promotions are also expanded on distributor-dealer level. In San Antonio, Motorola distributor South Texas Appliance Corp. is sponsoring registration plan,

whereby anyone owning a new black-&-white Motorola set can register for chance to exchange it even-up for 19-in. 19CT1 Motorola color set (at \$695), with winner determined by drawing. Cleveland dealer Higbee Co. has been inserting double-page newspaper ads promoting RCA color set (at \$795 & \$895) and RCA high-fidelity tape recorder-phonograph (at \$1600) on one page and fur coats (from \$895 to \$3500) on the other page, with message urging them as "gifts to express more than you can say." It offers to eliminate all down payments, with up to 2 years to pay.

General Appliance Co., with 3 retail outlets in Louisville, advertised \$895 21-in. RCA color sets for \$495, resulting in several sales and "many inquiries," but the promotion drew fire of Robert A. Seidel, RCA exec. v.p. for consumer products, who said "the advertisement which has been referred to our attention was published by a Louisville dealer on his own responsibility...and we definitely will not contribute in any way to the cost of such a promotion."

The Economic Crystal Ball: Authoritative United Business Service this week published annual forecasts of its staff, "substantiated by the views and conclusions of other recognized business and investment authorities," and summarized them thus: "Business in general next year will show a moderate gain over 1955, with most of the increase expected in the first half. Total income, spending, industrial output and employment will rise to new highs -- despite some declines in production of autos, housing starts and farm income. There will be another round of advances in wages. Average wholesale prices and living costs will tend upward. A tight rein will be kept on credit. Although competition will continue to be intense, total 1956 profit and dividends will set new records. Election year politics will create some uncertainties and hamper legislation -- but personal taxes will be reduced." Detailing, it foresees retail sales rising to record \$192 billion in 1956, or 3%-4% increase over 1955; construction spending at record \$43.5 billion, up \$1.5 billion over this year; earnings after taxes up 5%-8% over 1955.

National Assn. of Credit Men's annual survey of business executives, released this week in its Monthly Business Review, finds 67% of those interviewed believe sales will increase next year over 1955; 50% anticipate increase in profits; 75% feel they will pay same dividends as in 1955, 20% anticipating higher dividends. Also, 50% reported their companies would do "more than an average amount" of factory modernization next year, 67% indicated they would concentrate on automation.

Alan H. Temple, exec. v.p. of First National City Bank of N.Y., predicted a leveling-off period in 1956, saying: "Business expansion is beginning to bump into certain ceilings. Two of these are the supply of metals and of labor, both of which are now tight." Addressing American Pharmaceutical Manufacturers Assn. convention, he said outlays for plant and equipment should serve chiefly to sustain current pace of economy, adding: "There are no convincing signs of a downturn in business, and so the prospect is for a long crest in the business level. Demand should be ample to support this level in the coming year."

Trade Personals: S. F. Fassler promoted to marketing mgr. of GE's new radio receiver dept., Bridgeport, Conn.; C. S. Temple elevated to sales mgr., W. E. Newing to finance mgr., with W. N. Maddox continuing as radio manufacturing mgr. . . . Walter Lukas, ex-Emerson, named CBS-Columbia chief electrical engineer, in charge of all TV projects & components engineering; Martin Perry and Ludwig Zucker, both ex-Emerson, appointed chief radio engineer & chief mechanical engineer, respectively; Harold H. Knubbe promoted to new post of technical asst. to CBS-Columbia engineering v.p. R. T. Capodanno . . . Nicholas De Falco promoted to DuMont gen. mgr. of quality control, reporting to v.p. Stanley F. Patten . . . Wm. A. Henderson Jr. promoted to mgr. of govt. sales of Federal Telephone & Radio (IT&T) . . . Wallace F. Baker promoted to asst. gen. sales mgr., Westinghouse electronic tube div., Elmira, N. Y. . . . Frank J. Moch, pres. of National Alliance of TV & Electronic Service Assns., re-elected pres. of its Chicago affiliate, TESA-Chicagoland . . . Lyle G. Bergmann pro-

moted to Hallicrafters export mgr. . . . R. K. Andras appointed sales director of TV-appliance div., Moffats Ltd., Weston, Ont., Avco of Canada subsidiary and manufacturer of Crosley-Bendix merchandise; A. Peters named gen. sales mgr. for TV-radios, reporting to Andras . . . Herbert Krauss, ex-Steelman Phonograph & Granco Radio, named west coast regional mgr., Majestic International, replacing Harold Ashbach, resigned . . . Joe Delaney resigns as sales mgr. of Cadence Records, his duties assumed by pres. Archie Bleyer.

Radio & Television Inc., which owns the Brunswick brand name but has not been very active in production in recent years, has been appointed exclusive U.S. distributor for an unannounced line of British hi-fi phono-radio combinations, and will also supervise sales and distribution of a line of English-manufactured and other electronic components, according to pres. Herbert L. Weisburgh, just back from London.

Topics & Trends of TV Trade: Licensing of servicemen—good or bad? That controversial question, kicked back and forth on agenda of many trade conventions for at least 5 years, is subject of provocative article in Jan. *Radio-Electronics Magazine* by one who's really qualified to treat the subject — John A. Wheaton, secy. of National Electronic Technicians & Service Dealers Assns. (NETSDA).

Arguments for licensing: "If a licensing law is written correctly and enforced properly, it establishes a minimum standard of qualification of competency; it tends to raise the standards in the service business; it provides an official body to deal with fraud and malpractice; it tends to reduce fraud and malpractice by deterring persons for fear of losing a license."

Arguments against licensing: "Possibility of regimentation; possibility of bureaucratic interference; will not prevent fraud and malpractice; will raise the service costs."

Wheaton says Madison, Wis. has most comprehensive licensing law of any in force, though bill pending in Louisiana legislature would be even more inclusive, requiring all electronic technicians to be licensed. New York City, California, Utah & Tennessee are other areas where licensing bills pend. Of such legislation, he writes:

"All these bills have as their main purpose a desire to serve the public interest; they also express—between the lines—the desire of the electronic service technician to raise the standards of his profession and obtain a measure of prestige which does not exist to any degree at the present time. That many men in the business realize that fact is evidenced by the changing attitude of various industry groups during the last few years." As example of changing attitude, Wheaton notes that NARDA, which once flatly opposed licensing, now takes position that it's a matter for local option.

For guidance to communities or states contemplating licensing legislation, he suggests close scrutiny of N.Y. State licensing law of 1921, which places real estate brokers and salesmen in semi-professional category, and suggests it could be applied to servicemen. It sets up advisory board under Secretary of State and provides for examinations to meet minimum standards of efficiency.

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Monochrome sales of 7,300,000, plus at least 250,000 color, with dollar value probably exceeding this year's \$1.9 billion, are foreseen for 1956 by RETMA pres. H. Leslie Hoffman in year-end statement amplifying predictions to Los Angeles Society of Security Analysts 2 weeks ago (Vol.11:50). They compare with expected 7,450,000 black-&-white, 35,000 color sales this year. He also anticipates "continuing strong" market for radios, particularly auto sets and portables, "with transistor types providing a new stimulant," and predicts transistors will also induce expansion of plant facilities to accommodate increased commercial & industrial uses of all electronic equipment. He estimated total 1955 electronic business at \$9.7 billion, including broadcasting, merchandising & service revenues. This year's factory sales were \$5.5 billion, he said. "Breakthrough of color TV, both in manufacturing and broadcasting" was called "most significant merchandising development" of 1955. "Sales of the large-screen color sets during the fall and early winter indicated that exposure to color programs and sets, rather than price, is the determining factor in public acceptance of this exciting new product," he declared.

Sonora Radio & Television Corp. (Joseph Gerl, pres.), Chicago private-label manufacturer which recently resumed production of own brand, introduces 17-in. portable at \$110; 21-in. open-face console at \$200; 24-in. mahogany console at \$300—all under own label.

DISTRIBUTOR NOTES: DuMont starts factory-to-dealer distribution shortly in Boston, Cincinnati & Dayton as first markets to be served by DuMont National Distributors Inc., formed recently as subsidiary to merchandise directly to dealers in areas where "strong independent distribution" is unobtainable (Vol. 11:38) . . . Admiral appoints Dakota Electric Supply Co., 1017 4th Ave., Fargo, N. D. (V. F. Cole, pres.), taking over Dakota territory from George L. Spencer Co., Minneapolis, which will concentrate on Minnesota; George A. Bodem, founder-chairman of Spencer and its ex-pres., is now electronics div. v.p. of Admiral in Chicago . . . Sylvania appoints new Electric Wholesalers of Florida Inc., 700 E. Union St., Jacksonville, Fla. (F. H. Dendy Sr., pres.) . . . Crosley-Chicago names James G. Koontz gen. mgr. . . Ray Distributing Co., Jacksonville (DuMont) appoints R. M. Everitt gen. mgr. . . Stuart F. Louchheim Co., Philadelphia (Zenith) appoints Kenneth C. Stewart, ex-Wanamaker's, as v.p. & sales mgr., replacing John Mehr, resigned . . . Krich-N. J., Newark (RCA) appoints Murray M. Balis as appliance sales mgr. . . Raymond Rosen & Co., Philadelphia (RCA) reports resignation of James T. Davis as adv. & sales promotion mgr. . . Capehart-Farnsworth appoints A. G. Radio, Philadelphia, for clock, portable & table radios only, Olson & Co. continuing as TV distributor . . . Graybar appoints John Reine as central district mgr., Chicago, succeeding W. E. Guy, retired.

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Federal Trade Commission, as predicted, has rejected RETMA's plea for reconsideration of FTC trade practice rules relating to designation of picture tube sizes and labeling of used tubes (Vol.11:27-28). RETMA had urged that manufacturers should not be required to disclose in ads whether picture tubes are measured horizontally or diagonally, and that tubes incorporating used glass envelopes should not be designated as used if all other components are new. FTC denial said only that rules were in accordance with Federal Trade Commission Act and that modifications "would be contrary to the public interest." Rules go into effect Dec. 28.

TV shipments to dealers totaled 5,987,044 in first 10 months, when production was 6,520,241, reports RETMA in state-by-state release (county-by-county tables available to members on request). They compared with shipments of 5,372,756, production of 5,654,791, in first 10 months of 1954. New York led the shipments with 571,140; California second, 512,903; Pennsylvania third, 385,037. Oct. shipments were 812,312, compared to 1,019,191 in 5-week Sept. and 903,160 in Oct. 1954.

Wilcox-Gay's Chapter XI bankruptcy plan, providing payment of 50% of unsecured claims of more than \$100 over 5-year period, was approved this week by Federal court in Grand Rapids. Control of company, with its subsidiaries Majestic Radio and Garod Radio, was returned to chairman-pres. Leonard Ashbach, with receiver Wadsworth Bissel appointed disbursing agent to supervise payments to Govt. and creditors.

Hearing on price discrimination suit, in which 8 Chicago TV-radio-appliance dealers seek \$11,625,000 treble damages from 12 manufacturers and distributors and 2 big dept. stores on grounds of anti-trust violations (Vol.11:48), has been set for Jan. 17 in Chicago Federal Court.

CBS-Columbia will introduce full new line of TV-radios at distributors convention Dec. 28-30 at Waldorf-Astoria, N.Y. It's one of few manufacturers to come out with full line in winter, nearly all others having fill-in models.

Excise tax collections on TV-radio-phonos totaled \$33,482,000 in 3 months ended Sept. 30, compared to \$21,706,000 in same quarter of 1954, reports Internal Revenue Service.

Electronics Reports: Step-up in military electronics production and development contracts is due next year as preparedness emphasis continues to shift to guided missiles and atom power, and away from conventional weapons. Electronics increase was confirmed this week by Defense Secy. Wilson as he gave preview of Administration's proposed defense budget for fiscal 1957 (beginning July 1, 1956). Highlight of proposal is record-breaking \$1 billion for guided missile development & production, up from current rate of about \$750,000,000.

In addition to increasing defense budget to \$35.5 billion (about \$1 billion over current budget), Administration will seek obligational authority (for long-term production that will not be paid for in fiscal 1957) of \$35 billion, an increase of nearly \$2 billion. Without giving details, Secy. Wilson indicated that electronics would begin to accelerate in the defense picture, by pointing out that new budget curtails orders for conventional weapons and shifts emphasis to research, development & production of such items as intercontinental ballistic missiles, robot aircraft, nuclear-powered ships and aircraft and most advanced types of conventional planes—all leaning heavily on electronics.

Secy. Wilson estimated intercontinental ballistic missile (IBM), capable of carrying nuclear warhead across ocean, might be ready in 5 years.

* * *

"Marked progress" is reported by RCA chairman David Sarnoff in developments of an electronic light amplifier, magnetic tape recorder for TV, high-speed Electrofax electronic printing process, electronic air conditioner, microwave 2-way radio communications for all types of vehicles. But he gives no further details in year-end statement. The 5 important areas in which new advances are being made are listed as transistors, business machines (Bizmac data processing), military electronics, radar, closed-circuit TV. RCA this year will do better than a \$1 billion business for first time in its history, he stated, representing growth from \$1,000,000 just 35 years ago and up 320% from its sales volume of \$237,000,000 just 10 years ago.

New major closed-circuit TV installations: (1) New York Savings Bank, pioneer in closed-circuit TV, has opened new Radio City branch completely equipped with GPL closed-circuit facilities and National Cash Register automatic accounting machinery. Bank says the "electronic teammates" will provide facilities for 333% increase in deposits with only 25% increase in equipment and personnel. (2) New DuMont closed-circuit TV system is used to insure precise control of giant 35,000-ton press at Alcoa's Cleveland works—permitting press operator to see at all times whether press is correctly loaded.

Principles behind light amplifiers and the eventual picture-on-the-wall TV—photoconductivity and electroluminescence—are treated in series of papers in Dec. *Proceedings of the IRE*. Entire issue is devoted to solid-state electronics, with emphasis on topics about which very little has been published—especially on materials which can generate, store or are actuated by light.

Dr. Lee deForest's 23 diaries dating from 1891, when he was 18, to 1949, have been given to the Library of Congress; now 82, he still works at his Los Angeles electronics firm, Lee deForest Inc.

Collins Radio Co., Cedar Rapids, Ia., has purchased Communication Accessories Co., Hickman Mills, Mo., 400-employe manufacturer of toroids, magnetic amplifiers, filters, transformers.

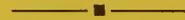
Experimental station with 10 mobile units, to operate on 900.6 & 930.6 mc for purpose of developing mobile services, was granted by FCC to Motorola this week.

ALL-TIME HIGH in electronics production in 1956 was predicted this week end by Commerce Dept.'s electronics experts, who have long record of accurate forecasts. Estimate was contained in Commerce Secy. Weeks' year-end survey of major industries, which indicated that most of them "will continue operating at or close to peak levels through the first 6 months of 1956."

Electronics forecasts were prepared by Commerce Dept.'s Business & Defense Services Administration (BDSA) Electronics Div., headed by Donald A. Parriss. Factory prices of electronic products made in 1956 were estimated at \$6.8 billion, compared with \$6.3 billion in 1955, which equalled previous high made in 1953, and with \$5.8 billion in 1954. Reliability of forecast is indicated by last year's prediction for 1955 of \$6.1 billion (Vol. 11:1), revised at midyear to \$6.2 billion (Vol. 11:27).

Included in estimate are TV-radio receivers, broadcast & radio communication equipment, tubes & electronic components, industrial TV and military equipment such as radar, sonar & guided missile electronic systems. As to TV-radio, Commerce forecast had this to say:

"Expanded color TV [program] schedules are expected to boost the sale of color receivers to better than \$250,000,000 at retail prices," which would work out to about 300,000 sets at average price of \$750. "By the end of the year, automobile and portable radios will be almost wholly made with transistors instead of tubes."



New electronic devices and applications: (1) RCA Labs has developed electronic device to cut down vibration of machines by turning vibration against itself through detecting & amplifying system which responds instantaneously to each motion of machine, either by creating an opposite force or by absorbing the motion; project was disclosed by Dr. Harry F. Olson, director of acoustical & electromechanical research lab, and uses principles similar to those of Olson's electronic sound absorber. (2) Electronic "answer man"—a sort of talking directory for supermarkets, complete with commercials—which tells customers where to find grocery items when they push one of 96 pushbuttons, has been installed experimentally in a Whittier, Cal. supermarket; it was developed by Joseph Muscolino, 348 E. Foothill Blvd., Arcadia, Cal. (3) Electronics helps Canadian experts study habits of herring at Pacific Biological Station near Nanaimo, B.C.; solenoid-operated device automatically picks out fish which had been tagged by govt. biologists the preceding spring.

Strike at Sylvania CR tube plant in Seneca Falls, N.Y. ended Dec. 21 with 3-year contract providing average 15-25¢ hourly wage increase, plus fringe benefits. Workers had been on strike 50 days.

Dr. Oscar Theodore Marzke named director of research, Naval Research Lab, succeeding Dr. Edward O. Hulburt, who Jan. 1 becomes senior scientist for U. S. National Committee for International Geophysical Year of National Academy of Sciences. Dr. Marzke has been NRL assoc. director of research for materials.

Rear Adm. G. H. DeBaun, who before his retirement was in charge of aircraft communications in office of Chief of Naval Operations, named exec. asst. to v.p., Aircraft Radio Corp.

Dr. Edwin G. Schneider, mgr. of Sylvania's missile systems lab, promoted to chief engineer of electronic systems div., reporting to mgr. Henry Lehne and succeeded by Dr. Sherrerd B. Wells, mgr. of lab's electronics dept.

Edwin Vennard, pres. of Middle West Service Co., Chicago, succeeds Col. Howard S. Bennion, retiring, as v.p. of Edison Electric Institute June 1.

Charles E. Steen Jr. appointed v.p.-gen. mgr., El-Tronics Inc., Philadelphia.

Financial & Trade Notes: Westinghouse's sales and earnings this year will be substantially below 1954, primarily because of strike at 40 plants which began Oct. 17, said pres. Gwilym Price in year-end statement. But, he added: "We are confident that our greatly improved production facilities will contribute much to an improved 1956." For 1954, company reported earnings of \$84,594,000 (\$5.06 per share) on sales of \$1.631 billion, compared to \$74,322,000 (\$4.53) on \$1.582 billion in 1953.

In addition to the "adamant and paradoxical stand" of IUE in calling strike (later joined by UE), Price said sales and earnings this year were also adversely affected by cancellation of defense orders, high cost of rapid amortization of new facilities and "extraordinarily heavy" expenditures required to get production started in several new plants. He said:

"Fortunately, most of these problems are behind us. New orders for heavy apparatus booked in 1955 showed a substantial gain over 1954 and our backlog for this equipment is again building up. The \$296,000,000 expansion program begun in 1951 is now completed and the many fine facilities we have built are fully staffed. With resumption of normal operations, we can look forward to an increasing contribution to earnings from these facilities."

He said 6 major facilities were placed in operation or brought to advanced development in 1955, among them the multi-million dollar Westinghouse Research Labs in Churchill Borough, near Pittsburgh; \$12,500,000 jet research & development center at Kansas City; \$7,000,000 expansion of military electronics operations in Baltimore.

Note: IUE-UE strike has idled 55,000 workers in 40 plants, including TV-radio factory at Metuchen, N.J., appliance plants in Columbus, Mansfield & Newark, O., E. Springfield, Mass.; electronics factory in Baltimore. The tube plants in Elmira and Bath, N.Y. are not affected.

* * * *

Webster-Chicago, in distributing year-end dividend of 25¢ Dec. 20, making 40¢ total for year, disclosed net sales of \$24,959,693 (including 1955 govt. contracts of \$7,826,885 and 1954 govt. contracts of \$7,070,716) during 10 months ended Oct. 31 vs. \$23,535,511 in same 1955 period. Net income & special credit totaled \$751,042 (\$1.21 per share) vs. \$349,259 (56¢). Special credit was non-recurring \$364,046 profit on sale of 45 acres of vacant land held in Cook County, subject to \$91,011 capital gains tax. Note: Rumors of merger with Sentinel Radio have been denied, though Webster-Chicago pres. Titus Haffa has discussed subject with Sentinel pres. Ernest Alschuler and is said to be on lookout for acquisition of a TV firm.

Dynamics Corp. of America (formerly Claude Neon) will absorb its subsidiary, Reeves-Ely Labs Inc., as means of simplifying corporate structure and eliminating overlapping expenses. As approved by directors of both companies Dec. 20, and subject to ratification by stockholders at special meetings Jan. 20, plan involves share-for-share exchange of Reeves-Ely common held by minority shareholders (431,574 out of 855,110 common shares outstanding) for new Dynamics \$2 par preferred. Latter will pay \$1 annual cumulative dividends, compared with 20¢ on Reeves-Ely common, and each share is convertible into 2 shares of Dynamics common within next 10 years.

Among shares sold short as of Dec. 15, in anticipation of lower prices, were several electronics and related issues, according to report this week by N.Y. Stock Exchange. Excluding odd-lot dealers, these were the short totals: AT&T, 14,860 shares; Avco, 2940; Consolidated Electronics Industries, 5640; Corning Glass, 7380; General Dynamics, 13,695; GE, 65,196; IT&T, 3549; Motorola, 5630; Penn-Texas, 46,074; RCA, 12,961; Raytheon, 6153.

General Precision Equipment Corp., parent of group of TV, electronic, movie and aviation companies, will report 1956 sales of about \$130,000,000, compared with \$123,332,000 last year, pres. Hermann G. Place told N. Y. Society of Security Analysts this week. Though 9-month earnings were down to \$2.01 a share, Place said he hopes figure for entire year will cover the annual dividend rate of \$2.40 a share. Backlog of orders by end of next year is expected to reach \$160,000,000 and profits before taxes \$10,000,000, he said. GPE announced this week acquisition of majority of outstanding stock of Shand & Jurs Co., Berkeley, Cal., manufacturer of materials used in handling of explosives—whose products range from manhole covers to complex electronic instruments.

Sam Norris, ex-pres. of Amperex Electronic Corp., a unit of Philips of Eindhoven, this week was elected pres. of Nuclear Corp. of America, formed in Sept. through merger of Reo Holding Corp. and Nuclear Consultants and now traded on American Stock Exchange. He replaces Richard H. Keatinge, temporary pres. who continues as a director. This week, also, Louis R. Kurtin, chairman of Nuclear Corp, announced agreement to buy all business and assets of Radioactive Products Inc., Detroit, in consideration of 146,000 Class A shares of Nuclear and disclosed that management is currently engaged in discussions with other companies in nucleonic and related electronic fields looking to acquisitions.

Technical Operations Inc., Arlington, Mass., working on silicon for manufacture of transistors, phosphors, "electronic umpires" for Army field maneuvers, transistorized power supplies for guided missiles, among other items, reports that its fourth fiscal year ended Sept. 30 with gross income of \$615,592 and net profit of \$17,363 vs. \$469,552 & \$10,053 in 1954. Earned surplus was \$34,187 on Sept 30. Firm is headed by pres. Frederick C. Henriques, with Marvin G. Schorr & Eric T. Clarke as v.p.'s; on board is Raytheon v.p. David R. Hull.

Consolidated Electronics Industries Corp. formerly Reynolds Spring Co., which has completed deal to take over \$750,000 Price Electric Corp. (relays) for 25,000 shares of its stock, reports net income of \$861,988 (\$1.30 a share) on sales of \$11,018,537 for fiscal year ended Sept. 30. In preceding year, there was loss of \$202,190 on sales of \$6,824,076. As of Sept. 30, current assets were \$7,546,801, current liabilities \$3,426,769.

Sale of Western Union's international cable system to Textron American Inc. (Vol. 11:28) has been called off and negotiations terminated. Agreement was snagged when Anglo-American Telegraph Co., from which WU rents 5 transatlantic cables, refused to give consent for assignment of lease to Textron.

National Theatres Inc., which owns 143 and leases 193 theatres, grossed \$61,692,000 in fiscal year ended Sept. 24 compared to \$64,497,000 in corresponding 1954 period. Net income for year was \$2,886,000 (\$1.04 per share) vs. \$2,857,000 (\$1.03).

Axe Science & Electronics Corp. mutual fund, reported to have purchased 150,000 of the 690,000 shares of Ultrasonic Corp., Cambridge, Mass., recently issued at \$1 a share.

Electronics Corp. of America has placed \$2,000,000 of subordinate convertible debentures through Eastman, Dillon & Co., proceedings to be used for added working capital required by increased sales volume.

Lear Inc., maker of guided missiles and precision instruments for aircraft, has registered \$3,000,000 of convertible debentures, due Dec. 1, 1970, with SEC, offering to be handled by Smith, Barney & Co.

Defense Dept. got cool reception from FCC in oral argument this week when attorney George Spiegel asked for reconsideration of initial decision approving move of KGEO-TV, Enid, Okla., to new 1356-ft. tower (Vol. 11:37). Case is generally considered bellwether in determining FCC's attitude toward Pentagon's blanket opposition to over-1000-ft. towers. Comments by commissioners—particularly Chairman McConnaughey—indicated feeling that Defense Dept. had had its "day in court" and was seeking to reopen record only because it had been overruled. In another trail-blazing high tower case, Washington Air-space panel postponed until Jan. 17 decision on proposal by WHAS-TV, Louisville, to erect 2000-ft. tower, which would be world's tallest (Vol. 11:47).

FCC's "tough" policy on uhf grantees—that of grant-no extensions of CPs beyond Jan. 16 unless construction has started—should be relaxed, Uhf Industry Committee urged in petition this week. Petition states that wholesale cancellation of uhf CPs Jan. 16 or immediately thereafter would have extremely depressing psychological effect; that there are other uhf channels available in most cities where CP-holders are marking time, so there are very few "squatters" on channels that are in demand, etc. Commission's current policy was adopted last June 9 (Vol. 11:24) on theory uhf grantees ought to get busy or get out.

Microwave to bring signals of KUTV, Salt Lake City, to new community antenna system in Elko, Nev. was granted by FCC this week to dentist Dr. Wilbur J. Fahden and accountant John E. Griffin, db/as Television Microwave. Estimated cost of Raytheon 6062.5-mc equipment is \$18,643, annual operating cost \$8106. Antenna operator TV Transmission Inc. has agreed to pay \$10,800 annually.

Sale of WBUF-TV, Buffalo (Ch. 17) to NBC (Vol. 11:11, 26, 39) should not be held up pending hearing on protest of WGR-TV (Ch. 2), FCC ruled this week. Commission accepted WBUF-TV's assertion that losses would force it off air Dec. 31 unless sale goes through; that it couldn't keep going indefinitely while waiting for final decision on protest hearing.

Conference of presidents of state broadcasting associations has been called by NARTB pres. Harold E. Fellows in Washington Feb. 21. It's to discuss ways of increasing joint projects of NARTB and state groups on sports, freedom of information, legislation, public service campaigns.

Satellite application for Hagaman, N. Y., Ch. 29 (allocated to Gloversville), was filed this week by WROW-TV, Albany (Lowell Thomas group). [For further details, see TV Addenda 21-X herewith.]

A Christmas card we didn't receive—but which is being circulated among the movie folks this season—bears this greeting in Old English letters: "Help Stamp Out TV!" This brings to mind a poster, which was originated recently as a gag in the offices of a large receiving tube manufacturer and has since been copied and reproduced elsewhere in the industry. It pictures a large booted foot about to tramp on a tiny 3-pronged object, and the legend reads: "This Is Your Fight—Help Stamp Out Transistors!"

Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1955 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. 5. Price: \$25 per volume.

FCC rules affecting applications and hearings were amended in 2 substantial changes this week: (1) Effective Jan. 1, Sections 1.387 & 1.724 are changed to permit a party to file a competing application for 10 days following the date on which an earlier application was designated for hearing. Previously, rules required an applicant to file 60 days before hearing was to begin before he could get into hearing; danger in this was that a prospective applicant might be frozen out of a hearing unfairly. (2) Effective immediately, new Sec. 1.370 was added to specify that no application for new station or for change of site, height or power will be acted upon for 30 days after public notice is given that application was accepted for filing. FCC has had 30-day rule-of-thumb from which it sometimes departed; new rule makes 30-day wait certain.

Actor Bing Crosby, George L. Coleman & Kenyon Brown this week secured ownership of KFEQ-TV, St. Joseph, Mo. (Ch. 6) & KFEQ when FCC approved transfer from Barton Pitts to their newly formed Midland Bestg. Co., of which they're co-equal owners (Vol. 11:34, 47). Price was \$550,000, plus assumption of \$200,000 bank loan and current liabilities. Approval brings Crosby back into TV ownership. With Coleman and Brown, he had shared ownership of KMBY-TV, Monterey, Cal., sold it earlier this year for \$230,000 to owners of KSBW-TV, Salinas, with which station had shared Ch. 8 (Vol. 11: 16). Brown is selling his 1/3 interest in KWFT-TV, Wichita Falls, Tex. (Ch. 6) to Grayson-Levine group (Vol. 11:46, 49).

"Commprovision" plan of running closed-circuit cabled "stations" in small communities (Vol. 11:8, 31) looks as if it's ready to move forward, having acquired source of programs. ABC-TV this week announced signing contract with Trans-Community TV Network Inc., 141 El Camino Drive, Beverly Hills, Cal. (Jack Gross, chairman; Jerome L. Doff, pres.) to provide it with kines of virtually entire ABC-TV schedule. Trans-Community has been dickering with other networks for similar arrangement, at same time seeking to interest community antenna operators. It states it has lined up several system operators, particularly in western states, hasn't identified them.

TV DX-ing has become quite a hobby—and 1955 was a "banner year" for long-distance reception, according to Jan. *Radio-Electronics Magazine*, which lists 67 fans who have logged 50 stations or more, including 3 who have picked up more than 200. At top of list is Robert Seybold, Dunkirk, N.Y., with 259 stations to his credit (including 28 uhf), most distant of which was 4900 mi. His DXs include stations in 45 states and 6 countries.

Relief for FM operators was granted by FCC this week in form of rules amendment exempting them from requirement that they broadcast 5 hours Sundays; 36-hour weekly minimum was retained. Action came on petition of New York's WHOM-FM, which noted that AM stations are exempt from the Sun. rule and that Sun. broadcasts require overtime pay.

Novel idea was thrown into subscription-TV situation this week by organization calling itself "Adfre TV International Ltd." (L. W. Mallett, exec. v.p.), Portland, Ore. It submitted 5-page document to FCC, claiming development of an "induction" method of fee-TV, warning that other toll systems "increase the present dangerous radiation or X-ray factor of the receiving set."

"For Freedom and Peace" is slogan now used by Voice of America in all English and some foreign language station identifications. It was first proposed by RCA chairman David Sarnoff in memorandum to White House. Voice of America director J. R. Poppele said constant repetition of the words would help convey truth about U. S. policies and goals.

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SUMMARY-INDEX OF THE WEEK'S NEWS — December 31, 1955

CRYSTAL BALL FOR 1956 shows fabulous prospects for all facets of TV, though not many more new stations, muddled FCC & Congressional situation (p. 1).

EDUCATIONAL TV PUSHES programming as next phase of its development, following \$6,493,840 Ford Foundation grant; 7 more stations due in 18 months (p. 4).

TV IS TOP NEWS MEDIUM for Detroit public during newspaper strike, according to poll financed by 3 struck newspapers; stations step up newscasts (p. 5).

100 MORE AM STATIONS than TV starters authorized by FCC during 1955. Total of 2941 AMs at year's end, up 159. New AM-FM Directory out soon (p. 6).

SALE OF RKO BACKLOG of 740 features & 1000 shorts to Matty Fox's C&C Television followed by release of 140 Columbia movies to Screen Gems for TV (p. 6).

EVANSVILLE'S Ch. 7 goes to Rex Schepp, while court affirms grant to WXEX-TV, Richmond-Petersburg, but sends Beaumont Ch. 6 case back to FCC (p. 7).

TV FILM PRODUCTION has reached plateau, survey shows, with no increase for 1956. Number of shows drops, reflecting small syndicators' troubles (p. 8).

TRADE'S OUTLOOK FOR 1956 indicates continued upswing, with production and sales of 7,500,000 TVs, firm-to-higher prices, expansion of portables (p. 11).

PROBE OF PARTS DISTRIBUTION may be started soon by Senate subcommittee if current exploratory inquiry uncovers evidence of "economic concentration" (p. 13).

CLOSED-CIRCUIT TV for industry, business and education to blaze trail in 1956; total installations to be doubled or tripled within year (p. 14).

STANDARD & POOR'S forecasts 1956 earnings to "at least equal" 1955. Sylvania sales exceeded \$300,000,000, Mitchell also predicting good year ahead (p. 15).

NBC TAKES OVER WBUF-TV, Buffalo, plans to make it "uhf showcase." FCC approves Westinghouse-NBC swap of Philadelphia-Cleveland TV-radio stations (p. 10).

ODESSA, TEX. VHF is last of 59 new starters in 1955, making 459 on air. Nearly dozen say they plan January debuts; 6 others due by spring (p. 10).

SPLIT IN FCC on allocations philosophy to be explored at Jan. 17 Senate hearings, with each Commissioner asked to give individual views (p. 16).

FABULOUS PROSPECTS FOR THE NEW TV YEAR: "What's past is prologue," according to Shakespeare -- and so our customary year-end stock-taking, as TV embarks on its 10th commercial year, will seek to equate what may be ahead with what has just ended.

What impresses us most about the new-year prospects is that 1956 is a presidential election year, and an unusually important one; that the power, prestige and responsibilities of TV will be recognized as never before; that the public's attention will be riveted to the medium; that Congressmen, concerned with the cost and importance of TV campaigning, will make great demands on the industry.

But aside from political and social aspects, here is a quick glimpse of the basic industry as it enters its 10th commercial year -- for TV really can date its business beginnings from the 16 stations that were on the air in 1947, when a mere trickle of 178,571 receiving sets reached the market:

New Year begins with nearly 37,500,000 TV sets in use. All but 4,000,000 are in the nation's 47,500,000 households. That compares with sets-in-use figure of 33,500,000 at start of 1955. Replacements and second sets are now big factors in keeping assembly lines rolling to tune of at least 7,000,000 new sets a year, and it's unlikely that more than 3,000,000 new TV homes will be added during 1956. Rate of new stations going on air decelerated to mere 59 during 1955, and present total of 459 on air is not likely to increase by more than a few dozen in 1956.

The business of telecasting has ended its first \$1 billion year, representing about 12% of the national advertising budget -- and 1956 will be even bigger. Public expenditures for TV receivers, parts & servicing accounted for \$3.28 billion in an "electronics economy" figured at nearly \$10 billion (at factory levels, mainly) and due to achieve \$10.8 billion in 1956 and to double itself during the next decade.

Now for the particulars. What's ahead for 1956? Without claiming to be soothsayers -- though we haven't done too badly in our previous steps out on the

limb -- we offer these summaries of the best thinking of the editors of Television Digest with Electronics Reports, each in his specialty, as we prepared to launch our Volume 12 in the 11th year since we began publication on Sept. 1, 1945. (Several categories are dealt with separately in this issue. For roundup on Trade Prospects, we refer you to p. 11. For Educational TV, see p. 4. For Industrial TV, see p. 14. For Electronics in general, we can't improve on the reports in Vol. 11:47 & 51.)

* * * *

ADVERTISER EXPENDITURES ON TV: Lumping time, talent, production & all other costs, we estimated last Sept. (Vol. 11:39), projecting forward the McCann-Erickson estimates for Printers' Ink, that the 1955 figure would total \$1,050,000,000 out of Printers' Ink-predicted \$8,750,000,000 for all advertising, or about 12%. The 1955 TV breakdown was: network, \$525,000,000; spot, \$275,000,000; local, \$250,000,000. (For 1954, figures were: network, \$417,900,000; spot, \$205,200,000; local, \$180,500,000 -- total of \$803,600,000, or 9.8% of the national budget of \$8,164,100,000.)

We see no reason for changing our 1955 guesstimate. As for 1956, we don't feel we're going too far out on the proverbial limb in accepting the Television Advertising Bureau's estimate of a 30% increase across the board. For one thing, there are more stations, bigger networks, higher rates. For another, TvB tells us that a Nielsen survey covering national spot alone shows 909 new brands using TV spot in final 1955 quarter as against preceding quarter; and that a forthcoming report will show 3300 different companies now using TV advertising nationally or regionally.

Accordingly, we expect \$1,360,000,000 to be spent by all advertisers on TV in 1956 -- going to: networks, \$700,000,000; spot, \$360,000,000; local, \$300,000,000. If the national advertising budget goes up to \$10 billion, as some confidently feel, that would mean 13.6%. TV will continue to be the fastest growing of all media.

Note: 1956 being a national political campaign year, it's expected that up to \$10,000,000 may be spent by the parties and candidates, on national & local levels, in buying TV time. Republican National Committee has already earmarked \$1-\$1,500,000 (Vol. 11:42), Democrats haven't yet said. In 1952, Republicans spent \$1,643,909 on TV nationally, Democrats \$1,303,916 (Vol. 9:1); there were only about 112 stations and 20,000,000 sets in use at that time.

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NEW STATIONS: 59 went on the air in U.S. during 1955 (only 6 uhf, 2 of them educational) as against 101 starters in 1954. Though 165 CPs are still outstanding, including 127 uhf (of which 35 are stations that have left the air but retained CPs), it's our considered opinion that the majority of the 92 new uhf CPs will never be built, that most of the 35 off-air won't return, that 1956 will see relatively few of the 151 new-station applications (22 uhf) processed through to construction. In a word, it will be surprising if as many as 50 new stations start in 1956 -- a more likely figure being 25-30. (For the scant 15 we expect to start in early 1956, based on fact they have equipment on hand or ordered, see story on p. 10.)

Year thus ends with 459 stations on air in U.S., 32 in Canada, 8 of latter having started in 1955. The year just ended saw 21 uhf stations quit operating, for economic reasons, making total of 53 to date. Two resumed operation in 1955 -- Norfolk's WTOV-TV (Ch. 27) & Fairmont, W. Va.'s WJPB-TV (Ch. 35) -- but we don't venture to predict how many more will quit during 1956. There should be fewer, however, because more of the 103 uhf stations operating are now in the black.

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ALLOCATIONS: The face of the industry, in terms of station facilities, will remain unchanged during the year. There's a slight possibility that FCC will initiate changes that will produce results in future years. Most probable of these is a change in vhf standards -- separations, powers & heights, directionals -- to permit modest increase in number of vhf stations in major markets. Wrangling in Commission, courts and Congress will reach a new peak -- but upshot will be no radical change. Big guns are essentially on side of the status quo. Chances are against acquisition of more vhf channels from Govt. -- and chances of their being used this year, if finally earmarked for TV, are nil.

FEDERAL COMMUNICATIONS COMMISSION: George McConnaughey's designation as chairman expires in March, and probability is he will get post for another year -- though there's possibility it will be rotated to Comr. John Doerfer. Comr. Webster, independent career man whose term expires June 30, faces opposition to reappointment from Democrats who would like third member of their party on Commission -- but he has a lot of friends and stands good chance of reappointment.

"Hands off" philosophy will continue, regardless of any membership changes, except, paradoxically, in the field of programming. Comrs. Doerfer & Lee will retain lead in fighting "overcommercialization," misleading commercials and what they've often criticized as program "imbalance".

There will be more care and caution in writing decisions -- Commission finally getting "court-shy" after having been bruised repeatedly by U.S. Court of Appeals. Network study staff will begin to dig into job -- but whole effort is in jeopardy until Congress definitely appropriates more funds for fiscal year starting July 1.

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CONGRESS: Hearings on uhf, allocations and networks -- due to be started Jan. 17 by Senator Magnuson's Interstate Commerce Committee -- are aimed at putting FCC on the spot, forcing definitive action on uhf problems. To what degree they succeed will depend upon the vigor with which the Senators and new staff director Kenneth A. Cox actually push the inquiry.

No major TV legislation is likely to emerge from Congress next session, but the outcries on Capitol Hill, the political pressures, will inevitably have their effect on the FCC -- always sensitive on that score. In an election year, which will see unprecedented use of TV, there will be more attention than ever before to cost of time and availability of stations to the politicians, with more hearings possible.

Attempts to revive excise tax exemptions for uhf-equipped sets will fail.

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PROGRAMS: TV's "golden age" will extend into 1956, with networks reaching in all directions for programming to astound and bewilder the critics of free TV. Key will be the 90-minute spectacular -- of which there will be more in 1956 than 1955 -- with no entertainment prospect left unturned.

There will be more Broadway dramas, more original plays and musicals, more good movies, more daring departures from tradition. Spurred by success of "Peter Pan" and the "Sleeping Beauty" ballet, spectacles will reach to higher-dome levels and will offer more classics, more operas, more ballet, Shakespeare, etc. and will occasionally burst their 90-minute confines to 2 hours and more.

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FILM: Resurgence of the feature film in TV, which started in 1954 with the General Teleradio "Million Dollar Movie" package, was accelerated in 1955 by first regular network presentation of feature movies -- ABC-TV's Sun. night "Famous Film Festival" package of J. Arthur Rank first-on-TV titles. In 1956, big new batches of features, some of them top-notch and some not too old, will really hit the TV channels. Included will be first of RKO backlog, some distributed nationally by General Teleradio and the rest syndicated by Matty Fox's C&C Television (see p. 6); new daily ABC-TV Rank series; NTA's Selznick package; Screen Gems' Columbia features.

Other movie majors will re-evaluate their plans for TV release of oldies, watching closely what happens to the RKO package. TV film syndication will continue to be buyers' market, with big distributors increasing dominance over field -- and better selection of new and repeat film series than ever for stations and sponsors.

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COLOR: Growth will be steady, not spectacular -- unless there's startling technological development, perhaps a true invention, to produce good receivers to sell for \$400 to \$500. Total production and sales should run between 200,000 and 300,000. Color programming will grow in quality and volume, NBC alone promising to increase from current 40 hours per month to 80 hours (Vol. 11:45).

Color will be thrust more and more into public awareness so that by year's end production and sales should be going at good clip even if there's little price

drop. RCA will remain far-&-away the leader in color, but others will join in -- so that by end of year quite a few more manufacturers will be termed "active in color."

Number of stations able to originate color, now only a few dozen, will increase gradually -- but programming burden will still rest primarily on the networks. CBS is keeping foot-in-door in color, but has indicated it won't extend itself until and unless there's an obvious boom in sets. ABC has no immediate color plans.

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SUBSCRIPTION TV: For the first time in our annual predictions, we're willing to venture that the FCC will finally dispose of the issue -- by turning it down, or tossing it into lap of Congress. Tide of public opinion has been turned strongly against the concept. Most influential TV and movie industry forces are in vigorous opposition. The 3 system proponents stand pretty much alone now, with scarcely the weight to change the trend -- yet happily enjoying the benefits of last year's tremendous publicity. Congress will probably get into the act, generating a little temporary heat -- but ending up by doing nothing about it.

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COMMUNITY ANTENNAS: They will hold their own, but expansion will be modest; there are approximately 400 systems in operation now. It will be year of battles on more fronts than ever -- but well-established systems will continue to do well, despite legal or illegal boosters, dealings with govt. agencies, and the opposition of some telecasters. It's a bigger business than at first apparent (see TV Factbook).

EDUCATIONAL TV REACHES FIRST PLATEAU: Bolstered by the recent \$6,493,840 grant from Ford Foundation, educational TV forces are reorienting themselves to place greater emphasis on programming -- satisfied that the concept of educational TV has gained acceptance and that the 18 stations now on air represent a base on which to build.

Ralph Steetle, exec. director of Joint Council on Educational TV, created by Ford with \$140,000 allocation (Vol. 11:51), says this of next phase of its growth:

"We have 2 basic objectives next in sight. First, we have to strengthen the stations on the air through better programming. For the purposes of educational TV, that doesn't necessarily mean programs that will have mass audiences, high ratings or shows with large entertainment quotients. We want shows that are instructional, but that doesn't mean they can't be entertaining at the same time.

"Secondly, we have a public relations goal. We have to spread the word about the success of those stations -- tell how they overcame their problems and just what their most successful activities are. In the past, we haven't been able to do this because we haven't had many station successes. The stations were struggling to get on the air and stay on the air, once they had gained community acceptance. But we have attracted community leaders in various localities to carry the public relations ball -- meaning fund-raising in some cases -- so I feel we're ready for Step 2."

(For list of educational stations on air, see p. 5.)

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Steetle expects another 7 educationals on air in next 18 months, most immediate being KRMA-TV, Denver (Ch. 6); WKNO-TV, Memphis (Ch. 10); KETA, Oklahoma City (Ch. 13). These will be followed by New Orleans, where Greater New Orleans Educational TV Foundation has applied for Ch. 8, and Minneapolis, where Ch. 2 will be applied for shortly by citizens' group. Also due in 1956 or early 1957 are Atlanta, where school system has applied for Ch. 30, and Nashville, where Nashville Educational TV Foundation has applied for Ch. 2.

Whether educational TV forces are correct in their conviction that public sentiment is now ranged on their side, remains to be seen. Legislatures in several states are still balking at appropriating public funds for educational TV, however zealous they may champion the concept. Most significant example of recalcitrance is N.Y., where only last week the board of regents of U of the State of New York, holding CPs since 1952 for 8 uhf stations in as many cities, appealed anew to state legislature for \$975,000 with which to build at least in New York City & Albany.

Danger that FCC may be induced to withdraw all or some of the 67 unused vhf

educational channel reservations, antagonism of the commercial broadcasters, apparently rouse no fears among the protagonists of educational TV stations. They doubt Commission will take away any of the channels, though admitting that there isn't the proverbial Chinaman's Chance that most of them will be claimed within the next generation. They're inclined, as one put it, to regard present Commission as "passively friendly" because it might be "political dynamite" to tamper with their channels.

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Closed-circuit systems are serving purposes of educational TV exceedingly well, allowing educators lots of time to make preparations for their stations, perhaps even serving as long-term substitute for educational outlets. JCET list of 60 school & college installations, plus 8 instructional TV systems at military posts (Vol. 11:49) was a conservative estimate, based on preliminary compilation. Southern Regional Education Board, in Dec. 15 comments on FCC allocations proposals, says its area has 9 closed-circuit operations not listed by JCET. They're in U of Arkansas, Florida State U, Mississippi Southern, U of Florida, U of Georgia, Medical College of Charleston, U of Tennessee, Texas Tech, Western Texas State Teachers College.

Industrial TV manufacturer Kay Lab also lists additional closed-circuit installations at U of Arizona, U of California at Santa Barbara, Stanford Research Institute, U of Denver Research Institute, New Mexico A. & M., Johns Hopkins U, Notre Dame, U of California at Berkeley. There are undoubtedly others.

WHO SAID TV ISN'T A GOOD NEWS MEDIUM? All this talk about TV not being so hot as a medium for newscasting gets an eloquent answer in survey conducted by Market-Opinion Research Co. for the Detroit Free Press, News and Times, which have been shut down since Dec. 1 by a strike of mechanical workers. One thousand random Detroiters were asked: "Where are you getting most of your news?" Their replies, based on number of times each source was mentioned: TV, 79.3%; radio, 62.2%; Detroit Reporter (strike-born union newspaper), 20.7%; neighborhood newspaper, 12.4%; other, 3.1%.

Detroit TV stations have always gone in heavily for news (big Cunningham Drug chain being a prime buyer of time for that purpose) and newscasts have been stepped up during strike, of course. And with Detroit metropolitan area's set saturation around 93% (ARB, March 1955) -- it would appear that set owners like what they see and hear, for they're keeping those sets tuned in. It's estimated that the average family has TV set turned on nearly 40 hours a week, so it's natural that newscasts should get a proportionately higher share of the increased viewing.

Television Bureau of Advertising tells us this finding jibes with Nielsen survey showing that 7 out of 10 TV homes regularly listen to news on their TVs. Lest the telecasters become too cocky, though, the poll also showed that 97% of those interviewed said they would go back to reading the same newspapers as before when the strike is over; only 1.4% said they would not; 1.6% said don't know. After New York newspaper strike of late 1953, when TV stations also reaped rich harvest of new accounts, including dept. stores (Vol. 9:49-50), newspapers quickly regained their circulation and advertisers; there's no data available on how many newly acquired advertisers stayed with TV, which has been consistently up since then.

Educational stations on air (see p. 4), in order of starting dates: KUHT, Houston (Ch. 8); WKAR-TV, E. Lansing (Ch. 60); WQED, Pittsburgh (Ch. 13); WHA-TV, Madison (Ch. 21); KQED, San Francisco (Ch. 9); WCET, Cincinnati (Ch. 48); KETC, St. Louis (Ch. 9); KUON-TV, Lincoln, Neb. (Ch. 12); KCTS, Seattle (Ch. 9); WTIQ, Munford, Ala. (Ch. 7); WUNC-TV, Chapel Hill, N. C. (Ch. 4); WGBH-TV, Boston (Ch. 2); WBIQ, Birmingham (Ch. 10); WILL-TV, Champaign-Urbana (Ch. 12); WTHS-TV, Miami (Ch. 2); WTVS, Detroit (Ch. 56); WTTW, Chicago (Ch. 11); WOSU-TV, Columbus, O. (Ch. 34).

Important document: Kiplinger Letter for Dec. 24 is devoted entirely to Population, contains invaluable data for marketers, can be had for the asking by writing Kiplinger Washington Agency, 1729 H St. NW, Washington.

1956 AM-FM Station Directory

ALL SUBSCRIBERS to the full TV-AM-FM services of *Television Digest* will, toward the end of January, receive copies of our *1956 AM-FM Station Directory*, revised to Jan. 1. The new directory lists not only all North American AM-FM Stations by States and Cities (with company names, addresses, frequencies, powers, FM antenna heights, network affiliations) but also includes lists of AM & FM stations by frequencies, AM & FM applications by states & frequencies pending as of Jan. 1, AM & FM stations alphabetically by call letters. It's the only handy volume of its kind, and carries no advertising. Extra copies, if pre-print orders for 10 or more are placed by Jan. 10, cost \$5.00 each; single copies \$7.50.

2941 AM STATIONS, 557 FMs AT YEAR'S END: Radio stations continue to increase -- and 159 new ones were authorized by the FCC during 1955, or exactly 100 more than there were new TV starters (see p. 2). A statistical recapitulation of our soon-off-press 1956 AM-FM Directory reveals once again that the oft-predicted decline in AMs hasn't materialized. The drop in FMs has been slight, too.

Actual figures are these: AMs authorized at end of 1955 total 2941, of which 2814 were licensed and on the air and 137 are still CPs. On same 1954 date, total was 2782, of which 2662 were licensed and on the air and 120 were CPs. Thus there hasn't been a year since the wartime freeze ended that AM didn't add to its ranks: At end of 1953, total was 2644; 1952, 2516; 1951, 2410; 1950, 2351; 1949, 2246; 1948, 2131; 1947, 1961; 1946, 1579; 1945, 1056. Most of newcomers are local or daytimers.

FM grantees total 557 at end of 1955, of which 536 are on air; year ago, the total was 583, with 549 on air. During 1955, FM licenses dropped numbered 36, with 2 CPs turned in. At end of year, 17 applications for new FM stations were pending.

The 1956 AM-FM Directory (loose-leaf and punched for binding, carrying no ads, cost per extra copy \$7.50) also lists all applications for new AM stations pending as of end of 1955. These total 222, as against 174 year before. Dropped during 1955 were 7 AM licenses, 11 CPs.

Directory logs all North American radio stations. Canada's AMs increased to 201 from 197 during the year, Mexico's to 454 from 443, Cuba's to 139 from 135 -- all listed, as are the U.S. & Canadian, with addresses, facilities, etc.

A **ACQUISITION** of entire RKO backlog of 740 features and more than 1000 shorts by C&C Super Corp., holding company whose principal owner is Matty Fox, is not only biggest films-to-TV deal in history—but it has implications which will be felt strongly throughout the TV, film distribution and movie industries.

Ink had hardly dried on RKO-C&C pact when Columbia Pictures wired TV stations Dec. 30 notifying them that it was releasing 104 new-to-TV feature pictures through its Screen Gems subsidiary. It gave no further details, but Screen Gems is expected to make titles available in week or so.

Opening of the RKO floodgates means TV audiences will be treated to more feature films than ever before—including some top hits of past 20 years (see titles below)—some of them probably destined to wind up on the networks a la ABC-TV's *Famous Film Festival* and *Afternoon Film Festival* (which both use J. Arthur Rank's British backlog). It means, eventually, a fresh flow of feature films for station use.

To distribution industry, it means far tougher competition in feature film field—including retirement of many played-out-on-TV movies. It sets up a new colossus in the TV feature film field—C&C Television Corp., headed by Matty Fox, which will own the 740 RKO features plus about 640 features owned by Fox's Western Television, now merged into C&C (currently being distributed by Guild Films). Fox said he will soon announce "unique" method of film distribution.

To movie industry, it means new competition at box-office from TV with Hollywood product. Perhaps more important, it's causing movie moguls to re-examine any plans they might have for sale-to-TV of their backlogs. Will this mean a glut on the market, depreciating values of films held in vaults? Or is now the time to let loose, before other studios get into the act? It also means more product for nation's theatres, since RKO Teleradio will earmark the \$15,200,000 received for the films to revive

theatrical film production (and start TV film production) at RKO studios.

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Principal terms of the complicated deal, signed last week end and revealed this week:

(1) C&C "leases in perpetuity" from RKO Teleradio the entire backlog of RKO films produced through July 24, 1955; originally produced at cost of \$750,000,000, it's estimated they would cost at least \$1.3 billion if produced today.

(2) C&C's rights include TV distribution in U. S. & Canada as well as foreign theatre and TV rights and world 16mm rights, including U. S. Exempted from its U. S. rights to the features are the 6 markets in which General Teleradio owns TV stations—New York, Los Angeles, Boston, Hartford, West Palm Beach, Memphis—where GT will handle distribution to its own stations.

(3) C&C gets rights to about 80% of films immediately, the remainder after they complete 3 years of theatre showings—with one important exception: General Teleradio has right to pick out any 150 pictures and sell them to national sponsor for one TV showing, with rights to them reverting to C&C in 24 months whether or not they are sold by General Teleradio. GT is not permitted to sell them to stations. RKO retains story rights to all the pictures and can remake any of the 740 for theatres.

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Here's how General Teleradio will come out on its \$25,000,000 purchase of RKO Pictures 5 months ago from Howard Hughes: It has recovered \$15,200,000 of its investment from sale of backlog to C&C—this amount believed to be tax-exempt because RKO has tax loss carry-forward estimated at about \$15,000,000 and because sale to C&C has been classified as "lease." The 6 markets in which General Teleradio has reserved rights to sell the films to its own stations (at \$5,000,000) are expected to realize at least \$8,000,000. It retains all RKO studio properties estimated at \$5,000,000. It receives theatre income from all RKO pictures still in distribution, plus the unreleased *Jet Pilot* and *The Conqueror*, which have 3 years to run before reverting to TV—latter carrying an unamortized value of \$7,500,000. In addition it has the

national first-run TV rights to 150 of the films, value of which should run well into millions.

Fox's C&C TV Corp. should come out all right, too. He estimates that his \$15,200,000 investment would bring total return of \$43,000,000 within 5 years—including \$30,000,000 from U. S. TV and \$13,000,000 from foreign distribution, mostly in theatres. One report said he had already contracted for distribution of less than half of the films at nearly \$15,000,000. Another report said International Latex (owned by Stanley Warner Theatres) was planning to sponsor some of the films on 170 stations.

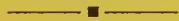
* * * *

C&C paid \$12,200,000 cash for the package—\$9,200,000 borrowed from First National Bank of Boston and \$3,000,000 from Irving Trust Co. Remaining \$3,000,000 will be paid out of earnings as it comes due within next 24 months.

Fox was founder and president of Motion Pictures for TV Inc., and later of Western TV, owner of largest collection of feature films for TV. By bartering feature films for station time, he accumulated \$10-\$15,000,000 worth of station time credits. C&C Super Corp., headed by Walter S. Mack, producer of canned soft drinks and owner of big Nedick's lunchroom chain, last June bought Western TV—reportedly principally to obtain the station time for a TV campaign for its soft drinks. Fox emerged as principal stockholder in C&C, whose directors include real estate magnate Wm. Zeckendorf and Gen. James A. Van Fleet.

Simultaneously with announcement of RKO feature sale, Fox announced he had sold his interest in United Artists Pictures—a move obviously aimed at forestalling reprisals by theatre owners.

Among pictures included in sale: 9 Fred Astaire-Ginger Rogers musicals, 7 Jane Russell films, *Hunchback of Notre Dame* (Charles Laughton), *Abe Lincoln in Illinois* (Raymond Massey), *Citizen Kane* (Orson Welles), *Little Minister* (Katharine Hepburn), Frank Buck's *Bring 'Em Back Alive*, *Gunga Din* (Victor McLaglen), *Kitty Foyle* (Ginger Rogers), *The Sea Around Us*, etc.



Film sale oddity: A TV film producer is disposing of its film backlog, with 2 of the bidders said to be major movie studios. Involved in negotiations to sell some 115 TV films for about \$2,000,000 is Four Star Productions, owned by Dick Powell, David Niven & Charles Boyer—producer of *Four Star Playhouse*, *Stage Seven*, *Cavalcade Theatre*, etc. Unidentified bidders are said to include the movie studios, 2 TV networks and 2 TV film distributors. Four Star's acting pres., Hollywood attorney Wm. A. Cruikshank, said of the sale: "It was a question of whether the stockholders will profit most from an assured price now or from stringing out returns [through syndication] over the future years."

Movie shorts are finding their way to TV in ever-increasing numbers. In addition to the 1000-plus RKO package, these deals are now in various stages: Paramount is about to complete sale of 1600 shorts to UM&M Inc. for \$3,500,000 (Vol. 11:46). CBS is buying all assets of Paul Terry's Terrytoons Inc.—including an 1100-cartoon backlog—for a price reportedly near \$5,000,000. (3) Trans-Lux Pictures has acquired entire library of Encyclopedia Britannica Films for TV and theatrical distribution and is expected to concentrate on merchandising the 700 shorts—many in color—to TV.

Report on TV & motion picture instruction in American colleges will be prepared by Society of Motion Picture & TV Engineers' new Committee on College Motion Picture & TV Curricula, headed by Desmond P. Wedberg, editor of *Film* and *A-V World*.

ANOTHER "BIG" VHF decision—big in sense it was involved in deintermixture proceedings—was rendered this week when FCC granted Evansville's Ch. 7 to Evansville TV (Rex Schepp), turning down local WGBF. Uhf operators will undoubtedly go to court and ask for stay, as did those in Madison this week when they petitioned court to hold up CP granted WISC (Vol. 11:51).

Commission's principal grounds for preferring Schepp were ownership-management integration (he'll run station) and diversification—WGBF principals owning AMs in Evansville, Terre Haute & East St. Louis.

Comrs. Hyde & Bartley again dissented, as they did in Madison and Corpus Christi cases, on same grounds, i.e., that grants should be withheld until allocations rule-making is concluded (Vol. 11:50-51). Comr. Mack abstained from voting.

Court of Appeals rendered 2 decisions, meanwhile—none in deintermixture cases—involving comparative vhf decisions. In Richmond-Petersburg Ch. 8 case, court declined to upset grant to Tom Tinsley's WXEX-TV, now on air—merely said: "We do not find that the Commission ignored factors that required consideration or acted arbitrarily in choosing between the applications." Judges were Edgerton, Miller & Washington.

In Beaumont Ch. 6 case, however, which resulted in grant to Darold Cannan's now-operating KFDM-TV, court ordered Commission to reopen record to consider events which occurred after grant was made Aug. 4, 1954—but it didn't order KFDM-TV off air. FCC had granted KFDM, turning down KRIC & KTRM. KFDM and KTRM principal W. P. Hobby (*Houston Post*-KPRC-TV) then agreed to transfer grant to new corporation in which KFDM would have 62½%, Hobby 32½%. Court accepted KRIC argument that Commission should reopen record to take into account this agreement—particularly since one of FCC's major reasons for turning down KTRM in first place was "concentration of mass media" in KTRM-Hobby tieup. Judges were Bazelon, Fahy & Danaher—Danaher dissenting.

If there's any true trend in recent court decisions, it seems to be this: (1) FCC must be extremely meticulous in giving everyone fullest consideration in administrative procedures. (2) Court won't substitute its judgment for FCC's in comparative cases on general merits not involving "diversification" issue. (3) Court is inclined to horn in if it feels Commission is ignoring diversification.

Among other FCC actions this week: (1) Examiner Thomas H. Donahue issued initial decision denying protest of radio KSEM, Moses Lake, Wash. against grant of satellite KBAS-TV, Ephrata, Wash. (Ch. 43) to KIMA-TV, Yakima, Wash. (Ch. 29). He doubted that satellite would prevent establishment of local TV station in area. (2) Commission set Feb. 29 for start of hearing on protests against recent purchase of off-air WLBR-TV, Lebanon, Pa. (Ch. 15) by Walter Annenberg (WFIL-TV, Philadelphia, et al.). Protesting are uhfs WHP-TV, WTPA & WCMB-TV, Harrisburg; WHUM-TV, Reading.



Reply comments on allocations rule-making are now due Jan. 20—FCC granting 2-week extension as expected (Vol. 11:52). A few reply comments have already been filed—mostly from educational groups urging channel reservations be retained. Uhf CP-holder WHEF-TV, Brockton, Mass. (Ch. 62) and radio WBBB, Burlington, N. C. seconded Zenith's position that subscription TV is answer to problems. Biscayne TV Corp. (Cox-Knight-Trammel), awaiting Miami Ch. 7 grant, attacked comments recommending that city be made all-uhf.

Personal Notes: William H. Fineshriber Jr., ex-NBC v.p. in charge of radio network, onetime MBS exec. v.p. and formerly gen. mgr. of CBS program dept., on Jan. 3 joins Television Programs of America as v.p. directing sales of N. Y. office; Hardie Frieberg continues as v.p. for TPA's eastern div. . . . Scott Donahue Jr., TV sales mgr., Morris Kellner, radio sales mgr., and Dan Denenholz, chief of research, promotion & publicity, elected to board of directors of Katz Agency, rep firm . . . Donald P. Campbell, ex-Petry, MBS & ABC, appointed N. Y. sales executive for Storer stations WSPD-TV, WGBS-TV, KPTV, working with Katz Agency and NBC-TV Spot sales . . . Terry H. Lee, who joined KOVR, Stockton, Cal. as exec. v.p. last Feb., coming from KLZ-TV, Denver, has been promoted to pres. of the H. Leslie Hoffman station; Frank G. King, sales chief, and Earl Jay Watson, program director, promoted to v.p.'s . . . Norman Lindquist, TV v.p. of Atlas Films, joins Wilding Picture Productions to expand its TV-industrial sales . . . John M. Cooper resigns as TV-radio news director of INS to join CBS-TV as newsfilm producer . . . Wm. R. Higginbotham named TV mgr. of UP as Wm. C. Payette is promoted to asst. gen. news mgr. and John Zischang to TV news editor . . . Jack Alstrop, TV-radio officer for British Information Service in N. Y., joins British Broadcasting Corp. in London to handle its North American service . . . Wm. Y. Rambo named adv. mgr. of Proctor Electric Co., Philadelphia, heavy spot TV buyer . . . John Rossiter, ex-gen. mgr. of KBMT, Beaumont, Tex. & WJTV, Jackson, Miss., now with radio WOCB, W. Yarmouth, Mass. . . . George P. Moore, ex-WLWT, Cincinnati, named gen. sales mgr., WJBF-TV, Augusta, Ga. . . . Jim Caldwell now is promotion mgr. of WAVE-TV & WAVE, Louisville, as well as radio program director . . . Owen J. McReynolds, ex-RCA, ex-chief engineer of WROL, Knoxville, recently eastern div. mgr., Gates Radio, has taken over management of WOKE, Oak Ridge, Tenn., in which he owns substantial interest . . . Robt. W. Bray promoted to program director, WKNB-TV, New Britain-Hartford, succeeding Barry Barents, now head of TV-radio news & special events . . . Lon King promoted to asst. v.p. of reps Free & Peters . . . William Fay, pres. of WHAM-TV & WHAM, elected pres. of Rochester Automobile Club . . . W. C. Swartley, Westinghouse Bestg. Co. v.p., Boston, named to Gov. Herter's committee on highway safety & insurance . . . Phil Hoffman, mgr. of KLZ-TV & KLZ, Denver, elected v.p. of licensee Aladdin Bestg. Corp., at same time disclosed he has sold his interest in KOAT-TV, Albuquerque, which he formerly managed; he's onetime mgr. of KECA-TV, Los Angeles (now KABC-TV).

Arthur Batcheller, one of the "deans" of FCC's field offices, retires from post of engineer-in-charge of District No. 2 (New York) on Feb. 29 at age of 67. He's been in gov. radio service since joining Dept. of Commerce radio div. in 1917. Only Commission employe who had longer service was Charles Kolster, who retired as N. Y. regional mgr. last year after 45 years' service. In event successor isn't chosen by time Batcheller retires, regional mgr. Emery H. Lee will double in brass until appointment is made. Batcheller's associates plan testimonial dinner.

Anthony G. DeLorenzo, since last April director of TV-radio & press for General Motors, promoted to director of public relations, with Edmund Steeves, TV-radio-press man in N. Y. office, taking over his Detroit post and Fred Collins, from Detroit, succeeding Steeves.

Philip W. Lennen, 68, retired chairman of Lennen & Newell Inc. and founder in 1924 of the old Lennen & Mitchell agency, died of a heart ailment in N. Y. Dec. 25.

Telecasting Notes: Looking ahead and looking back at TV film business in this week's trade press: Dec. 31 *Billboard* estimates 1955 gross TV film syndication sales at \$35-\$40,000,000, increase of \$3-\$8,000,000 over 1954. But production of new TV film series appears to have reached a plateau, according to survey of all Hollywood TV film producers in Dec. 28 *Variety* . . . Highlights of TV film survey by *Variety*: Total of \$80,000,000 in TV film production is planned for 1956, exactly same as 1955 figure, which was double 1954's output. Though earlier estimates of 1956 output totaled \$100,000,000, article says trimming was due to "depressing picture facing many of the TV film syndicators" and "reluctance on the part of many sponsors to give producers the verbal renewals at this time of the year that they have in the past" . . . Sixty series are being produced on sponsored basis for 1956, same number as 1955, with total of 100 series "planned and definite" as opposed to 111 in 1955, the drop "due obviously to the decline of the smaller syndicator." While 38 syndicated series were shot in 1955, only 25 are scheduled for 1956 . . . Ziv is No. 1 TV film producer, with \$12,000,000 allocated for 1956 production, compared to \$9,500,000 in 1955; TPA is second, with \$11,000,000 budgeted vs. \$9,000,000 in 1955; then comes TCF Productions (20th Century-Fox), with MCA's Revue Productions and Hal Roach Studios tied for 4th . . . Bette Davis, one of last of moviedom's TV holdouts, making "double debut" on TV via film: With her husband Gary Merrill in "Phone Call from a Stranger" on *20th Century-Fox Hour* and in starring role of "At Paso Rojo" on *GE Theatre* . . . Sidney Kingsley, Pulitzer Prize-winning playwright & author, signs 5-year contract with CBS-TV as producer-writer-director; he's due to adapt several of his plays into 90-min. TV format, is also working on "special series" for network . . . Another prize for Paddy Chayefsky's *Marty*, movie version of TV play: N. Y. Film Critics voted it top award for 1955's best film, and named its star Ernest Borgnine year's best actor . . . KSL-TV, Salt Lake City, reports it now televises weekly programs for each of Utah's major educational institutions—U of Utah, Brigham Young U, Utah State Agricultural College.

ADVERTISING AGENCIES: Frank White, ex-pres. of both MBS & NBC, who became chairman of McCann-Erickson International Div. 2 years ago, adds duties of pres. of div. as George H. Giese becomes senior v.p. of the parent agency and Arthur L. Grimes is promoted to div. gen. mgr. . . . Anthony Hyde, exec. director of Tea Council of U.S.A. Inc., appointed McCann-Erickson staff v.p. in charge of planning & development . . . Nelson Carter, v.p. of Foote, Cone & Belding, Los Angeles, assumes responsibility for all agency services for western div. . . . Harry Saz named Ted Bates asst. v.p. & business mgr. of TV-radio dept.; Thomas F. McAndrews Jr. named asst. v.p. & director of commercial film production . . . Jeanne Malstrom, ex-KTVT, Sioux City, Ia., named TV-radio time-buyer, Brisacher, Wheeler & Staff, N. Y.

First closed-circuit "station" to use network kines under "Comprovision" system fostered by Trans-Community TV Network (Vol. 11:52), will start in Jan. in Cedar City, Utah according to announcement by ABC-TV. Trans-Community also has year's agreement with NBC-TV to use its kines on experimental basis. According to ABC-TV, group "expects to introduce its TV service into some 59 communities in the western states in the coming 12 months." This week, pres. Jerome L. Doff announced from Beverly Hills headquarters that Trans-Community has acquired new capital backing, will shortly report detailed operational plans, has named Luellen Stearns, ex-NBC eastern spot sales, as v.p.

Station Accounts: CMQ-TV Network of Cuba (Goar Mestre), comprising Havana key station and 4 repeaters throughout island, lists 127 sponsors during 1955, including such major American advertisers as Viceroy, Libby, Pan American Airways, Pillsbury Flour, Sherwin Williams, Old Spice, Coca-Cola, B. F. Goodrich Co., Kleenex, U. S. Rubber, Warner-Hudnut, Campbell Soup, Listerine, Pond's, Gold Seal Hosiery, Hazel Bishop, Esso, Alka-Seltzer, Johnson's Wax, Goodyear, Jell-O, Buick, Norwich Pharmacal, Bromo-Seltzer, Heinz, Motorola, Tom McAn Shoes, Wildroot, Gibson Refrigerators, GE, Tappan Kitchens, Sunbeam Appliances . . . Mennen Co. buys 30-min. *Passport to Danger* from ABC Film Syndication for 30 major markets starting Jan. 1, linked to tie-in campaign with drug and food chains, thru McCann-Erickson . . . Carter Products in big expansion of spot TV-radio generally next year, to spend \$1,500,000 alone to promote Arrid deodorant and Rise shaving cream in more than 100 markets, thru Sullivan, Stauffer, Colwell & Bayles . . . CBS-Columbia to spend more than \$2,000,000 in first 6 months of 1956 to promote its new TV-radio receivers, with theme "More of the Best Than All the Rest," thru Ted Bates & Co. . . . Channel Master plans "substantial increase" next year over 1955's \$300,000 ad outlay for its antenna line, thru Ruder & Finn Assoc., N. Y. . . . State Pharmacal Co., Chicago, to spend \$1,000,000 next year to promote its All-in-One reducing capsules, thru Schwimmer & Scott, Chicago . . . Robertshaw-Fulton Controls Co. buys *Dione Lucas Show* to promote greater use of gas in cooking, will offer it to local utilities for co-op sponsorship thru American Gas Assn.; agency is Morey, Humm & Johnstone . . . WOR-TV reports sponsor sell-out until April on its *Million Dollar Movie*, General Teleradio's package of 30 feature films bought from Bank of America last year for repeat showings each day up to total of 16 times a week; latest partic. sponsor is Best Foods, replacing Toni starting Jan. 2, thru Sullivan, Stauffer, Colwell & Bayles . . . Among advertisers currently reported using or preparing to use TV station time: Welch's Grape Juice Co. (new Welch's wine), thru Kenyon & Eckhardt, N. Y.; Burnett Food Flavors div., American Home Products Corp., thru Geyer Adv., N. Y.; Slenderella Systems Inc., Darien, Conn. (reducing systems), thru Management Associates, Darien; Petite Foods Corp., N. Y. (frozen pizza pies), thru Product Services Inc., N. Y.; Charmin Paper Mills, Green Bay, Wis., thru Klau-Van Pietersom-Dunlap Inc., Milwaukee; Morrell Packing Co., Minneapolis, direct; Durall Products Co., York, Pa. (Durall tension screens), thru Wilson, Haight, Welch & Grower, N. Y.; Wesix Electric Heater Co., San Francisco, thru Albert Frank-Guenther Law Inc., N. Y.; Safeway Stores Inc. (Parade detergent), thru Erwin, Wasey & Co., San Francisco; American Sheep Producers Council, Denver, thru Botsford, Constantine & Gardner Adv., San Francisco; Rembrandt Tobacco Corp., Brightwaters, N. Y. (Regent cigarettes), thru David J. Mahoney Inc., N. Y.

Rate increases: WNBQ, Chicago, raises Class AA hour from \$3700 to \$4000, adds Class AAA 20 sec. only rate (7-10 p.m. daily) at \$900, Class AA 20 sec. (10-10:15 p.m. daily) remaining \$750. WPIX, New York City, raises base hour from \$1500 to \$1700, min. \$360 to \$425. WHAS-TV, Louisville, Feb. 1 adds Class AA hour (7-10 p.m. daily) at \$1000, min. at \$200, Class A hour remaining \$850. KROD-TV, El Paso, raises base hour from \$375 to \$450, min. \$75 to \$90. KCBD-TV, Lubbock, raises base hour from \$300 to \$350, min. \$50 to \$60. KVOA-TV, Tucson, adds Class AA hour (6:59-10 p.m. Mon.-Fri., 5:59-10 p.m. Sat. & Sun.) at \$300, min. at \$60, Class A hour remaining \$250. WMAZ-TV, Macon, Ga. raises base hour from \$250 to \$300, min. \$50 to \$60.

Network Accounts: CBS-TV, reporting 30% increase in gross billings this year over 1954, with network expanding to 217 stations (up by 15), lists these 19 new sponsors signed during year: Armour, Curtiss Candy, CBS-Hytron, Dow Chemical, Elgin Watch, Gerber Products, Ideal Toys, Larsen Vegetables, Maybelline, Ralston Purina, Rexall Drug, Serta Mattresses, Seven-Up, Snowdrift Sales Co., Staley Corn Starch, Sterns Nurseries, Tums, U. S. Steel, Wesson Oil . . . Best Foods is first sponsor on J. Arthur Rank's *Afternoon Film Festival* on ABC-TV starting Jan. 16, Mon.-thru-Fri. 3-5 p.m., buying 39 partic. thru Dancer-Fitzgerald-Sample . . . Block Drug buys 3-a-week partic. on *Matinee* colorcasts on NBC-TV starting Jan. 4, Mon.-thru-Fri. 3-4 p.m., thru Harry B. Cohen Adv., N. Y.; Dow Chemical buys 13 partic. starting in April, thru MacManus, John & Adams . . . B. F. Goodrich Co. to be alt. sponsor (with Carnation Milk) of *George Burns and Gracie Allen Show* on CBS-TV starting Jan. 9, Mon. 8-8:30 p.m., thru BBDO . . . General Cigar buys one-fourth of pro basketball schedule on NBC-TV starting Jan. 7, Sat. 2-4 p.m., thru Young & Rubicam . . . Simplicity Pattern Co. buys series of partic. on NBC-TV's *Today, Home & Tonight* starting in Jan., when *Home* inaugurates new series of sewing features, thru Franklin Bruck Adv., N. Y. . . . Cluett, Peabody & Co. (shirts) buys 38 partic. on NBC-TV's *Home* starting in April, Mon.-thru-Fri. 11-noon, thru Young & Rubicam . . . CBS-TV's sustainer *Captain Kangaroo*, Mon.-thru-Fri. 8-9 a.m., is extended starting Jan. 7 to include Sat. 9:30-10:30 a.m.

Signs of the TV times: ABC-TV increased gross billings nearly 45% in 1955, sees trend continuing in 1956—and apparently can't miss, what with greater sponsor demand for time, political year, more affiliates; it signed 11 exclusive affiliates during 1955 and 10 others increased powers . . . Spot & local sales continue to hit new peaks, NBC-owned stations reporting 11-mo. TV spot collectively up 14% from year ago, local up 19%. In national spot, WRC-TV, Washington, was up 47% in Nov.; WNBQ, Chicago, up 40%; KRCA, Los Angeles, up 28%. In local, KRCA, Los Angeles, rose 102% in Nov.; WRC-TV, 53%; WRCA-TV, 33% . . . Film syndication business is booming, too: Ziv TV reports 1955 dollar volume 42% ahead of 1954, with 2278 sponsors of its programs in 280 markets.

New reps: KVOA-TV, Tucson, to Branham (from Raymer); WGEM-TV, Quincy, Ill.-Hannibal, Mo., to Adam Young (from Avery-Knodel); WEAR-TV, Pensacola, Fla. to Hollingbery (from Clarke Brown); WMSL-TV, Decatur, Ala. to McGillvra (from Walker); WBOC-TV, Salisbury, Md. to Headley-Reed (from Burn-Smith).

ABC affiliation of XETV, Tijuana, Mexico, authorized recently by FCC, was subject of protests filed this week by San Diego's KFMB-TV & KFSD-TV. They argue that they'd suffer economic injury through loss of ABC-TV programs and fact that Mexican station can operate more cheaply, make rate deals, etc.

TV-Radio Correspondents Assn., organization of newsmen accredited to Congressional TV-radio Gallery, schedules annual dinner honoring President Eisenhower Feb. 18 at Statler Hotel, Washington. President's attendance will depend on his physical condition, says White House.

Walt Disney was among 9 winners of 1955 Parents' Magazine Medals for outstanding service to children, cited for his children's TV programs on ABC-TV and for his Disneyland Park at Anaheim, Cal., owned jointly with ABC and others.

Schlitz Brewing Co. March 1 discontinues \$9,000,000 annual account with Lennen & Newell, reportedly will switch to Biow-Beirn-Toigo.

LONG-PENDING SWAP of Philadelphia-Cleveland stations by NBC and Westinghouse, approved by FCC Dec. 21, was announced this week. As reported (Vol. 11:52), vote was 6-1, Bartley dissenting. Doerfer wrote an extra statement, Mack concurring, attacking Bartley's dissent.

NBC acquires WPTZ & KYW, Philadelphia, Westinghouse gets WNBK & WTAM, Cleveland, NBC also paying \$3,000,000. NBC and Westinghouse plan to effect switch by Feb. 1—unless someone requests and gets court stay, unlikely in view of court's action this week on NBC's \$312,000 purchase of WBUF-TV, Buffalo (Ch. 17).

NBC has been busy in court and at Commission defending its Buffalo purchase. It won an important round this week when Court of Appeals refused WGR-TV's request that it stay actual consummation of sale—which FCC has already approved—pending Commission hearing on WGR-TV's protest. After court acted Dec. 29, NBC took station over next day, stating it intended to make it a uhf "showcase." The protest hearing is due to start Jan. 4 for engineering phase, but hearing of hearing is postponed to Jan. 16. A third NBC purchase—WKNB-TV, New Britain-Hartford (Ch. 30)—has been designated for FCC hearing, date not yet set.

Bartley's dissent in Philadelphia-Cleveland case was concerned with "concentration of control" in populous northeast; with alleged NBC "pressure" on Westinghouse to make switch for fear of losing NBC-TV affiliations; with possibility that FCC decision prevents FTC and Justice Dept. from taking "effective action" to enforce anti-trust laws. Doerfer disagreed completely, said parties told Commission everything it wanted to know and that a hearing couldn't produce anything more; that switch was a clear-cut business deal in which FCC shouldn't meddle; that NBC's New York-Philadelphia overlap will be no greater than allowed by Commission in many other cases; that plenitude of other services should minimize fears of

concentration of control. Significant is fact that Mack, only other Democrat on Commission besides Bartley, agreed with Doerfer.

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Except for top-level posts, neither NBC nor Westinghouse plans any radical staff changes at the Philadelphia-Cleveland & Buffalo operations. This week NBC-owned stations v.p. Charles R. Denny was in Buffalo for Dec. 30 takeover of WBUF-TV, which will be managed by Charles Bevis Jr., of Denny's staff, who originally opened WNBK, Cleveland, and later was mgr. of KOA, Denver. Bevis' sales mgr. will be Wm. Decker, from NBC-TV Spot Sales, with Alife Jackson, from WRCA-TV, as chief engineer. Ex-owners Sherwin Grossman & Gary Cohen are under contract to remain as working executives.

Affiliation agreement with WGR-TV has until mid-Aug. to run, according to Denny, and "we will honor it." First step in separation from WGR-TV, however, will be to move present transmitter immediately from WGR Bldg. to newly acquired 3-acre Elmwood Ave. site where it's planned to build a \$1,000,000 TV Center and install a new 1,000,000-watt RCA transmitter. Small building presently on property will be used as temporary studio.

Westinghouse will shift WPTZ mgr. Rolland V. Tooke and KYW mgr. Gordon W. Davis to same jobs at WNBK & WTAM, Cleveland, and NBC's Cleveland gen. mgr. Lloyd E. Yoder goes to Philadelphia along with Ted Walworth, TV sales mgr.; Hal Waddell, radio sales mgr.; George Cyr, TV program mgr.; Ed Leonard, chief engineer,

Correction: NBC has 6 uhf affiliates on its basic network of 55 stations, not 5 as reported last week (Vol. 11:52). And it has 20 uhf among its 109 interconnected optionals, 3 among its 30 non-interconnected optionals—making 29 uhf affiliates in all out of the 104 on the air. The uhf basics, all reputed to be substantial earners: KMJ-TV, Fresno; WKNB-TV, Hartford-New Britain; WVEC-TV, Norfolk; KPTV, Portland, Ore.; WBRE-TV, Wilkes-Barre; WFMJ-TV, Youngstown.

KOSA-TV, ODESSA, TEX. (Ch. 7) is last of the 59 new TV stations to go on the air in 1955, according to our records—making the station box-score 459 as year ended, 103 of them uhf. One more uhf is being deleted from our rolls, for it appears that WTVU, Scranton, Pa. (Ch. 73), which left air July 1 to convert to Ch. 44 (Vol. 11:26), has not resumed operation, and repeated efforts to get word about its plans from principals have proved unavailing.

The west Texas outlet is second in oil-rich Permian Basin, begins as CBS affiliate Jan. 1 after 2 days of test patterns. Other area station is K MID-TV, Midland (Ch. 2), less than 20 mi. distant, which started in Dec. 1953. KOSA-TV has 10-kw GE transmitter with 12-bay antenna on 700-ft. tower. Cecil Trigg is pres. & gen. mgr., his radio KOSA owning 50% interest and Cecil Mills owning other 50%. John Vacca, from KOSA, is station mgr.; Stu Klein, ex-KTBC-TV, Austin, production mgr.; Bill Schock, ex-KPLC-TV, Lake Charles, La., chief engineer. Base hour is \$225. Rep is Pearson.

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January looks like a big month for new starters, judging from their reports to us, verified by equipment shipments and/or orders. These have indicated Jan. starts: KHPL-TV, Hayes City, Neb. (Ch. 6); KHAD-TV, Laredo, Tex. (Ch. 8); KBST-TV, Big Spring, Tex. (Ch. 4); KRMA-

TV, Denver (Ch. 6, educational); WAIQ, Andalusia, Ala. (Ch. 2, educational); WDMJ-TV, Marquette, Mich. (Ch. 6); KPAR-TV, Sweetwater, Tex. (Ch. 12); WCBI-TV, Columbus, Miss. (Ch. 4); KINY-TV, Juneau, Alaska (Ch. 8); CKGN-TV, North Bay, Ont. (Ch. 10).

Stating they will start by spring are WITI-TV, Glendale-Milwaukee (Ch. 6); WSAV-TV, Savannah, Ga. (Ch. 3); KPIC, Roseburg, Ore. (Ch. 4); WDAM-TV, Hattiesburg, Miss. (Ch. 9); WKNO-TV, Memphis (Ch. 10, educational); KOKE, El Paso (Ch. 13).

[Full details about all foregoing, as well as about all stations on the air, will be available in upcoming Spring-Summer edition of our *TV Factbook No. 22.*]

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In our continuing survey of upcoming stations, these are latest reports from principals:

WDMJ-TV, Marquette, Mich. (Ch. 6), still isn't reporting target, but it has RCA transmitter on hand, writes gen. mgr. W. H. Treloar, promoted from radio WDMJ. Transmitter house is 75% complete and 12-section RCA antenna is to be installed Jan. 20 on 200-ft. Ideco tower. It will be CBS Extended Market Plan affiliate. Owner is Frank J. Russell, publisher of *Mining Journal* (WDMJ), who also controls *Iron Mountain News* (WMIQ). He acquired CP earlier this year from Jerome Sill & Herbert R. Herzberg (Vol. 11:33). Base hour will be \$120. Rep will be Weed.

CBLT, Toronto, Ont. (Ch. 9) has applied for permission to switch to Ch. 6 and increase power from 25.65-kw to 100-kw visual ERP.

1956 TRADE OUTLOOK—STILL GOING STRONG: Production & retail TV sales of 7,500,000, firm-to-higher prices, greater emphasis on higher-end receivers, expansion of portables -- those are the dominant TV trade trends we foresee in the New Year, which should see retail business in TV receivers alone exceeding \$2 billion for first time.

Among subsidiary developments that may also be expected in 1956 are competitive scramble to be first in market with shallow set incorporating wide-deflection 110 or 120-degree tube (Vol. 11:45); emergence of first "Tinkertoy," or modular sets (Vol. 11:23,38); more merchandising accessories or "gimmicks" designed to give new lines a new look (Vol. 11:43,50); greater use of printed circuits.

Industry will become more stabilized in 1956, with strong likelihood that several more smaller manufacturers will leave the business while others will go into mergers. For one, old-line Stromberg-Carlson, now a div. of General Dynamics Corp. (Vol. 11:18), will ponder its TV-radio future at quarterly management meeting Jan. 9 -- and it's safe bet others will do a lot of soul-searching in industry during year.

Stewart-Warner, Arvin and Sparton voluntarily quit TV production in 1955, Kaye-Halbert and Regal went bankrupt, Muntz and Majestic spent entire year in bankruptcy proceedings. Still others, notably Raytheon and Hallicrafters, plunged deep into private-label production during year -- and even more are seeking licensing agreements with big merchandising chains such as Sears, Firestone, Montgomery Ward and others in effort to survive. Hallicrafters was involved in most recent merger in industry, will become div. of Penn-Texas Corp. following Feb. 27 ratification by stockholders. Of the hotly competitive struggle that 1956 seems destined to accelerate, CBS-Columbia pres. Henry C. Bonfig said this week:

"The TV set making field is narrowing down rapidly and weak manufacturers are dropping out. Engineering and research will provide the fulcrum for balance and survival in the TV field in 1956. Without it, a company can resign itself to being just a follower and expect to fall by the wayside. With top-flight engineering and research a company will be a leader and go on to accomplishment of its goals."

Note: More industrial giants may enter TV in 1956, even as smaller firms are debating whether they can stay in. It has been long rumored that Ford may go into TV-radio and appliances next year, though company spokesmen have denied it. Another rumor had GE-controlled Hotpoint Co. planning TV entry in 1956, though this too has been denied. And only this week Magnavox v.p.-gen. mgr. Leonard F. Cramer was constrained to deny published reports that his company would be bought outright by General Motors' Frigidaire div., or that they might tie up in distribution.

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Our forecast of 7,500,000 production and retail sales for 1956 is admittedly more optimistic than predictions of some key industry leaders, who foresee TV following auto output into an expected decline next year. While it's true that TV and auto production have been following almost identical production curves in last few years, even to the point of simultaneous dips in 4th quarter of 1955, we think 1956 will turn out to be TV's biggest year, regardless of what happens to autos.

Thus we're inclined to disagree with Standard & Poor's view that "the excellent unit sales records established by TV producers in 1955 will be almost impossible to match in 1956." It foresees monochrome retail sales next year declining to 7,000,000, primarily because of accelerating color output, tightening of consumer credit and anticipated 5-10% decline in new residential housing starts.

But there's also plenty of contradictory evidence. For one thing, second-set and replacement markets are just getting ripe. With estimated 14,800,000 sets at least 3 years old, with nearly 4,000,000 sets under 17-in., with mere 1,100,000 TV homes owning a second set -- the 110,000 TV-radio-appliance dealers are presented

with golden sales opportunities. And that doesn't take into consideration fact that some 14,000,000 households don't have a TV set -- 3,000,000 of them on farms.

Prices are expected to remain generally stable, with some increases spotted throughout lines. Trade no longer approaches price increases with timidity of year ago. As long as consumer purchasing power keeps going up, industry leaders will stick to conviction that market can bear price hikes.

Better-quality receivers will also be in higher demand in 1956, as step-up buying really takes hold. As Philco pres. James H. Carmine said this week, trend to higher-priced, better-quality receivers was "particularly noticeable during the fall selling season and contributed to a substantial increase in dollar volume."

Radio's outlook is also promising, as we indicated 2 weeks ago (Vol. 11:51). Having bounced back in 1955 to produce and sell 14,000,000 receivers, of which about 7,000,000 were auto (from over-all total of 10,300,000 in 1954), radio manufacturers should look forward to at least 13,000,000 sales in 1956. That takes into consideration prospect of lower demand for auto sets, but home radios should be steady.

Brief highlights of major trade developments this week:

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Imports of Radios: TV imports have never amounted to much in U.S., nor has our export trade in complete sets and chassis been very high -- only about 95,000 in 1955, 136,737 in 1954, between 600,000-700,000 cumulative since TV began. Radio imports haven't bulked important until recently. During 1955, a lively business has developed in German, Dutch & Japanese makes, while at same time some hi-fi equipment from abroad is trickling in, with more promised from England.

RETMA international dept. and other sources estimate that about 35,000 radios came in from Germany in 1955, 25,000 from Japan, perhaps 10,000 from Holland. There is no telling what the totals will run in 1956, but the foreign makes are being well advertised. Like European cars, their appeal is specialized. The German and Dutch radios, for example, are AM-FM combinations, even their portables, priced from \$50 to \$100. The Japanese models are very tiny, sell for \$15-\$20, some transistorized.

Most prominent importers of radios are Majestic (Grundig); American Elite Inc., N.Y. (Telefunken); Duffco, N.Y. (Max Braun); Leru Labs, Wayne, N.J. (Siemens); North American Philips (Norelco). Other German brands: Metz, Blaupunkt, Tonefunk. Japanese radios are being imported direct by big dept. stores like Macy's & Gimbels in N.Y. and Mandel Bros., Chicago. Leading brands are "Silver," made by Nagoya Shiramusuna Denk Kk, and "Soni", made by Tokyo Tsushin Kogyo Ltd.

Consumer Credit: Federal Reserve Board, in year-end review of installment credit growth, debunks notion that consumer credit is out of hand -- though it rose about \$6 billion during year to record total of nearly \$30 billion at year's end. Debt has not proved "unduly burdensome," and delinquent loans at commercial banks are at lowest level in recent years, it said. FRB declared further that rise in installment credit was an "important factor in the upswing in economic activity" during the year, particularly in stimulating auto and furniture purchases. Total extensions of credit on appliances, furniture and other durable goods increased in first 10 months by \$1.1 billion over corresponding period of 1954, FRB noted. Meanwhile, however, Allan Sproul, pres. of Federal Reserve Bank of N.Y., urged reimposition of consumer credit controls for entire economy, warning that "there is a temptation to abuse consumer credit in boom times, that it can thus become a serious source of instability in our economy and that we would not jeopardize our general freedom from the direct controls by giving the Federal Reserve permanent authority to regulate consumer credit." He addressed joint session of American Economic Assn. and American Finance Assn. in New York Dec. 29.

Production: TV output, having already broken 1950's record 7,463,800, dwindled seasonally to 97,041 week ended Dec. 23, compared to 133,966 in preceding week and 142,982 week ended Dec. 9. It was year's 51st week and brought TV production to some 7,600,000, with one week yet to be reported. Radio production totaled 335,484 (176,973 auto) week ended Dec. 23, compared to 400,607 units week ended Dec. 16 and 421,572 week before. For 51 weeks, radio output is estimated at 14,400,000.

Topics & Trends of TV Trade: Investigation of TV-radio parts distribution, to determine if there is illegal "economic concentration," may be undertaken shortly by Senate Judiciary subcommittee headed by Sen. O'Mahoney (D-Wyo.). Right now, subcommittee staff is gathering data on parts distribution, at request of "several unidentified organizations," according to subcommittee spokesman. If facts warrant investigation, it will start early next year, he said.

O'Mahoney subcommittee recently concluded anti-trust investigation of General Motors, and now is attempting to determine if parallel exists in TV-radio parts distribution. In GM probe, several dealers told subcommittee they were "squeezed" and forced to carry heavy inventories by GM at risk of losing their franchises.

Leaders of RETMA and National Electronic Distributors Assn. said they were surprised by subcommittee's inquiry, agreed that no parallel exists between TV-radio parts and auto distribution. Said Leslie F. Muter, RETMA treas. and pres. of parts-maker Muter Co.: "It seems to me that parts jobbers carry many products of many companies, and I just can't see how any charge of economic concentration can be sustained." L. B. Calamaras, exec. v.p. of NEDA, said he was amazed that such an inquiry would be undertaken along lines proposed.

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RCA made and sold more than 1,000,000 TVs in 1955 and anticipates even greater expansion next year, said pres. Frank M. Folsom in year-end statement. He also said 1956 "will be the first big year of color production and sales, pointing to mass output and lower prices"; that industry-wide color set sales could account for \$175,000,000 at retail next year; that RCA will make more than 200,000 color sets in 1956. He estimated industry TV production this year at 8,300,000 (though official industry figures place total closer to 7,600,000 as result of cutbacks in last 2 months). He said RCA, achieving \$1 billion in 1955, during next decade will double its sales volume, reaching \$2 billion in 1965. He also foresaw big expansion in defense billings, estimating RCA backlog of military orders at \$275,000,000 at year's end.

Phileo pres. James H. Carmine, an exponent of the "let's go slow" approach to color, says this of its immediate future: "Color TV in 1956 will become a factor—although still a relatively small one—in the TV market. Even though sales of color TV receivers may not exceed 250,000 next year, they will have an important effect on the year's total dollar volume of business, opening the door for large-scale commercial production in 1957." In year-end statement, he also predicted 1956 production and sales of more than 7,400,000 black-&-white sets, more than 1,500,000 room air conditioners (compared to about 1,150,000 in 1955), 4,000,000 refrigerators (up from 3,600,000). He also foresaw big expansion in use of transistors, with Phileo leading the way.

Assets of Empire Coil Co., acquired by Storer Broadcasting Co. when it bought Herbert Mayer's broadcasting properties (Vol. 10:2, 44), will be sold at public auction Jan. 18 at factory in New Rochelle, N. Y. Included in sale will be \$300,000 in raw materials, plus manufacturing, toolroom and office equipment. Auctioneers are Milton J. Wershaw Co. & David Weisz Co., Los Angeles.

Raytheon bids for hotel-motel trade in special campaign starting in Jan., in which it's offering special bonuses to distributors for TV sales to hotels & motels. It's also scheduling 2-color ads in major motel publications, along with direct mail promotion to motel owners.

Motorola will introduce a 21-in. table model at \$210 and 21-in. open-face console at \$330 at Chicago winter markets Jan. 9-20.

Bound and Indexed

We will index and bind, between embossed hard book covers, a limited quantity of all 1955 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. 5. Price: \$25 per volume.

Emerson introduced 12 new fill-in models this week, ranging from 21-in. open-face console at \$178 to 24-in. console at \$328. It also showed a new color console at \$794, supplementing its full-door console at \$894, but sales v.p. Michael Kory declined to give details, saying only that "many engineering circuit improvements have been incorporated in the new color receiver." In black-&-white models, two 21-in. consoles and one 24-in. console have built-in remote control units, each with self-contained speaker permitting viewer to turn off receiver speaker so as not to disturb other occupants in room. Other features of new models include top tuning and side controls. Pres. Benjamin Abrams said Emerson's long-awaited "Tinkertoy," or modular design set (Vol. 11:50), will be marketed in 60-90 days. Fill-ins are 21-in. table at \$198; 21-in. consoles at \$178, \$258, \$276, \$328; 21-in. consolettes at \$216, \$286; 24-in. consolettes at \$198, \$284, \$334; 24-in. console at \$328. Emerson also introduced its third transistor radio, a portable receiver containing 6 transistors and retailing at \$58. Its other transistor radios are priced at \$44 & \$48.

CBS-Columbia returns to 17-in. production after 2 years, introducing full new line at 16 basic TVs ranging from 17-in. ebony table model at \$150 to 21-in. "low boy" blonde console at \$420. Features of line are top or top-front controls, 2 new redesigned chassis, 3-speaker sound systems and optional remote control unit, latter \$20 extra. In addition, some of sets have horizontal "robot" tuning, with automatic channel selection accomplished by "finger-tip pressure on the robot button" on top front of set. Besides 17-in. price leader (also available in mahogany & blonde at \$160 & \$170), the 21-in. table models are \$180, \$230, \$240, \$250, \$280; 21-in. consoles \$250, \$280, \$300, \$320, \$370, \$390, \$400; 24-in. table \$280; 24-in. console \$300; 21-in. "low boy" \$420. Also introduced were an all-transistor radio at \$100, plus a portable transistor radio at \$70, 2 table radios at \$20 & \$30, 3 clock radios at \$30, \$37.50 & \$45.

Trav-Ler Radio's new line of 14 TVs, introduced at distributors convention in Chicago this week, ranges from 17-in. table at \$110 to 21-in. TV-radio-phonograph combination at \$370. All have aluminized picture tubes. The 17-in. tables are priced at \$110, \$130 & \$160; 21-in. tables, \$130, \$150 & \$180; 17-in. consolette, \$170; 21-in. consolettes, \$190, \$220 & \$230; 21-in. consoles, \$240 & \$260; 21-in. combinations, \$300 & \$370. Also introduced was a transistor radio to retail at \$50.

Factory value of electric appliances will rise to record \$4,800,000,000 next year, up from \$4,500,000,000 in 1955, according to National Electrical Manufacturers Assn., which reports 1955 factory unit shipments of 7,900,000 TVs, 7,800,000 home radios, 4,400,000 washing machines, 4,025,000 refrigerators, 1,600,000 electric ranges, 1,290,000 room air conditioners, 1,100,000 electric freezers, 900,000 water heaters.

Survey of consumer buying plans will be undertaken in Jan.-Feb. by U of Michigan Survey Research Center for 11th straight year, under commission by Federal Reserve Board, which will publish results in June.

Trade Personals: Arnold K. Weber, with RCA for 37 years, most recently as director of organization development, promoted to new post of manufacturing director, with staff responsibility for manufacturing plans of all operating units, headquartering in Camden and reporting to Frank Sleeter, v.p. for manufacturing services . . . Joseph A. Frabutt, general sales manager of IT&T's Federal Telephone & Radio Co., is appointed a v.p. in charge of its new Los Angeles factory now under construction; Andre G. Clavier, technical director of Federal Telecommunications' research & development program, promoted to v.p.; Brig. Gen. Peter C. Sandretto, USAF Reserve, asst. v.p. of Federal Telecommunications, elected v.p. and continues as director of military research & development; Dudley Day, secy.-treas. & counsel of Federal Telecommunications, elected v.p. of Lab div. . . Stanley F. Patten, v.p. & director of DuMont Labs, also elected treas., succeeding Paul Raibourn, who continues as a director . . . John M. Palmer, ex-Philco & Sylvania, named manufacturing mgr., Raytheon receiving tube div., Newton, Mass. . . Mario Alves promoted to manufacturing mgr. for GE broadcast equipment, Syracuse, replacing Glenn R. Lord, who resigned to rejoin Bell Aircraft . . . Robert F. King, ex-RCA Victor Distributing Corp., Buffalo, named Magnavox regional mgr. for western N. Y., Buffalo; O. N. Crabtree, ex-Major Appliance Distributing Corp., Charlotte, named Carolinas regional mgr., Charlotte . . . Fred Lieberman, v.p.-gen. mgr. of Jerrold-Ohio, appointed sales mgr. in charge of subsidiary & branch operations of parent company . . . Jack Berquist, ex-Bendix Radio, joins Magnavox as field service engineer for southeastern territory, succeeding H. N. Muller Jr., now regional sales mgr. in Richmond area . . . Jules G. Cinque appointed art director, DuMont TV receiver div., reporting to adv. & sales promotion mgr. Calvin Affleck . . . Charles S. Castle, ex-Webster-Chicago v.p. in charge of eastern div., joins CBS-Columbia as regional sales mgr., territory to be assigned later . . . Herbert M. Greenspon promoted to Columbia Records manufacturing v.p.

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DISTRIBUTOR NOTES: Whirlpool-Seeger, stepping up pace of its tieups with RCA distributors, names 6 more RCA outlets this week: Leo J. Meyberg Co., San Francisco (A. H. Meyer, pres.), replacing H. R. Basford Co.; Fidelity Electric Co., Seattle (C. P. Paschall, pres.), replacing Whirlpool Northwestern Co.; North Pacific Supply Co., Portland, Ore. (Frederick W. Miller, pres.), replacing Electrical Distributing Inc.; Interstate Electric Co., Shreveport, La. (Justin R. Querbes Jr., pres.), replacing Frank Lyon Co. Inc.; Perry Shankle Co., San Antonio (Perry Shankle, pres.), replacing Central Distributing Co. . . . RCA appoints McDonald Bros., Memphis, replacing McGregor's Inc. (John M. McGregor, pres.), which becomes Zenith distributor . . . Sylvania appoints Jones-Sylar Supply Co., 2234 NW 2nd Ave., Miami (Mack Johns, mgr.) . . . Scott Radio (Meck TV) appoints L. J. Messer Co., Lincoln, Neb. . . Philco Distributors, Chicago, reports resignation of gen. sales mgr. Charles Hakimian to become pres. of Norge-Chicago, his duties assumed by gen. mgr. Joe Bilheimer . . . GE Supply Co., Grand Rapids, promotes George Essenburgh to district merchandise mgr. . . Marshall-Wells Co., Duluth (Arvin) elects H. J. Sobilloff as chairman-pres., M. R. Twiss exec. v.p. . . J. A. Williams Co., Pittsburgh (Zenith) appoints Norton Rapoport dept. store rep, succeeding Louis Williams, continuing as v.p. & consultant.

Samuel Sampson, 62, pres. of big retail chain of Milwaukee TV-radio-appliance stores, died Dec. 24 of heart attack at his winter home in Miami Beach. Survivors are his wife, 2 sons, daughter, mother.

Electronics Reports: Home TV's brother in overalls—industrial TV—is all set to go places in 1956. There's no question in the minds of the closed-circuit TV manufacturers that "this is the year"—and predictions indicate that industrial TV sales in 1956 will double or triple all previous installations to date.

The area generally encompassed by the term "industrial TV" covers virtually all closed-circuit systems (with the exception of multi-city business meetings and entertainment events using regular TV network lines). Its uses in business, industry & education are as broad as the imagination—though principal applications to date have been by utility companies, banks, railroads, steel industry, material handling firms, the military and educational institutions.

There are about 1500-2000 closed-circuit industrial installations in use today (Vol. 11:37). One manufacturer alone—Dage TV Div. of Thompson Products—has already announced plans to install about 1700 cameras in 1956, and its gen. mgr. James L. Lahey forecasts at least 5000 systems in use by end of 1956. Other equipment makers are stepping up production and sales efforts all along the line—major manufacturers being Diamond Power Specialty Corp. (Lancaster, O.), Kay Lab (San Diego, Cal.), RCA, DuMont, Dage, with many others becoming increasingly active in the field.

The approximately 100 educational closed-circuit installations—some of them quite elaborate (Vol. 11:49, 51)—can be expected also to double or triple during the year, spurred by success of carefully controlled experimental educational tests in 1955, many of them financed through special grants by such organizations as Fund for the Advancement of Education and RCA.

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Robert C. Sprague, chairman & treas. of Sprague Electric Co., North Adams, Mas., ex-pres. of RETMA, named chairman of board of Federal Reserve Bank of Boston for 1956, succeeding Harold H. Hodgkinson, v.p. & gen. mgr. of Wm. Filene's Sons Co. Sprague has been a director of the bank since Feb. Dr. James R. Killian Jr., pres. of MIT, named deputy chairman.

Canadian Aviation Electronics Ltd., Montreal, DuMont receiver manufacturing licensee, also becomes exclusive licensing agent in Canada for all DuMont patents on CR tubes, TV transmitters and wide range of electronic instruments. New dept., headed by Ernest L. Hall, Canadian Aviation director of planning & merchandising, has been set up to administer patents.

How Admiral "sold" automation to employes, distributors and dealers—overcoming workers' worries about losing jobs and trade's apprehensions about servicing automatically produced TVs—is detailed in Dec. 17 *Tide* article centering around information program supervised by Admiral public relations director Marty Sheridan.

Transistor Circuits Conference, sponsored by IRE. AIEE & U of Pennsylvania, is scheduled Feb. 16-17 at the university in Philadelphia. For registration forms, write C. W. Hargins, Franklin Institute Labs, 20th & Benjamin Franklin Pkwy., Philadelphia 3.

Standard Coil Products Co. is sampling set makers with new "Neutrode" tuner, claimed to equal performance of cascade tuners at lower price. Production shipments are due to start in spring.

Milton A. Chaffee, ex-deputy director of systems at Air Force Research Center, Cambridge, Mass., named director of electronics & systems research, Fairchild Camera & Instrument Corp.

Irwin Goldman promoted to mgr. of technical planning, Sylvania research labs.

Financial & Trade Notes: Standard & Poor's latest electrical-electronic survey, dated Dec. 29, predicts that "earnings of most leading TV manufacturers in 1956 are expected to at least equal those of 1955." It names Magnavox, Sylvania & Hoffman Electronics as those "expected to register above average gains" and suggests that Zenith "may surpass" its record-breaking performance of 1955. Dividend rates are secure and only scattered dividend increases are likely, it states, and Zenith, which increased its payments in 1955, is regarded "most probable candidate for further dividend liberalization."

Survey tabulates statistical position of leading common stocks in the electrical & electronic fields, analyzing these as representative companies: Admiral, Avco, Beckman Instruments, Cutler-Hammer, Emerson Electric, Emerson Radio, GE, Hoffman, IT&T, Magnavox, Master Electric, Maytag, McGraw Electric, Motorola, Philco, RCA, Raytheon, Sangamo Electric, Servel, Sperry Rand, Square D, Sunbeam, Sylvania, Westinghouse, Zenith. (For TV-radio and appliance forecasts, see p. 11.)

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Sylvania exceeded \$300,000,000 in 1955 for first time in its 54-year history, should do as well or better in 1956 and within next 5-6 years should approach half-billion dollar mark, according to chairman-pres. Don G. Mitchell. Its best previous year, says year-end statement, was 1953 when sales totaled \$293,267,000. In 1954, total was \$281,642,000. All 10 operating divisions in 1955 exceeded or substantially equalled 1954 level, said Mitchell, with TV set sales especially strong in second half of 1955, up 109% from first half. Defense business was approximately 25% of total sales, about same as 1954. Current backlog of unfilled defense orders totals about \$55,000,000.

Motorola sales broke record this year, totaling estimated \$225,000,000, as against \$205,000,000 in 1954 and \$218,000,000 in 1953, according to interview with exec. v.p. Robert W. Galvin in Dec. 25 *New York Herald Tribune*. Story says Motorola ranks third in "industry roster," behind RCA and Philco but ahead of its Chicago competitors Zenith and Admiral, and traces its rise from small concern with fewer than 3500 employees in 1949 to present 13,000 in 16 plants. Galvin estimates at least 10% increase next year in industrial communications business, and increase of unspecified amount in military electronics. Radios, both home and auto, will be about same as this year, he forecasts.

Loew's Inc. pres. Arthur Loew, in *Wall Street Journal* interview Dec. 23, states that its *MGM Parade* show on ABC-TV, sponsored by Lucky Strike & General Foods, has earned it a \$1,000,000 profit—despite unenthusiastic critical reaction to the show. Big movie producer looks to expanding foreign market for increased business, including TV outlets abroad, he said. About 40% of its business now comes from foreign operations.

Emerson Radio's earnings went up 30%, sales up 10% in fiscal year ended Oct. 31, reports pres. Benjamin Abrams. Preceding year earnings were \$1,884,976 on sales of \$80,559,994. Abrams told press conference air conditioners were the major factor in increase.

Robert A. Hall, v.p. & adv. mgr., Sarong Inc. and chairman of National Collegiate Athletic Assn. TV committee, elected a director of Skiatron Electronics & Television Corp. (Subscriber-Vision system of toll TV).

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Dividends: Gross Telecasting Co. (WJIM-TV & WJIM, Lansing), 30¢ on common & 5¢ on "B" payable Feb. 10 to stockholders of record Jan. 25; Monumental Radio (WCAO, Baltimore), 25¢ Jan. 3 to holders Dec. 19; Daystrom Inc., 30¢ Feb. 15 to holders Jan. 27.

Color Trends & Briefs: More than 250,000 people trooped through RCA Exhibition Hall in N. Y. Dec. 10 through Dec. 25 to see color shows presented continuously 12 hours daily, telecast and closed-circuit, according to Irving Sarnoff, exec. v.p. of Bruno-New York, RCA distributor. He said normal attendance at Hall is about 4000 daily but that color shows, promoted via TV-radio and newspapers, jumped figure to as high as 18,000.

"In my judgment," said Sarnoff, "the number of people who have seen color in action the last 2 weeks at the Exhibition Hall is greater than was seen by the public in all the dealer outlets we have in New York. I might add that there is more consciousness on the part of the public about color than at any time since its introduction to them. And at our current showing of the new line to dealers at the Hotel New Yorker, the number of color orders booked is most gratifying. There's a ground swell and the dealers are coming into the act."

Bruno-New York has set up receivers in several other locations in Rockefeller Center area—including Center's lobby, Chase Bank, Liberty Music Shop, Radio City Music Hall, 21 Club—but Sarnoff said he was unable to estimate number of people who have watched color at those locations. Demonstrations were scheduled to end Jan. 1, but Sarnoff said thought is being given to continuing them.

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"RCA Color Theatre," weekly 30-min. Mon. all-color show on WNBQ, Chicago, starts *Judge Roy Bean* series of "adult westerns" Jan. 2. It's first time show will be colorcast by any station. Program is sponsored by RCA Victor Distributing Corp. of Chicago, comprises color film and live color commercials. Station is building toward debut as nation's first all-color station—status it's scheduled to reach in April (Vol. 11:45). In Houston, KPRC-TV has sold *Ciseo Kid* color film series to Foley dept. store.

Colorcast of Tournament of Roses Parade Jan. 2 in Pasadena will be presented for second year by independent KTLA, Los Angeles, sponsored by Pasadena Savings & Loan Assn. NBC-TV will be feeding color coverage of the event to network. Occasion will be KTLA's fourth color remote in a year.

NBC-TV's mobile color unit, now in Los Angeles, will be used for unique program—live drama staged completely in orange grove at Rancho Rinconada, in San Fernando Valley. Program will be "All the Trees of the Field," presented on Jan. 11 *NBC Matinee Theatre*.

ABC-TV still has no plans for beginning color. Spokesman states: "We're still watching the sale of receivers, as before, and will start color when circulation justifies it."

RCA shipped live color camera chain Dec. 19 to WBTV, Charlotte, N. C.—making it 19th station equipped for live originations. (For other 18, see Vol. 11:42, 44.)

Network Color Schedules

(Jan. 2-15, 1956)

- Jan. 2—NBC: Tournament of Roses Parade from Pasadena, Cal., 12:15-1:45 p.m.
- Jan. 3—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Jan. 4—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 5—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 6—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 7—CBS: *Gene Autry Show*, 7-7:30 p.m.
- Jan. 9—NBC: *Howdy Doody*, 5:30-6 p.m.; *Producers' Showcase*, "Peter Pan," Mary Martin & Cyril Ritchard, 7:30-9:30 p.m.
- Jan. 10—NBC: *Howdy Doody*, 5:30-6 p.m.; *Milton Berle Show*, 8-9 p.m.
- Jan. 11—NBC: *Howdy Doody*, 5:30-6 p.m.
- Jan. 12—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 13—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Jan. 14—CBS: *Gene Autry Show*, 7-7:30 p.m.; *Ford Star Jubilee*, "Blithe Spirit," 9:30-11 p.m.
- Jan. 15—NBC: *NBC Opera*, "The Magic Flute," 3:30-5:30 p.m.

SENATE'S omnibus investigation of TV will explore split in FCC on allocations problems in first round of hearings by Sen. Magnuson's Interstate Commerce Committee beginning Jan. 17. Letter inviting commissioners to appear is expected to go out next week, and it's understood that emphasis will be placed on request that each commissioner take stand and give his individual views.

It's expected that next week's letter will ask Commission to give: (1) Its "final" views on Plotkin and Jones recommendations with regard to allocations and network problems. (2) Statement of FCC "policy" on uhf & vhf. (3) Report on comparative coverage of vhf & uhf stations and FCC's policy toward station overlap, etc. (4) Summation of work so far in Commission's network investigation, headed by Dean Roscoe Barrow of U of Cincinnati, with explanation of ground to be covered by study.

First hearings probably will be devoted entirely to quizzing FCC members—and what is covered from there on in will be largely up to Chairman Magnuson. There have been reports he wants to break investigation down into "topics"—holding separate hearings on allocations, then network problems, then freedom of information, etc. Off-&-on hearings on TV may well last through the entire session of Congress. New majority counsel for hearing, Seattle attorney Kenneth A. Cox (Vol. 11:52), is due to arrive in Washington next week, as are Sen. Magnuson and rest of Committee.

Earl M. Johnson, ex-chief engineer of MBS, recently its v.p. in charge of station relations & engineering, has purchased radio WCAW, Charleston, W. Va. (1400 kc, 250-w), plans formation of Engineering Corp. Inc. to engage in field engineering, processing of applications, TV-radio consultation. Firm's first client is General Tele-radio. Onetime FCC engineering executive, Johnson was transferred to Signal Corps in 1944, joined MBS year later. He's headquartering temporarily at his home, 55 East End Ave., N. Y.

W. H. Lancaster family is acquiring control of WJHL-TV, Johnson City, Tenn. (Ch. 11) & WJHL, paying \$200,000 for 45.4% of outstanding stock held in trust for S. H. Campbell Jr. family. Stock will be retired to treasury and ownership lineup will be: W. H. Lancaster Jr., 34.5%; W. H. Lancaster Sr., 24.4%; Evelyn L. Lancaster, 24.4%; Edna M. Dooley, 16%; T. F. Dooley, .7%. Balance sheet filed with application at FCC shows WJHL Inc. (TV & radio) net profit in Oct. was \$13,163 after expenses of \$38,991; net for first 10 months of 1955 was \$74,929, after expenses of \$359,936.

All is not happy among minority stockholders of WCHS-TV, Charleston, W. Va. (Ch. 8). This week, in unusual petition, 40% owner Capital TV Inc., asked FCC to set for hearing station's application to move transmitter & antenna. Capital TV complained that 60% owner Tierney Co. (WCHS) ignores its advice, doesn't tell what's going on; that move is unnecessary and would cost \$250,000 which should be spent on staff and programming.

Two radio sales approved this week: (1) KXOC, Chico, Cal., sold for \$150,000 by Harold T. Gibney to Jack O. Gross, who founded KFMB-TV, San Diego, later sold it with radio for \$925,000 (Vol. 11:49). (2) WGLS, Decatur, Ga., sold for \$40,500 by Guy W. Rutland to Republic Bcstg. System Inc., controlled by Trinity Bcstg. Corp., which holds CP for KOKE, El Paso (Ch. 13), due next March and also operator of radios KLIF, Dallas; KERP, El Paso; WRIT, Milwaukee.

WINT, Waterloo-Ft. Wayne, Ind. (Ch. 15), installing new directional antenna designed to radiate 800-kw in direction of Ft. Wayne.

Next TV Factbook—Pre-Print Orders

TELEVISION FACTBOOK No. 22, Spring-Summer edition of the TV-electronics industries' first and most widely used and quoted "almanac," will be off the presses about Feb. 1—containing basic data on all U. S., Canadian and World TV stations and networks (including digests of station rate cards and complete rate cards of the networks); digests of all CPs outstanding and applications pending for new stations, with details on principals involved facilities, etc.; all allocation tables brought up-to-date. All other departments are updated, too, such as the directories of the FCC, TV sales reps, program producers & distributors, set-&-tube manufacturers, radio attorneys, engineers & consultants, laboratories, etc. Also updated are TV-radio production figures, time sales and other statistical tables. Included with each *Factbook* is revised copy of our 43x29-in. Map of TV Cities and Network Interconnections, in color, suitable for framing. One copy of the *Factbook* goes to each of our full-service subscribers. Extra copies, if pre-print orders for 20 or more are placed by Jan. 14, cost \$1.50 each; single copies, \$4.50.

Application for 100-watt Ch. 3 station for Bishop, Cal. was filed this week by James R. Oliver (KIBS, Bishop) and Stephen A. Cisler (KXXL, Monterey; KXXY, San Francisco; KEAR, San Mateo). Unique proposal is that station would be financed by 415 residents and organizations contributing \$15 each initially and \$5 monthly for 3 years. It's proposed that microwave be used to pick up NBC-TV & CBS-TV programs. Construction is estimated at \$29,551 (land & building already on hand), using Gates equipment. After 3 years, goal is to operate on "a self-sustaining or non-support basis."

As part of network study, FCC Comrs. Hyde, Bartley & Doerfer, along with network study staff, are to visit CBS & NBC in N. Y. next week, listen to executives tell how they operate. Networks had invited Commission, stating that discussions would help FCC understand problems. They start with CBS Jan. 3, return to Washington for Jan. 4 meeting, then go back to NBC. Comr. Lee declined to go, apparently feeling presence of commissioners would be inappropriate; Comr. Mack was uncommitted; Comrs. McConnaughey & Webster were out of town.

Campaign against NCAA football restrictions was renewed this week by NARTB, as pres. Harold E. Fellows sent statement to all NCAA officers and member colleges calling the controlled college football TV plan "neither fair nor feasible." The program's organized restrictions, he said, "deny the American people an opportunity to see as much telecast football as they want to see and deny the individual colleges and universities the right to make their own TV broadcasting arrangements."

First TV installation in a private railroad car was claimed this week by Motorola after completing tests on set in car of Monon Railroad pres. Warren Brown. Motorola said Brown reported "fine" pictures along entire route from Chicago to Rome, Ga.—tuning stations in Chicago, Indianapolis, Cincinnati, Atlanta, Chattanooga.

Power increases: WHTN-TV, Huntington, W. Va. (Ch. 13), Dec. 23 to 316-kw ERP; WGN-TV, Chicago (Ch. 9), Dec. 6 to 316-kw; KSLA, Shreveport, La. (Ch. 12) to 316-kw.

Howard Abrahams, ex-Amos Parrish Co. & National Retail Dry Goods Assn., joins Television Bureau of Advertising (TvB) as head of new retail sales dept.

