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Television Digest

WITH AM FM REPORTS

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April 1, 1950

HOUSTON POST WOULD BUY KLEE-TV: Boomtown Houston's big newspaper, Houston Post, will acquire W. Albert Lee's KLEE-TV for \$740,000 (all cash except \$150,000 owing on equipment), if FCC authorizes deal made this week. On basis of precedent when Dallas News bought KBTW (Vol. 6:4,11) without any hitch, authority is expected to be granted publishers Mr. & Mrs. W. P. Hobby -- he former Governor of Texas, she war-time head of WAC. Millionaire hotelman Lee retains his AM station KLEE. He gives health and pressure of other interests as reasons for selling. Channel 2 TV outlet went on air Jan. 1, 1949, has 15.1 kw power at 502 ft., top equipment including GE transmitter, claims to be in profit column (Vol. 5:14,36). Houston Post is one of 5 pre-freeze applicants for 3 remaining channels, now operates NBC outlet KPRC(AM).

No. 103 station on TV roster, Norfolk's WTAR-TV (Vol. 6:10), was to take air this week end (April 2) amidst great fanfare. In Atlanta, radio-TV tangle occasioned by merger of newspapers (Vol. 6:12) now boils down to this: (1) Journal asks FCC to assign licenses of WSB (AM-FM-TV) to Atlanta Newspapers Inc. (2) Constitution asks assignment of its WCON-TV and WCON-FM to same company. (3) If approved, WCON, WSB-TV, WSB-FM will be dropped -- WSB-TV because WCON-TV (still building) has superior tower on Channel 2 than lower one on Channel 8 used by WSB-TV. (4) WCON-AM will be deleted, its equipment sold to WAGA which asks that WCON's 550 kc be vacated (WAGA is on 590). Atlanta Newspapers Inc., with \$16,500,000 assets, will have 400,000 shares of common stock all owned by Cox (Journal) interests, 180,000 shares of preferred owned by Howell (Constitution) family.

Yankee's WNAC-TV, Boston, has applied to shift from Channel 4 to 2 immediately on temporary basis to duck oscillator interference from Providence's Channel 11 (Vol. 6:12)...Guy Gannett's WGAN, Portland, Me. (Press-Herald and Evening Express) has reapplied for Channel 8; it withdrew application December 1948 (see TV Addenda 10-L herewith).

NO HELP WANTED--AND NO SUBSIDY: Govt. subsidy, tax on receivers, phonevision-type service, popular subscription -- does TV need any of these? NAB stirred up some talk with its survey of telecasters, asking about economics of TV -- i.e., whether it can stand on own feet without some non-advertising support. Indeed, some of 88 respondents seemed to resent fact question was even asked.

Purpose was to get strong backing for NAB's traditional attitude -- to support view that TV, like radio, neither wants nor needs support from outside, particularly from government. Survey was also prompted by recent talk on subject -- Phonevision, Faught report, whispers of need for govt. help in paying huge coaxial costs.

"No Help Wanted!" sign was almost universal. "Nothing doing," said 83 -- only 5 thinking some assistance, temporary or permanent, might be needed. Two of these favored straight govt. subsidy, 2 thought pay-as-you-look might be permanent fixture. One said: "Some subsidy for coaxial or relay circuit to West Coast might be advisable temporarily."

But vast majority reacted strongly: "Of course TV can stand on its own feet." "To subsidize TV would, in a short time, kill the very essence of the industry." "Never a subsidy of any kind -- independence or nothing." "We've got enough government without putting it into the TV business." And so on.

NAB also asked where TV money will come from, whether it will be "new money"

in addition to that spent in other media. Answers ranged all over the lot; there was really no consensus. For example: "Mostly new money." "From radio largely." "From all other media." "70% new money, 30% from other media." "From magazines and audio radio." "From nighttime radio principally." "From sales and sales promotion budgets other than advertising."

'TELECASTING ROUNDING PROFIT CORNER': You can hardly accuse Wall Street Journal of drum-beating for TV, though it has often shown more alertness to that industry's economic aspects than many a trade journal. So when its leading article March 29 carries this headline, TV-conscious enterprisers must sit up and take notice: "Television Broadcasters Begin to Earn Money as Client List Grows. Video Ad Users Exceed 2000, Quadrupling in 18 Months. Time Rates Double, Triple. More Know-How Cuts Costs."

That pretty well digests story, which reporter Joseph Guilfoyle starts by noting that "galloping TV has already earned millions for receiver producers but telecasting is only now rounding the profit corner." He bolsters his thesis with interviews and reports: DuMont's Pittsburgh, WDTV, called "champ" money maker at \$6000-\$8000 per week; George Burbach, St. Louis Post-Dispatch's KSD-TV, saying "prospective advertisers are standing in line...income in typical week this month exceeded all expenses by more than \$6500"; DuMont's WABD, New York, in the black locally (though not as network key); WTVN, Columbus, in black from opening day in October; Westinghouse's WBZ-TV, Boston, edged into black few months ago and still there; Philadelphia's WCAU-TV director Don Thornburgh saying "we're getting very close to black figures."

These are only handful among the score or more reported in these pages over last year or so. Guilfoyle might have added proud claims of Philadelphia Inquirer's WFIL-TV; Milwaukee Journal's WTMJ-TV; NBC's WNBT, New York; Balaban & Katz's WBKB, Chicago; KSTP-TV, St. Paul; WJBK-TV, Detroit; WSPD-TV, Toledo; KLEE-TV, Houston; WHNC-TV, New Haven; WICU, Erie; WAAM, Baltimore, and many another stating it was moving closer, slowly but surely (Vol. 5:7,14,36,42,47,48,50; Vol. 6:4,6).

There are many more that can't be divulged, for simple reason that as soon as profits are reported, however low and no matter what past losses must be made up, along come the program suppliers, staff and unions -- all asking for more money. Only a few of the profit-reporting stations are earning kind of money to which radio has become accustomed. Most telecasters as yet barely make ends meet, leaning on AM profits and tax deductions.

Yet fact is managements of virtually all the 103 now-operating stations will tell you they see good profits in sight. And they don't regard future of sponsored TV, a la radio, with foreboding -- Phonevision and Faught report notwithstanding (Vol. 6:6). Indeed, most seem to be truer believers in TV's destiny than they were in radio when it was of equivalent age--when, 20-25 years or more ago, many of them came into the parvenu radio fresh from newspaper, appliance and whatnot businesses.

All of which prompts renewal of forecast of last winter (Vol. 5:50), namely, that 1950 will see good one-third of TV stations in the black, more or less, including depreciation; one-third in operating black, not including depreciation; one-third still losing money, but on steadily diminishing scale.

WHAT THEY SAY ABOUT MOVIES & TV: Producer Samuel Goldwyn says movie-makers must join forces with TV to stay in business. Writing in March 26 New York Times Magazine, he repeats much of what he stated in same periodical just year ago (Vol. 5:8): That TV should benefit from Hollywood talent and entertainment know-how. That "public will demand -- is already demanding -- a far higher standard of [TV] programming than now prevails. That "only Hollywood is geared to supply that visual entertainment demand." And, he added, TV won't supplant movie theatre any more than radio news supplanted newspapers.

Goldwyn's warning to Hollywood: Producers must turn out better pictures. "B" pictures will disappear from theatres, appear free on TV.

Significant is what banker friend told Goldwyn -- that most of his small loans (\$300 and under) seem to be for TV, and that borrowers state they will repay

TRI-COLOR TUBE HAS WHAT IT TAKES: RCA shot the works with its tri-color tube demonstrations this week, got full reaction it was looking for -- not only from more FCC members and several score newsmen, but from some 50 patent licensees who came to see for themselves.

So impressed was just about everybody by remarkable performance, that it looks now as if RCA deliberately restrained its pre-demonstration enthusiasm to gain full impact. "Now we're getting somewhere," was essence of comment, especially among manufacturers. Previously solidly sold on compatibility and fairly well sold on RCA's system, many seemed ready to go all the way with RCA now that they've seen normal-looking, compact receivers (no "grand pianos") giving decent pictures.

Adoption of either CBS or CTI, by themselves, can now be ruled out unequivocally. Their only chances, particularly those of CBS, lie in multiple standards permitting virtually any 6-mc system. And such standards are most repugnant to CBS (Vol. 6:12), which has stated they might stymie color as much as anything could.

Desperate last-ditch stand on multiple standards can be expected from Comr. Jones. He's likely to seize on tube as device enhancing his idea of a "universal" color receiver (Vol. 6:12). But it does little to ease dilemma which would face telecasters confronted with choice of standards. Incidentally, we learn that Hazeltine made that combination RCA-CTI receiver Jones said he saw (Vol. 6:12).

* * * *

Demonstrations were signal for unleashing full-scale campaign by RCA. Chairman David Sarnoff seized opportunity, at Wednesday press showing, to make all-out bid for immediate FCC authorization of RCA system (or at least basic standards requiring compatibility and no degradation from today's black and white). And he made his first frontal attack on CBS, whose system he completely dismissed.

[Sarnoff statement to newsmen, though off cuff, sums up his whole concept of color issues so well that transcription is printed herewith as Special Report.]

RCA uncorked its publicity guns, as well. Wednesday, CBS whipped out statement by president Frank Stanton to effect that CBS welcomed tube, could use it more simply than anyone else, but that public doesn't have to wait for tube to enjoy color now with CBS system.

RCA countered immediately with release quoting Sarnoff saying tube wouldn't eliminate CBS deficiencies of incompatibility, low resolution, breakup and flicker. RCA also issued 32-page booklet "Answers to Questions About Color Television," in lay language, comparing its system with others, reprinting NBC president McConnell's testimony (Vol. 6:12) and telling how "step by step, CBS is adopting essential elements" of RCA system.

* * * *

Principles of tube seem very simple, understandable even to laymen, as explained by RCA's Dr. E. W. Engstrom. The trick lay in translating principles into product, and RCA isn't revealing it yet -- "because we're still experimenting with different ways of doing it."

Tiny circular dots of red, blue, green phosphors are deposited on flat-faced tube, one at each tip of tiny triangles (117,000 triangles, 351,000 dots). About 1/2-in. back from face, there's metal plate with 117,000 holes. Angle at which beam goes through holes determines which color phosphor is activated.

In 3-gun tube (guns in single neck), guns are fixed in position so beam of each can strike only one color of phosphor dots.

In one-gun tube, beam is spun electronically 3,600,000 times per second, is fed red, blue or green signal when it's in position to hit properly colored dots.

Since really good red phosphor is yet to be found, a filter in front of tube

cuts out yellow component, gives proper hue. It's called "minus yellow" filter, looks like the ordinary clear safety glass on black-and-white sets.

Three-gun tube gave best performance yet seen with RCA system. One-gun tube was troubled with either reddish or greenish tinge, but Engstrom blamed uncertainties of hand-production, said there's no inherent limitation in tube, warned against underrating it even though 3-gun outshines it at moment.

No black-and-white was shown on tri-color tubes this week, though FCC people saw some last week, reported it good.

Though resolution is 250-300 lines horizontally, said Engstrom, goal is to put about twice present number of dots on tube to achieve full potential. Number of observers thought picture rather "soft," attributed to limited number of dots and their relatively large size. RCA engineers claim that they're improving pictures daily, that they showed better results this week than they did last week.

At this stage of development, RCA pictures show more detail than CBS's. But CBS probably shows its lesser detail more crisply.

Tubes give about 9x12-in. picture, and Engstrom said it's easier to make them larger. Three-gun is about 8-in. longer than standard 16-in. kinescope, one-gun about 12-in. longer. Both are aluminized.

Both sets were standard RCA 16-in. table models, adapted for color. One-gun currently requires addition of 10 tubes (37 total); 3-gun has 19 extra (46 total), gives brighter, sharper picture.

Remarkably good black-and-white picture on standard 12½-in. RCA table model brought almost as much comment as color, emphasizing compatibility factor. RCA engineers said there's no reason why it should be better than ordinary monochrome, for receiver wasn't "hopped up" in any way. They thought meticulous camera work and transmission might account for it.

Asked about single tri-color camera tube possibilities, Engstrom said he saw no reason why it shouldn't come along as well as receiver tube, but that latter naturally had priority.

New angle worth noting in RCA's pitch this week, both in Sarnoff's statement and Engstrom's remarks, is talk of "convertibility" of monochrome sets to color with new tube. Lately, CBS has been putting great emphasis on its convertibility as against RCA's compatibility. Actually, consensus is there's likely to be little conversion with any system in light of experience with FM, short wave converters, etc.

* * * *

Some 50 RCA manufacturing licensees saw demonstration Thursday. FCC's Coy, Hennock and Hyde had seen it Wednesday night; only Walker hasn't seen it.

Set-makers, keenly aware of the lag between laboratory and dealer's shelf, seemed to have qualms only that public might expect color sets any day now. They were quick to notice one newspaper report misquoting Sarnoff to effect color would be in homes "in a matter of months rather than years." For his guesses on timetable, read text of his speech in Special Report herewith carefully. "I hesitate to say one year, 2 years or 3 years," sums up his guarded promises.

Licensees were assured same assistance in color as they received in 1947 when RCA threw open its know-how on its first post-war set -- the well-known 630-TS. This assistance, said license v.p. Ewen Anderson, would include: sample kinescopes and sets, engineering description and service, bill of materials, drawings, information and test equipment, RCA-made components if desired.

* * * *

Hearing resumes Monday, continues on these dates: April 4-6, 10-11, 17-20, 25-26. Official showing of tube is April 6.

RCA's Dr. George Brown is due to continue Monday, testifying that new data RCA has gathered still indicates color requires no different allocation from black-and-white, thus pointing to quick start on freeze hearing.

CTI's request for another official demonstration, in San Francisco (Vol. 6:12), was answered by FCC this week. At least one commissioner, plus staff members, would make trip first week in May, Commission said, if CTI gave written assurance that "it has effected a significant improvement in the performance..."

their loans "by cutting down on the number of times we go to the movies."

Economic potential of theatre-TV as analyzed by TOA consultant Nathan Halpern March 28 before Oklahoma TOA: 2000 theatres with 1200 seats each at average admission of 75¢ equals \$1,800,000, of which \$500,000 would be available to cover cost of a single exclusive theatre-TV production.

PHONEVISION HELD TO EXPERIMENTAL SIZE: As if getting first-run pictures for Phonevision weren't enough of a problem (Vol. 6:12), to say nothing of general lack of enthusiasm on part of telecasters and manufacturers, Zenith got another setback this week when FCC denied application to increase power, move location of its experimental TV station. It had order in for GE 5-kw transmitter, proposing to change KS2XBS from present 1 kw at 70-ft to 18 kw at 560-ft; and to move it from factory in West Chicago to 1 No. LaSalle St. (Vol. 6:7) -- part of much-publicized \$400,000 test.

FCC held present facilities were sufficient for 300-family test due to start Sept. 1, seemed to fear Zenith might get foot-in-door for Channel 2 if permitted to expand to what it implied was "full commercial facility." There are 4 pre-freeze applications (including Zenith's) for Chicago's remaining 3 vhf channels.

Concerning age of Phonevision test films, Wall Street Journal of March 27 quotes Comdr. McDonald: "Most of them [films] will be at least one year old. We don't want only the best pictures. They'll be a cross section of selections. We want to see if the public will pay for 'bum' pictures as well as for the best." He still hasn't indicated where he will get the 90 films for 90-day test authorized under rigid experimental restrictions (Vol. 6:6). But he has said he has them. In New York, Zenith sales v.p. H. C. Bonfig echoed McDonald's stand that movie industry must adopt Phonevision to counteract declining boxoffice; he also said McDonald in Hollywood had been offered films dating from 1937 to some as yet unreleased.

Personal Notes: Ted Cott, WNEW program mgr., named gen. mgr. of NBC's New York stations WNBT, WNBC, WNBC-FM, will also serve as consultant on programming for other NBC-owned stations; he succeeds Thomas B. McFadden, who goes to Hollywood April 6 to manage NBC's KNBH . . . Thomas McCray, NBC radio program director, due to be transferred to Hollywood to head AM programming . . . J. R. Myers, TV controller, named asst. to Carleton D. Smith, director of NBC-TV operations . . . Donald W. Thornburgh elected to board of WCAU Inc. (*Philadelphia Bulletin*), Charles Vanda named v.p. in charge of TV, Robert N. Pryor v.p. in charge of promotion . . . Henry Morganthau III quits WNEW, New York, to join CBS-TV production staff . . . Murray Bolen, from Hollywood, to head Benton & Bowles TV live programs; Herbert Leder heads TV film dept.; Tom McDermott continues as radio director . . . Harlan Thompson named a CBS-TV production supervisor in Hollywood.

Network Accounts: Sanson Hosiery Mills (Picturesque stockings) will sponsor NBC-TV coverage of New York's Fifth Ave. Easter Parade from 12 noon, April 9 . . . Peter Paul Inc. (candies) has assumed sponsorship of *Magic Cottage* on 5 DuMont stations, Wed. 6:45-7 . . . B. F. Goodrich's *Celebrity Time* moves from ABC-TV to CBS-TV April 2, Sun. 10-10:30 . . . Ronson's *Twenty Questions* moved March 31 to 12 ABC-TV stations, in addition to WOR-TV, Fri. 8-8:30 . . . Toni show on CBS-TV will be called *Toni Twin Time*, starts April 5, alternate Wed. 9-9:30, other weeks being taken by Jules Montenier Inc. (Stopette deodorant) for *What's My Line?* . . . Eddie Cantor, quitting his AM *Take It or Leave It* show for Eversharp as of June 4, has signed for fall NBC-TV show, format undecided.

Variety reports CBS February billings \$5,597,240, up 5.3% from same 1949 month; NBC \$5,210,600, down 1.4%; ABC \$3,169,100, down 17.8%; MBS \$1,407,200, down 16.5%.

Station Accounts: "Bulova has quietly started dropping [AM] stations around the country and isn't replacing them," reports *Sponsor Magazine*, which adds: "It looks as if Bulova is out to duplicate their early astute move into radio by buying up choice spots on TV for time signals while competitors are still waiting for more sets to produce 'better buys'" . . . On New York's WJZ-TV, *The Arnold Constable Show*, onetime March 29, 4:30-5, was put on as test of 100% "demonstrator" telecasts by dept. stores, not requiring "acts" to hold audience; seen by ABC as "pilot model" for other dept. stores . . . Another WJZ-TV one-shot is *Ranger Ranch Roundup* April 2, 12-12:30, sponsored by Wilane Trading Co. to see how it sells "Gene Autry Wrist Watch" . . . Tommy Harmon for Emerson Dealers handling Los Angeles Angels games on KFI-TV . . . Aldens Inc., big Chicago mail order house, sponsoring *Square Dance Time* on WENR-TV, Sat. 8-8:30 . . . Rival brewers, Gluek and Minneapolis Brewing, sponsoring alternate Minneapolis Millers games on KSTP-TV this season; Hamm Brewing has signed for St. Paul Saints on WTCN-TV . . . NBC's New York key WNBT reported to have 11 participants already for its local *Spot the Sponsor* show starting within next few weeks: Snowcrop Orange Juice, Savarin Coffee, Dell-Rich Margarine, Old Dutch Cleanser, Swift's Peanut Butter, Derby Foods, Pepsi-Cola, Post Crisps, Ward Bread, SOS Pads, 7-Minute Mix . . . Among spot advertisers currently using or planning TV: Hygrade Foods Products Corp., thru Doyle Dane Bernbach Inc.; Associated Products, Chicago (deodorant pads), thru Weiss & Geller; Duffy Mott Co., thru Young & Rubicam; American Chiclé Co., thru Badger, Browning & Hersey; Campana Sales Corp. (Solitaire Cake Make-Up); Crosley Div., Avco, thru Benton & Bowles; Murine Co. (eye wash), thru BBDO; Cannon Mills (towels), furnishing local retailers 1-min. films for local TV, N. W. Ayer.

NBC affiliates convention next October will again be at Greenbrier, White Sulphur Springs, W. Va.

We're omitting publication of April 1 edition of our *TV Factbook* for reasons that: (1) there have been so very few additions of stations since our Directory No. 10 was published last Jan. 10; (2) only 2 new station applications have been filed, only six withdrawn; (3) Directory of TV Manufacturers & Receiving Sets remains unchanged, except for some new models and prices, which have been reported in our weekly Trade Reports. Since these are the basic features of the *Factbook*, we're waiting until July 1 to revise and bring them up-to-date; by that time just about all remaining stations authorized pre-freeze will be on air and most new TV models for this year will probably have been reported. Meanwhile, station list in *TV Directory No. 10: Television Rates & Factbook* can be brought up to date by merely noting these additions: WSYR-TV, Syracuse, N. Y.; KEYL, San Antonio, Tex.; WOI-TV, Ames, Iowa; WHAS-TV, Louisville, Ky.; WTAR-TV, Norfolk, Va. And you can add applications for new stations in Danville, Va. (Addenda 10-K) and Portland, Me. (Addenda 10-L).

TV session at NAB convention April 19 will have as principal speakers Robert C. Tait, Stromberg-Carlson president; Eugene Thomas, WOIC, Washington; Burr Tillstrom, creator of *Kukla, Fran & Ollie*, with a panel on programming and another on business. On programming panel: Robert D. Swezey, WDSU-TV, New Orleans; Ernest Walling, NBC-TV producer; Jack Mabley, *Chicago Daily News* radio-TV critic. On business panel: William B. Ryan, KFI-TV, Los Angeles; Marion Harper, Jr., McCann-Erickson; Jim Moran, Courtesy Motor Sales, Chicago. TV star Dave Garroway will preside. Following luncheon, Crosley's Dwight Martin will lead discussion on ASCAP licenses.

FCC chairman Wayne Coy faces "Meet the Press" (broadcast on MBS, not telecast) panel at Radio Pioneers banquet in New York's Ritz Carlton night of April 4—and presumably some more ideas on color, freeze, "bad taste," etc. may be forthcoming. Lawrence Spivak heads panel of network commentators, including H. V. Kaltenborn. NBC v.p. William Hedges, president of club, will preside at installation of successor, Frank Mullen.

Another of FM's older pioneers drops out (Vol. 5:49, 50, 52) when *Milwaukee Journal's* WTMJ-FM, Milwaukee (322 kw), and WSAU-FM, Wausau (46 kw), cease operations April 2. Former started February, 1940. Manager Walter Damm wrote FCC: "Much to our regret, FM has not lived up to the bright promise of 10 years ago. The radio listeners in Wisconsin have not seen fit to invest in a sufficient number of FM receivers to make continued operation . . . worthwhile."

NBC will accept half-hour or full-hour buys of its 2½-hour *Saturday Night Revue*, first retreat from original policy to sell only spots (Vol. 6:8). Among questions to be decided, probably next week, are what to do about summer, format of show next fall, commercial practices next fall, etc. Already definite policy is refusal to accept single spot sponsor for half-hour segment, until other 2 are also ready to sign up.

"Bisignal" is name given FM system allowing two signals on same channel (Vol. 6:2) by developer Raymond Wilmotte, Washington consultant, who this week petitioned FCC to permit FM stations to transmit second signal on same channel. He contends that if second signal is about one-tenth strength of first, no interference is experienced with either. Thus, FM spectrum could be virtually doubled. Chances are FCC will request more specific test data.

Vernon B. Bagnall succeeds Harry H. Carter, retiring May 1, as gen. commercial mgr. of AT&T Long Lines Dept.

Telecasting Notes: WCBS-TV, New York, buys package of 23 feature films from Masterpiece Productions, 45 W. 45th St., N.Y.; CBS has also lined up series of 15-min. *Hollywood on the Line* scripts for local announcers with answers on films by movie stars . . . Don Lee acquires 300 more westerns, now has 364 in all, runs 7 hours of them weekly . . . Crosley's own studio wrestling matches (Vol. 6:7) now have 20 other stations buying them via kine for local sponsors; Crosley sponsor is Graybar (for Raytheon TVs) . . . Paramount reports 25 stations signed for syndicated kines from its KTLA, Los Angeles . . . Baltimore TV stations, having claimed top Dec.-Jan. Hooper (46.1%) for radio-TV combined (Vol. 6:9), now also claim it for Jan.-Feb., with 50.2%—or 3.9% ahead of second city, Philadelphia, on Hooper's 41-city list . . . With 50 sponsors, Washington's WTTG is turning them away from Mon.-Fri. 2-5 p.m. *TV Disc Jockey* show, is extending it to 1:30-5; spots cost \$7.50 . . . WOR-TV, New York, won lots of publicity in announcing it intends following Motion Picture Code right after FCC chairman Coy's Oklahoma speech on "livery stable" humor (Vol. 6:11); TBA several years ago urged not only movie but NAB code, is expected to do so again shortly . . . San Francisco Academy of TV Arts & Sciences awarded "Emmies" to KPIX for outstanding achievement, best film commercial, outstanding local personality, best local film; to KGO-TV, best cultural show, best sports coverage; to KRON-TV for best live children's show, best film commercial; to *Hoffman Hayride* for best live show, best film commercial.

Maybe it sounded like big American talk to CCIR international radio conference delegates now visiting United States, but GE's Dr. W. R. G. Baker was stating some reasonable conclusions based on his extensive research facilities when he told them in New York March 27: (a) that 1200 companies, including suppliers, are associated with TV-radio manufacture, employing 110,000 workers with payroll of about \$230,000,000; (b) that 1950 retail sales of TVs will run \$1,215,000,000, sales of radios \$360,000,000; (c) that by Jan. 1, 1951 public will have 8,100,000 sets, by Jan. 1, 1955 will have 28,200,000; (d) that by end of 1950, some 200,000 families will have 2 sets, and by end of 1954 this will rise to 3,600,000 families; (e) that by end of 1954 TV areas will include 33,000,000 out of 41,500,000 families, 74.5% owning TV sets.

CBS color is "it," as far as April *Consumer Reports* is concerned. Magazine terms it good, ready and cheap. RCA's is called "economically unfeasible and physically unwieldy," while CTI's is "admittedly not yet ready . . . does not appear to be in the running." Like so many other recent color "analyses," this one shows fallacy of trying to master-mind the unfamiliar, and of drawing sudden conclusions in the middle of fast-moving developments. In spite of opinion about color, magazine says that it isn't necessarily unwise to buy black-and-white set now, that buyer takes some risk of obsolescence anyway, that "most of the anticipated changes would not impair the usefulness of your present set."

Congressional plea to lift freeze was made March 28 by Rep. Kelley (D-Pa.) on floor of House. Pittsburgh Congressman implied there was no need to continue freeze since it was generally agreed color could be gotten into 6-mc band. This is one of first public "Hill" statements on getting freeze lifted. FCC has had lots of Congressional letters, but virtually all were requests for information to answer constituents.

Relationship of TV picture to sound will be subject of oral argument before FCC May 12 when objectors to proposed FCC rules (Vol. 6:2) have their day in court. Comments required by May 1.

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April 8, 1950

LATEST CHECK ON BRIDGEPORT UHF: First interim report on Bridgeport uhf experimental station KC2XAK (Vol. 6:3,5,10), filed with FCC this week by NBC, may be summed up as "encouraging". This is the RCA-NBC "pilot" station that FCC, prospective telecasters, receiver manufacturers are all eyeing, preliminary to commercialization of uhf.

Of 45 receiving locations rated, 38% are called excellent, 22% good, 20% fair, 11% poor, 9% unusable. All sets were within 23 miles. Superior receiver lead-in line, when installed, is expected to bring up inferior ratings.

Distance is vitally important -- "excellent" and "good" ratings fall off fast as distance from transmitter increases.

Reception at RCA Bldg. in New York, 860 ft. above sea level, shows 10% variation in signal during high winds. This is attributed to slight movement of transmitting antenna, causing main 2-degree vertical lobe to vary.

Transmitter performance has been excellent, report says. Out of 1000 hours of operation, only one was lost because of defective tube. Frequency stability was better than .001%.

Unsatisfactory out-of-the-air pickups from New York's WNBT (Channel 4), 55 mi. away, led to permanent use of 2000-mc radio relay, resulting in final quality at good uhf receiver locations equivalent to good vhf.

For copy of report, write Raymond F. Guy, NBC manager of radio and allocations engineering.

DOLLAR TRENDS IN RADIO AND TV: Just in case you overlooked Publishers' Information Bureau's latest monthly figures on network AM and TV revenues, let's recapitulate:

In February, the 4 national radio (AM) networks did combined gross radio billings of \$15,373,547, down 4.6% from \$16,118,658 for Feb. 1949 -- CBS alone showing increase (5.3%) while NBC was down 1.4%, MBS down 16.4%, ABC down 17.6%. In Jan.-Feb. combined, they did \$32,458,587, or 4% less than the \$33,822,744 they aggregated for same 1949 months.

In February, the TV networks (not including non-reporting DuMont) are shown with \$1,730,259 gross billings, up 299% from the \$578,965 (including DuMont) for same month last year. In Jan.-Feb. combined, they did \$3,620,898, up 361% from the \$1,002,250 for same 1949 months.

Now the significance of these figures lies not in their relative size but in the trend they may betoken:

The radio networks have nearly always led way, are usually bellwethers of broadcasting as whole, though national spot and local have tended to outstrip them in percentage gains in recent years. Seeming trend to shrinking network revenues, possibly not yet affecting better-positioned stations, is accented by current talk about lower radio rates (see p. 2) -- little or no talk about higher radio rates.

TV network billings, on the other hand, while still comparatively small in total, are going up fast percentagewise -- spot and local unquestionably sharing trend, though dollars and percentages aren't yet available. Certainly, the TV net-

works this year will do far better than PIB's 1949 approximate \$12,300,000 (Vol. 6:9); and TV as whole much better than the \$25,000,000 roughly granted it in 1949 (Broadcasting 1950 Yearbook).

If there were more TV stations and wider networks, as there inevitably will be after the freeze, there's scant question where the TV grosses will go.

* * * *

All of this is not to disparage radio -- all-embracing, penetrating and powerful as an advertising medium -- indeed, the "providing parent" of youthful TV. But the signs seem clear:

Talk all they will about new business supporting TV, about radio holding its own, even continuing its consistent upward climb, conclusion seems inescapable that AM broadcasting as whole is near its peak, may have reached it already -- and that its recession may actually have begun. This despite such big deals as NBC's sale to General Mills this week of package of 65 half-hour night periods on full AM network, taking up May 1 to Sept. 7 periods other sponsored shows vacate for summer -- all in addition to that sponsor's current commitments.

Today, even the larger, better-placed, better-connected, better-managed radio stations in TV areas boast when their monthly sales volume "holds its own" or turns out "slightly better" than comparable preceding months.

It will be surprising indeed if, at end of this year, over-all AM revenues will exceed those of 1949, which were \$435,279,000, according to NAB, or up 4.5% from FCC's official 1948 total of \$416,720,279 (Vol. 5:53).

THE RADIO RATE CAULDRON SEETHES: Talk about adjusting radio rates to compensate for TV's inroads on audience occupies almost any gathering of the broadcast advertising fraternity these days. Problem was brought into sharp focus 2 weeks ago when Philadelphia's WFIL cut nighttime rates by \$30 an hour but raised daytime rates -- frankly on account of TV (Vol. 6:12). When Assn of National Advertisers convened last week, subject of radio rates was foremost topic; it's certain to be again at management convention of NAB in Chicago, April 17-19. Evidence thus far seems to add up to these conclusions:

(1) Pressures on radio are bound to get heavier as more and more data is gathered to reveal extent of TV's inroads on radio listening -- especially in big markets at night.

(2) Broadcasters aren't going to yield to pressures to cut their rates without a struggle -- not for awhile, anyhow.

Radio attitude is indicated in current NBC promotion. Full-page newspaper ads in New York this week ring changes on theme that radio is "bigger, busier and more economical than ever." Pegged on new U.S. Census, NBC compares 28,500,000 radio families in 1940 to 40,700,000 in 1950 -- total of 86,000,000 radios, if you count multiples, portables, etc. In its trade press ads, NBC carries slogan, "Daytime is Big Time."

* * * *

At ANA meeting, NBC chairman Niles Trammell emphatically denied there would be any reductions in NBC's nighttime rates, suggested day rates might be raised. He said NBC is now delivering radio homes at average cost of 32.6¢ per 1000 vs. 42.9¢ in 1940. (That approach is taken by Des Moines' powerful WHO, which in cover ad of April 3 Broadcasting Magazine notes: 13,393 radio sets for \$1 in 1944, same number for 48¢ in 1949.)

Pollster A. C. Nielsen told ANA radio homes have increased 6% in last 3 years -- from 37,600,000 in 1947 to 40,800,000 in 1950. He said TV must have 11,400,000 homes to cancel out this gain.

April 3 Broadcasting rounded up station reps' reactions to WFIL move, found many agreeing radio rates will need adjusting. But George Bolling echoed strongly held belief, "Radio has been underselling itself on a cost-per-thousand basis." And

COLOR, COAXIAL & OVER-ALL SIZEUP: RCA uncorked another fast pitch this week when it put its color system through 2.7-mc coaxial -- something previously considered impossible. Revelation came at Thursday's official demonstration of the tri-color tube it unveiled week earlier (Vol. 6:13). Signal was sent through simulated 2.7-mc condition, since Washington-New York coaxial was otherwise tied up at time.

Principal effect noticed was reduction of resolution, which also happens to black-and-white when squeezed into 2.7 mc. Technique can stand considerable sharpening up, however.

Way it's done is this: Picture is sampled at 2.4-mc rate, rather than 3.6 mc, sent through cable, separated into 3 colors at other end, then resampled at 3.6 mc and transmitted. Actual coaxial transmission was tried earlier in week, worked satisfactorily according to RCA.

CBS officials said nothing during demonstration, but v.p. Adrian Murphy, reached later, said: "RCA's compatibility angle becomes exceedingly doubtful with such transmission. I watched the black-and-white; it was very poor. I think they'd have sponsor trouble trying to sell it."

As for tri-color tube, which he saw Thursday for first time, Murphy said: "It's in an early stage, of course, and leaves much to be desired." He seemed to consider it a fair start, however. Neither tube nor coaxial development has changed his attitude on whole color issue -- namely, that CBS system should be chosen immediately.

RCA people were naturally gleeful, felt that with their tube and coaxial transmission they had licked all objections to their system, had finally given clear demonstration of its potential.

Pictures on tri-color tube looked as good as before (Vol. 6:13) but, as RCA admits, need more phosphor dots to show full resolution. Also, brightness is unquestionably low -- 7 ft-lamberts on 3-gun, 4 ft-lamberts on 1-gun, while room light level was only ½ ft-lambert. RCA's E. W. Engstrom pointed out that filter glass cuts out 40% of light, that when adequate red phosphor is found filter can be eliminated. He also said more voltage will increase brightness. Black-and-white runs about 30-50 ft-lamberts.

Straight black-and-white signals showed up only fair on tubes, suffered in comparison with ordinary receiver. Engstrom said receivers' samplers can be turned off automatically, improving picture. Presumably, more dots and higher voltages will also help.

RCA is setting up pilot production line for tubes, says it will have number of them built in 2-3 months. Samples would then be available to CBS, CTI, others.

Many industry big-wigs were on hand for showing. Most were greatly impressed. But Dr. DuMont said he feels tube has a long ways to go, deplored resolution and brightness levels. "It's a beginning," he said. As for his own work on tri-color tubes, he said he has "very promising" developments but "we're not going to bring them out half-baked."

Condon Committee members Everitt, Bailey and Fink were there. Dr. Condon saw tube night before; Dr. Newbern Smith has yet to see it.

* * * *

Some of finest testimony yet heard came from Electronics Magazine editor Donald Fink, also chairman of JTAC, speaking solely for himself under subpoena issued at his request.

To sum up his opinions: Indicate basic standards now. Then let government,

industry and professional groups work, for another 6 months or so, towards exact standards. There are very strong arguments for including compatibility and dot-interlacing in those standards. But there must be virtually unanimous agreement on such things as sampling rate, amount of mixed-highs, etc. Compatibility is vital, unless performance of an incompatible system clearly outweighs serious dislocation such system would undoubtedly bring to whole TV service. Don't set standards so low, even if acceptable to public now, that there's no room for improvement. He pointed to "good luck" in setting black-and-white field rate at 60 so that we get bright pictures today, even though dim pictures seemed satisfactory 10 years ago.

Brightness is serious question in CBS system, Fink thought. It was apparent he considered brightness level of CBS with mechanical disc too low. He admitted brightness might improve in tri-color tube, because of slower decay phosphors.

Incidentally, he thought dot-interlacing so valuable in gaining resolution that it should be authorized for today's black-and-white.

Chairman Coy prodded him with basic policy questions of all kinds:

How about moving all of TV to uhf, amortizing vhf over specified period of years? Fink believed that use of uhf alone would result in service to fewer people, unless something like Stratovision did the job, and that jolt of such an announcement by FCC might dry up flow of capital into TV right now -- even if switchover were number of years off.

Would manufacturers help make CBS system compatible by building Chapin-Roberts switch (Vol. 6:11) into sets from now on? Fink guessed some might, particularly if FCC said final decision were to come in 6 months or so.

Worries about establishment of uhf were obviously on Coy's mind as he wondered aloud whether adaptation and conversion of sets to color might not be likened to problems of vhf-to-uhf adaptation when uhf transmissions start. Fink agreed uhf telecaster will have job building audience.

Fink was surprised at reaction to his testimony. CBS's Dr. Peter Goldmark thought his evaluations quite fair, except for minor discrepancies. FCC's lab chief Edward Chapin, Comr. Jones' alter ego on engineering staff, felt same way.

Since Fink is member of Condon Committee, it wouldn't be surprising to find some of his ideas in report to Senator Johnson, expected in month or so.

* * * *

Hearing continues only Monday and Tuesday (April 10-11), resumes April 17 thereafter. Next on stand is Philco's David Smith, then RMA's Raymond Cosgrove, for cross-examination. Jones' questions of non-CBS witnesses and RCA's cross-examination of CBS witnesses are likely to occupy most of hearing from now on.

Hearing moves to CBS New York headquarters April 26, for look at CBS dot-interlace. Then, one commissioner and several staff members are expected to go to San Francisco first week in May. Latter depends on whether CTI says it has improvements to show, and that's probable.

Thus, hearing is sure to extend into May. How far probably depends on Comr. Jones. He started in on RCA patents Tuesday, apparently wants to know precisely what RCA got when it acquired rights to each of its 8-9,000 patents. After parrying Jones, RCA counsel Joseph Heffernan said question would be considered. Jones seemed particularly interested in Farnsworth patents.

Jones sneered at industry and trade press, while questioning Engstrom, saying they followed "party line" in expressing enthusiasm over tri-color tube:

"The RMA and everybody else is stalling around with color. You show your tube on the 24th of March to the Commission and its staff, and then suddenly there is not enough interest among RMA to make much of an appearance here in these hearings; everybody is for color. Even the trade press changes its tune...The next day the trade press is for color."

Sarcastic throughout, Jones' colloquies occupy major portion of transcript, which is especially commended to your attention. Official stenographer is Electreporter Inc., 1760 Pennsylvania Ave. NW, Washington, D. C.

other Philadelphia broadcasters said WFIL rate change degrades half-hour show to "station-break category."

* * * *

Notwithstanding increased radios, TV inroads continue to be reported. Nielsen showed that evening radio listening before TV ownership was 1 hour 39 minutes; after TV, 27 minutes. Wm. Esty Co.'s Samuel Northcross, at American Marketing Assn meeting this week, told of Audience Research Inc. (Gallup) survey in New York, Philadelphia, Los Angeles, asking what families were doing night of survey: In non-TV homes, 62% were listening to radio; in TV homes, only 28% had radios on.

Not only listeners but advertising dollars are apparently being weaned away from radio and other media by TV. General Foods' Howard Chapin told ANA of survey showing 28 out of 39 TV advertisers had taken 50-100% of their TV money away from radio-newspaper-magazine budgets -- all tapped about evenly. Only 6 of the 39 used new money for TV.

Said Procter & Gamble's A. N. Halverstadt: "You can't disregard the effect of TV in big markets like New York, Chicago, Los Angeles. By 1952, we will see 50-60-65% of the homes in such markets equipped with TV. A nighttime radio advertiser in these markets can't feel any confidence that he's covering radio homes effectively...Something's got to give in radio rates."

Borden's Henry Schachte reasoned along same line: TV won't eliminate other media; it will stiffen competition to such an extent that "weak sisters" among all media will be weeded out.

How high can TV rates go? ANA panel on TV agreed TV cost-per-1000 homes has come down from \$5.85 in 1948 to \$1.51 in 1949 on interconnected network. Variety this week says networks are contemplating 25-40% TV rate hikes this fall, justified by increased set ownership. It reports NBC contemplating raising its New York WNBT from present \$2000 to \$2800 for Class A time. As offset, Variety tells how production costs have declined, noted that CBS has shaved 25% in year through re-use of sets, streamlining methods, etc., saving some \$750,000 for 18 sponsors.

* * * *

For those who think daytime radio is safe, consider latest Baltimore Hooper ratings. Whereas in Oct.-Nov. 1949 TV had 13.9% of combined radio-TV afternoon audience, in Jan.-Feb. this year it had 22.1%.

LANSING ABOUT READY, KALAMAZOO TOO: Michigan's 2 new TV stations, opening up new markets and also overlapping into TV areas already created by Detroit and Grand Rapids outlets, are both now testing and should be on regular schedules in matter of weeks. Lansing's WJIM-TV on Channel 6, in fact, is aiming for April 20 debut, has set \$200 base rate, expects to tie up with all networks, hopes to get basic NBC-TV off air from Detroit's WWJ-TV via own relay now being completed at Milford by RCA.

Kalamazoo's WKZO-TV began testing April 5 on Channel 3, has set \$300 rate, will also operate own relay for network service from Detroit, expects to test at least 30 days before fixing formal starting date. Both new stations' 40-50-mi. areas will embrace large centers of population in which TV sales are already reported booming; transmitter of WKZO-TV, in fact, is only 32 air mi. from Grand Rapids, so in effect will give that city competitive service. WJIM-TV is 42 mi. from Flint, about 50 from Saginaw, with terrain favorable for good reception in those cities.

Federal transmitter is used in Kalamazoo. Federal has also sold one to WSM-TV, Nashville, whose president Jack DeWitt reports tower construction begun, along with microwave relay system of 5 unattended intermediate stations so that network programs can be brought in from Louisville at time Indianapolis-Louisville coaxial is completed in October.

New Orleans Times-Picayune has asked FCC to reinstate CP for WTPS-TV, asking for Channel 10 instead of No. 7 previously assigned. It held CP from January 1948 until last August when, after being cited for lack of diligence, it dropped (Vol. 5:31). Late last year, executive of newspaper indicating plans to reapply, said WDSU-TV had "set the town on fire" (Vol. 5:50).

Forecasts of TV Homes by Areas: NBC Research rushes in where other statisticians, let alone the angels, fear to tread—and comes up with city-by-city forecasts of TV sets-in-use that are worth passing on to you. Indeed, NBC's monthly "TV census reports" (which we publish regularly) are the only ones available from any source, and have come to be accepted by market research folk as reasonable (actually, quite conservative) estimates.

NBC Research estimates 4,000,000 TV sets will be produced this year, meaning a cumulative total of about 8,100,000 as of Jan. 1, 1951, of which it's assumed 500,000 will be in distribution "pipelines" or go into 2-set or replacement homes. Thus, 7,600,000 TV homes are forecast at start of 1951: 11,500,000, Jan. 1, 1952; 16,000,000, Jan. 1, 1953; 20,000,000 Jan. 1, 1954; 24,000,000, Jan. 1, 1955.

Area-by-area forecasts (embracing 40-mi. radius of each city) are ventured only on quarterly basis, estimating April 1 and July 1 only—in comparison with last Jan. 1. Here are NBC's figures:

Area	Estimate for Jan. 1, 1950	Forecasts for April 1, 1950	July 1, 1950
Albuquerque	2,000	2,600	3,800
Ames	—	4,800	7,100
Atlanta	22,300	33,000	40,500
Baltimore	124,000	148,000	164,000
Binghamton	4,000	10,900	13,300
Birmingham	10,400	14,700	21,000
Bloomington	2,000	5,200	6,400
Boston	248,000	315,000	360,000
Buffalo	62,200	77,000	88,000
Charlotte	10,200	13,500	17,500
Chicago	337,000	455,000	520,000
Cincinnati	67,000	96,000	111,000
Cleveland	137,000	184,000	215,000
Columbus	33,900	49,000	60,000
Dallas	18,900	27,500	34,500
Davenport	6,300	10,500	13,900
Dayton	31,300	43,000	51,000
Detroit	145,000	205,000	245,000
Erle	15,000	18,500	22,000
Fort Worth	15,400	21,000	25,000
Grand Rapids	9,500	19,000	22,000
Greensboro	8,200	10,700	13,400
Houston	13,000	21,000	27,500
Huntington	4,200	7,000	9,100
Indianapolis	18,000	27,500	36,000
Jacksonville	6,000	10,000	12,700
Johnstown	11,500	16,500	21,000
Kalamazoo	—	7,700	9,900
Kansas City	25,100	31,500	36,500
Lancaster	25,200	33,000	36,000
Lansing	—	7,200	9,900
Los Angeles	335,000	425,000	480,000
Louisville	20,600	28,500	34,500
Memphis	14,100	26,000	31,000
Miami	15,400	20,500	24,500
Milwaukee	72,200	92,000	104,000
Minneapolis-St. Paul	61,900	80,000	92,000
Nashville	—	3,800	6,700
New Haven	66,500	75,000	82,000
New Orleans	14,300	21,500	27,000
New York	1,015,000	1,215,000	1,375,000
Norfolk	1,200	7,000	11,700
Oklahoma City	16,000	21,000	26,000
Omaha	12,400	18,500	23,000
Philadelphia	350,000	420,000	465,000
Phoenix	3,000	5,400	6,400
Pittsburgh	64,000	91,000	112,000
Providence	27,000	37,500	44,500
Richmond	20,900	26,500	30,500
Rochester	21,200	30,000	37,000
Salt Lake City	9,800	13,300	16,500
San Antonio	2,500	11,200	14,100
San Diego	20,100	27,500	33,500
San Francisco	33,800	54,000	73,000
Schenectady	52,000	66,000	75,000
Seattle	19,700	29,500	38,500
St. Louis	77,800	103,000	119,000
Syracuse	24,600	34,000	39,500
Toledo	33,000	41,000	47,500
Tulsa	10,500	18,000	20,500
Utica	5,600	9,500	11,600
Washington	91,000	119,000	138,000
Wilmington	24,100	29,500	32,500
TOTAL	3,950,000	5,125,000	5,925,000

More than 80 oppositions to most recent allocation comments were filed Friday with FCC, are digested herewith as Supplement No. 67-G. Bulk of them were against various details of DuMont and WBTM, Danville, Va. plans (Supplement No. 67-F). Subscribers with Supplement 67 series (Nos. 67-67G) now have digests of all comments and oppositions to FCC's vhf-uhf allocation plan.

Roy C. Witmer, 63, who retired as NBC sales v.p. in 1948, died at his home in Westport, Conn., April 1.

Network Accounts: Network one-shots Easter Day were Frigidaire's *Star-Spangled Revue* on NBC-TV with Bob Hope, Bea Lillie, Dinah Shore and other stars, 5:30-7; United Fruit's *The Last Half-Century* on CBS-TV, with Dorothy Doan, Kyle MacDonnell, John Daly, et al, covering Fifth Avenue parade, 11:45 a.m.-1:45; Gotham Hosiery's coverage of Easter parade on 6 ABC-TV stations, with Ted Malone, noon-1 p.m. . . . Emerson Radio assumes sponsorship of *The Clock* on NBC-TV, starting April 21, alternate Fri. 9:30-10 . . . Columbia Records to sponsor last half-hour of *The Show Goes On*, with Robert Q. Lewis, on 9 CBS-TV stations, April 20-June 18, Thu. 8:30-9, resuming Sept. 24 . . . Arnold Bakeries Inc. to sponsor *Faye Emerson Show* on NBC-TV, starting April 22, Sat. 10:30-10:45, moving it over from CBS-TV . . . Ammi-Dent Toothpaste reported buying Robert Q. Lewis on CBS-TV from April 14, Fri. 7:45-8 . . . NBC-TV's 2½-hour *Saturday Night Revue* goes off for summer May 20, resumes with same format at same time Sept. 9; policy now is to accept advertisers for spots, half-hour or full-hour segments.

Station Accounts: NBC's New York key WNBTV begins 9:30-12:30 morning telecasting May 8, has *Kathi Norris Show* sold to Saks-34th St. 11-11:30, and to these participations 11:30-12: Zonite Co. (Larvex), California Fruit Growers Exchange, Spin Cleanser; WNBTV has also sold *Gobo's Circus* to James O. Welch Co. (candy), Tue. 6-6:30 . . . Atlantic Refining and Ballantyne sponsoring all home games of Philadelphia Athletics—weekdays on WFIL-TV, Saturdays on WPTZ, Sundays on WCAU-TV . . . WJZ-TV, New York, starts *Mr. Magic* April 12, Wed. thru Sat. 5-5:15, with these partic. sponsors signed: Atlass Canning Co. (Rex & Laddie Boy Dog Food); H. Fox & Co. (flavor syrups); Atlantic Candy Co. (Lollypops); Philadelphia Chewing Gum Co.—all thru Vinlaw Inc. . . . Lee Hat Co. and Wallach Stores buy 5-min. *Herald Tribune News* which closes daily telecasts on WABD, New York, 35 times, Mar. 27-Apr. 30 . . . RCA's *Pinky Lee Show* on KNBH, Los Angeles, to be syndicated to NBC-TV outlets via kines . . . Among other sponsors currently reported using or planning to use TV are: Nash Motors, thru Geyer, Newell & Ganger; Revere Copper & Brass, thru St. Georges & Keyes; Colonial Candy Corp. (Double Date Bar), thru Brisacher, Wheeler & Staff; Sunoco Gas, thru Hewitt, Ogilvy, Benson & Mather; Broadway Fashions Inc., thru Huber Hoge & Sons; Susquehanna Mills (rugs), thru MacManus, John & Adams; Thorobred Co. Inc. (dog foods), thru Kammann-Mahan Inc., Cincinnati; Oak Products Corp. (Girard's French Dressing), thru Lockwood-Shackelford Co., San Francisco; Guitare Lipstick Inc. (non-smear lipstick), thru Raymond Keane Inc., Los Angeles; Lionel Train Co., thru Buchanan & Co.; Hazel Bishop Inc. (lipstick), thru Raymond Spector Co.

Personal Notes: Clarence L. Doty named mgr., Earl Salmon sales mgr. of WJZ & WJZ-TV . . . A. B. Schillin resigns as v.p. of WATV, Newark (also WAAT-AM) to head own company, Scent-Flo Co., Newark (electronic deodorizers) . . . Leonard Blair, ABC radio-TV director, new ABC Central Division program mgr., Chicago, succeeding Harold Stokes, resigned . . . Edward R. Evans, ex-CBS & WPIX film director, joins RKO-Pathé as TV specialist . . . Russ David, ex-GE who left to become engineering v.p. of WPTR, Albany, now WPTR gen. mgr., succeeding Fred A. Ripley, resigned . . . Phillip B. Laeser, chief TV engineer of WTMJ-TV, Milwaukee, now mgr. of radio-TV engineering, with Wm. Hebal reporting to him as AM chief engineer, Edwin Cordes as TV chief . . . Maj. Gen. Frank E. Stoner, wartime chief of Army Communications Service, recently UN director of telecommunications, has joined consulting engineers Weldon & Carr to head up Seattle office.

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April 15, 1950

TV EXCISE TAX UNLIKELY—UNLESS: No news seems to be good news -- out of House Ways & Means Committee, so far as proposed 10% TV excise tax is concerned (Vol. 6:6-9). Present signs seem to point to no such tax, though you can't tell what will happen if the Administration should put the heat on. Committee resumes deliberations on whole tax bill April 18, thus far has only formalized policy that there will be no cuts in excises unless there are corresponding hikes in revenues, to be sought mainly by "closing loopholes." When committee resumes, formula on cuts must be decided, specifics of increased revenues determined; then staff gets down to cases. So far, TV hasn't even been mentioned in committee deliberations. As one committee staff executive puts it: General sentiment is to cut excise taxes. No one is behind move to put tax on TV. Majority of expressed sentiment is against such tax. Burden for putting tax on TV falls on those favoring such a move, and no member of the committee has yet so declared himself.

AT&T SPEEDS UP INTERCITY TV CIRCUITS: Revealed this week at AT&T-Western Union hearing on interconnection (Vol. 6:10) were speeded-up plans of Bell System to extend intercity TV network connections by adding 10,000 miles of coaxial, 13,000 miles of microwave relays in 1951.

Here's tentative 1951 schedule, as reported to FCC by AT&T Long Lines executive Frank A. Cowan:

New links via radio relay -- Omaha-San Francisco (although completion may not be until early 1952); New York-Binghamton-Syracuse.

New links via coaxial -- Memphis-Birmingham-Atlanta; Jacksonville-Miami.

Extra radio relay circuits -- New York-Chicago; Toledo-Detroit; Chicago-Des Moines; Des Moines-Omaha.

Extra coaxial circuits -- Charlotte-Jacksonville; Toledo-Dayton.

Map of Bell System's intercity TV channels, published in Section II this issue, is the first chart showing number of AT&T interconnection channels TV now has and will have by end of this year. Significant also is disclosure that 2 Philadelphia-Chicago coaxial channels will be withdrawn from TV service when all 1950 additions are in. Schematic does not, of course, show privately owned relays in service or projected -- such as New York-Philadelphia; New York-Washington; New York-New Haven; Grand Rapids-Chicago; Lansing & Kalamazoo-Detroit; Nashville-Louisville; Binghamton-Syracuse; Bloomington-Cincinnati. Chart was part of speech by AT&T Long Lines engineer C. E. Schooley at NAB engineering sessions in Chicago this week, in which he, like Mr. Cowan, detailed plans for extensions of TV hookups.

TV NETWORKS LOSE, STATIONS PROFIT: Cold, harsh fact about the economics of telecasting is that the networks together lost \$12,000,000 or more on their combined TV network-station operations last year. Only specific figure actually divulged is DuMont's \$2,564,491 telecasting deficit for 1949 (see Financial & Trade Report; Vol. 6:14). But it's common knowledge that NBC dropped between \$4,000,000 and \$5,000,000. And it's reasonable guess, considering their last few annual reports, that ABC and CBS together went at least another \$5,000,000 into the red on TV in 1949.

Nevertheless, considering TV stations only, it's still true that most of them are moving along nicely, quite a few already in the black (Vol. 6:13). The

networks themselves will attest to that. Sponsorships are coming along so well, operating know-how improving so considerably, that the networks expect to have all their own stations on profit basis this year.

Several network executives even see TV station profits soon comparable with AM -- and that's really a bright prospect when you consider that, through the years, the usually quite profitable AM networks have derived half or more of their net earnings from their owned-and-operated stations.

NBC and ABC each owns 5 TV stations, DuMont 3, CBS one plus minority interest in another. They keep books quite differently, but NBC has its New York WNBT in the black now, its Washington WNBW breaking even, its Chicago WNBQ and Cleveland WNBK "moving up fast". NBC's Los Angeles KNBH is big loser, but point is emphasized that all 5 NBC-owned TV stations as a whole aren't losing.

ABC doesn't break down its New York WJZ-TV operations from network as whole, but concedes it could be considered an earner standing by itself -- as CBS's WCBS-TV and DuMont's WABD would be on same basis. ABC chairman Ed Noble, besides denying flatly that any negotiations are under way for sale of ABC, during April 11 stockholders meeting reported:

(a) That ABC operated in black first quarter of this year, as against about \$54,000 loss same period last year, \$519,085 loss for all 1949 (Vol. 6:12), the losses attributed almost entirely to TV costs; (b) that its TV stations as whole, while still losing, should reach break-even point late this year or early next; (c) that its New York WJZ-TV and Chicago WENR-TV will continue at loss until November at earliest, but Los Angeles KECA-TV should be making money in few months, Detroit WXYZ-TV and San Francisco KGO-TV shortly thereafter; (e) that TV's upgrade is indicated by fact that gross for first 3 months this year was about \$750,000 vs. about \$50,000 for same period last year.

Possibly second only to NBC's WNBT as top earner is DuMont's WDTV, Pittsburgh (Vol. 5:36,42,47), but DuMont's third station, Washington's WTTG, is still a loser. Besides its New York WCBS-TV, reputed to be an earner, CBS's only other TV station holding as yet is 49% in Los Angeles Times' KTTV, a deficit operation.

By end of year, no network-owned TV station should be losing -- though operation of networks, with their huge program and interconnection costs, aren't likely that soon even to break even. Almost in same words, NBC's president Joseph McConnell and ABC's Robert Kintner say "there's no question about the earning potentials of all our TV stations." It's fair to assume that's the word they will pass along to their AM affiliates, urging them into the TV swim once freeze is lifted.

RATE ISSUE BECOMING CAUSE CELEBRE: Still bubbling away is AM-TV rate issue (Vol. 6:12-14), with broadcasters seemingly inclined to counter-attack.

Latest radio station to revise rate card -- but upward -- is CBS-owned, 50-kw WCCO, Minneapolis. Carefully stating it was adjusting rates to "reflect more realistic appraisal of [radio's] circulation gains," WCCO did this:

Extended Class A time to cover 6-10:15 p.m., or 45 minutes more, holding rate at \$600; set Class B for 10:15-10:30 p.m. at old \$400 rate; raised Class C (8 a.m. to 6 p.m.) from \$300 to \$360; raised Class D (7-8 a.m. & 10:30-11 p.m.) from \$240 to \$300; raised Class E (6:30-7 a.m.) from \$180 to \$240.

No mention was made of TV, though Twin Cities have 2 stations, were accredited some 75,000 TV receivers as of March 1.

That makes 3 to revise AM rates in recent weeks -- if you count WLW bonus discount for summer advertisers along with WFIL's revisions.

Heartening to broadcasters were assurances from Procter & Gamble v.p. Howard J. Morgens, before Radio Executives Club, that his firm doesn't regard radio as dead, isn't even considering giving up radio spending. But he did add: "We look forward to lower time costs in areas of relatively high TV development." He also looked forward to "higher TV time costs in those areas."

Morgens expressed belief TV as ad medium had "bumpy, uneven road before it," looked for increasing competition between TV programs, foresaw lower ratings, time and talent costs "spiraling upward." He said his company intends to use TV "on a

COLOR TV HEARING—FACTS AND FANCIES: It's open season for conclusion-jumping in connection with color hearing -- to be expected, perhaps, as end of hearing approaches. Speculation is fed, too, by propaganda campaigns on part of principals and partisans that even has had the financial community a-buzz with rumors.

Trigger-happy industry folk, who should know better, are reading all sorts of deep implications into questions FCC feels it's duty-bound to ask as it explores every possible solution.

No decision has been made, formally or informally. That can be stated flatly and unequivocally after checks with most commissioners, key staffmen.

* * * *

Meanwhile, next step in freeze picture as a whole was indicated by FCC this week when it set hearing on Bell Labs' request for 30 mc (470-500 mc) out of the uhf band for broad-band common carrier service. Hearing starts week after end of color hearing -- whenever that is. Hope is to clean up 470-500 mc hearing in 1-2 weeks.

But FCC doesn't say where we go from there. Presumably, it won't get into meat of freeze hearing (vhf-uhf propagation and allocations) until it's firmly convinced that color stations can be allocated same as black-and-white, or that it knows how to allocate color stations if they need different treatment.

Color hearing schedule has been extended into May. It now stands April 17-20, 25-26, May 1-5.

* * * *

Industry's nervousness is aggravated by stories in trade press, in which Commission questions are interpreted as evidence of decisions already made. Manufacturers, RCA particularly, get the shakes whenever anyone even guesses that CBS might win. And those fears grow wings as "inside dope" is whispered around.

Commission has never even met to discuss merits of each color system -- and won't until record is completed. Some members may have decided how they'll vote, but you can take their own word for it that the majority have not.

As one member put it: "There's nothing that has happened yet, to my mind, that enables anyone to 'put the finger' on what the Commission will finally do."

To quote another: "If anybody around the Commission has any notion how this case is being decided, I don't know about it. How anyone can draw conclusions on what he saw first, what he saw next, then what he may yet see, is beyond me. It would be downright dishonest to do so. I have no idea how I'll vote until every angle has been explored and the record has been completed. We have every right to ask all sorts of questions, and they can answer without binding themselves."

Answers are typical, run in same vein from 5 commissioners we could contact.

* * * *

Variety's Jack Levy wrote: "Evidence that the FCC will decide affirmatively for color TV this summer, with the CBS system getting the greenlight, is snowballing ... Industry witnesses are being subjected to long and grueling cross-examination to smash stubborn insistence on the compatible system of RCA, which the agency is not disposed to buy because of various problems...as to its readiness, its performance and cost."

He also deduced, from Donald Fink's testimony (Vol. 6:14), that Condon Committee "is leaning to the CBS system" and that "by inference" Fink seemed to reflect committee thinking despite Fink's repeated assertion he spoke only for himself.

What is happening is this: FCC counsel Harry Plotkin, now that most evidence about systems' performance is in and cross-examination is on, has undertaken job of wrapping up every possible decision into neat package. To each package, he is seeking to pin label titled: "This is what you must do, or try to do, to make this deci-

sion work." And Commission feels only way such label can be written is by consulting precedent and asking manufacturers and telecasters "iffy" questions.

This week's merry-go-round revolved about Plotkin's series of questions put to manufacturers: What will you do if CBS system is adopted? If telecasting the CBS system is optional with stations? If FCC compels 100% CBS-type telecasts?

Plotkin used strong language in seeking answers from Philco's David Smith, RMA's Raymond Cosgrove, RCA's Elmer Engstrom. When he asked whether they'd be "frustrating" FCC decision by failure to make CBS-type sets, CBS opponents started worrying and CBS adherents took heart.

Plotkin couldn't get real commitments out of Smith, Cosgrove or Engstrom. Cosgrove said RMA members make their own plans, so Plotkin let him go after only brief questioning. Neither Smith nor Engstrom would be pinned down to flat statements of their companies' intentions to make CBS-type black-and-white or color sets, although Engstrom thought RCA might make some for private brand at first.

Purpose of questions is to get manufacturers' intentions on record, regardless what those intentions are. FCC hasn't asked for any other witness from Philco, apparently feels Smith is adequate spokesman.

But Commission asked for chairman David Sarnoff or president Frank Folsom from RCA, has been promised appearance of former. Comr. Jones also wants to ask Sarnoff about patents.

All manufacturers involved in hearing can expect those "What would you do if --?" questions. And FCC may request, or subpoena, spokesmen for other major companies not yet participating in hearing. It's been suggested, while they're at it, that they also consult key telecasters -- rather than rely merely on CBS, NBC and DuMont witnesses.

Question of FCC's authority in receiver manufacture seems bound to get probed as far as it can in such a hearing. And problem of oscillator radiation (Vol. 6:14) will keep coming to fore in that connection, because question of how to control it while keeping Commission's hands off is a tough one.

* * * *

Matter of oscillator radiation is prominent in another facet of color hearing. According to testimony of FCC lab chief Edward Chapin, RCA system is twice as vulnerable to such interference as black-and-white, because 3.6-mc sampling frequency is tender spot.

Chapin's conclusion: "The double susceptibility of the RCA color signal to interference...indicates that the allocation plan might therefore be substantially different, depending on the color system involved."

RCA's Dr. Brown maintained that such vulnerability is more apparent than real, because interference has to be within .1 mc of 3.6 mc before it's bad. Further, he says, CBS runs into same trouble when it uses dot-interlace.

As for ordinary co-channel interference, Chapin testified that CBS and RCA behave about same as black-and-white -- thus backing up findings of CBS and RCA.

He was rough on CTI: "The CTI pictures as received [in monochrome] are so degraded that it is not possible to attempt to determine interference ratios...there is serious doubt whether the system is either compatible or adaptable."

RCA and CTI were straining at leash to take Chapin's testimony apart, are waiting for his cross-examination.

* * * *

FCC executive session is set for Monday to discuss procedure from here on out. Patents, manufacturers' appearances, cross-examination procedure will be covered. Cross-examination continues Monday, with RCA's Engstrom starting week off. Then come CBS president Frank Stanton and rest of CBS witnesses. DuMont people are due April 25. CBS New York demonstration (dot-interlace) is April 26. Next day, FCC will visit Hazeltine Labs to see what Comr. Jones saw -- combination receiving arrangement for RCA and CTI signals (possibly CBS, too). Also to be shown is RCA system with varying amounts of mixed-highs. Gen. Sarnoff is expected to testify first week in May. San Francisco trip for CTI showing in May is still up in air.

New TV application for Augusta, Ga. reached FCC this week from WJBF (J. B. Fuqua, president, 72.5% stockholder). It seeks Channel 6, with 1.8 kw visual power, 459 ft. antenna height, proposes to spend \$103,000 on construction, \$70,000 on operation. Augusta is on route of coaxial, between Charlotte-Jacksonville. Filing application for experimental TV was radio-serviceman Arthur Crissey, Main St. & Station Rd., Sparta, N. J. He wants to experiment with 480-486 mc transmissions, 40 watts output, in hilly terrain of Poconos, says he has \$5000 worth of equipment, expects to spend \$1500 on test station.

Rumor that magnetic video tape recording is about to be announced by Minnesota Mining & Mfg. Co., circulated at NAB Engineering Conference in Chicago this week, brought laugh from R. L. Westbee, mgr. of MMM Sound Recording Tape Div. "We've been doing basic research on it for a long time," he told us, "but we have no idea whether we'll have anything to report in 2 months or 2 years. Theoretically, it's possible. But it's completely impractical with present techniques."

Kick against alleged 3-year rate protection, said to be sought by Procter & Gamble for its forthcoming ABC-TV *Beulah* show, was registered this week by National Assn of Radio Station Representatives. In a letter to Procter & Gamble v.p. Howard J. Morgens, NARSR asks how Morgens can justify request for lower AM rates (see p. 2) while seeking to freeze TV rates. It's understood General Mills has 3-year rate protection for its *Lone Ranger* series, also on ABC-TV.

Another FM pioneer giving up this week was Scripps-Howard's WEWS-FM—third major FM station to drop in last few weeks, others being *Milwaukee Journal's* WTMJ-FM, Winston-Salem's WMIT (Vol. 6:14). This week, however FCC granted 16 CPs for FM, mostly Class A community outlets (see AM-FM Addenda O).

NBC's West Coast chain of command as worked out by executive v.p. Charles Denny, reaffirms position of Western Division v.p. Sidney Strotz. Reporting to Strotz are Norman Blackburn, TV network director; Tom McCray, AM network director; Tom McFadden, KNBH manager. Rumors Strotz was being bypassed are denied.

Screen Directors Guild moved into Los Angeles' KTLA and KTTV this week when directors at both voted to join Hollywood screen union—KTLA personnel resigning from Radio-TV Directors Guild. SDG has claimed jurisdiction over TV directors on grounds they're involved in making screen fare (Vol. 6:12).

WTMJ-TV says it isn't telecasting Milwaukee Brewers this year because of squawks from viewers about "too much baseball" in summer. Brewers have been telecast since 1948, when club charged nothing; in 1949 fee was \$10,000. *Milwaukee Journal* station tried to buy single games, said ball club wanted too much, abandoned idea. Survey of viewers found majority against full season ball-casts on grounds they interfered with regular network shows.

More April 1 sets-in-use figures since NBC Research "census" of March 1 (Vol. 6:12): Los Angeles 496,453, up 47,716 in month; Cleveland 200,269, up 23,795; St. Louis 111,500, up 13,000; Kansas City 32,347, up 3447; Miami 22,000, up 2800; Johnstown 18,800, up 2300; Boston 339,234, up 33,441; Milwaukee 101,016, up 11,597; Providence 49,140, up 11,141.

Annual joint U. S.-Canadian RMA conference is set for April 20-21 at Chateaucer Hotel, Ste. Adele, Quebec.

FCC should not set uniform policy for dealing with Federal law violators, said 17 broadcast and movie companies in filing briefs prior to April 24 oral argument on proposal (Vol. 6:4, 5). Consensus was that FCC should treat applicants on case-by-case basis. Dept. of Justice, however, argued applicants who have shown "flagrant and persistent" disregard of monopoly laws should be prohibited from going into broadcast fields. Also filing were CBS, NAB, DuMont, Loew's Inc. (MGM), Paramount Pictures, 20th Century-Fox, United Paramount Theatres, Warner Bros., Westinghouse, Yankee Network. Also, stations KGLO, Mason City, Ia.; KOB, Albuquerque; WKY, Oklahoma City; WPTR, Albany; WTAD, Quincy, Ill.; and, in own behalf, ex-FCC chairman James Lawrence Fly.

Composition of Los Angeles TV set-owners, as determined by *Los Angeles Times'* survey of 3600 homes:[1] 48.9% of sets are in lower middle (class C) homes, 21.8% in upper middle (class B), 14.7% in above average (class A), 9.1% in below average (class D), 5.5% in wealthy (class AA); [2] 75.4% of all own homes; [3] occupation-wise, 23.2% are proprietors and managers, 22.4% craftsmen, 15.2% clerical-sales, rest scattered; [4] number of people in household is 3 in 27.8%, 4 in 26.7%, 2 in 19.4%, 5 in 14.6%, balance minor percentages; [5] 67.9% of homes have children under 17.

TV is favorite entertainment of 60% of 2182 elementary school pupils (Grades 2-8) studied in Perth Amboy, N. J. schools, according to Supt. W. C. McGinnis. This, despite fact that percentage of children with TV at home is nowhere near 60%. Books were next with 18%, movies 12%, radio 6%, comics 4%. Mr. McGinnis noted that many small children were worn out physically from sitting up late at night to watch. In New York City, United Parents Assns. reported results of first 605 returns on questionnaire mailed to 100,000 parents. From one-third to one-sixth of total complained of adverse effects on recreational and eating habits, emotional well-being, of children from 5 to 13. Youngsters 5-6 years old watch average of 4 hours daily; age 7 watches 2½, age 8 watches 3½, age 9 watches 2½-3, age 10-13 watches 3. Recognizing children's fascination with TV, NBC-TV announces that beginning April 23 it will telecast *Watch the World*, Sun. 3:30-4 p.m., series of current events, arts and sciences, etc. New York City school Supt. Dr. Wm. Jansen called it first step toward TV "gradually taking its rightful place in education."

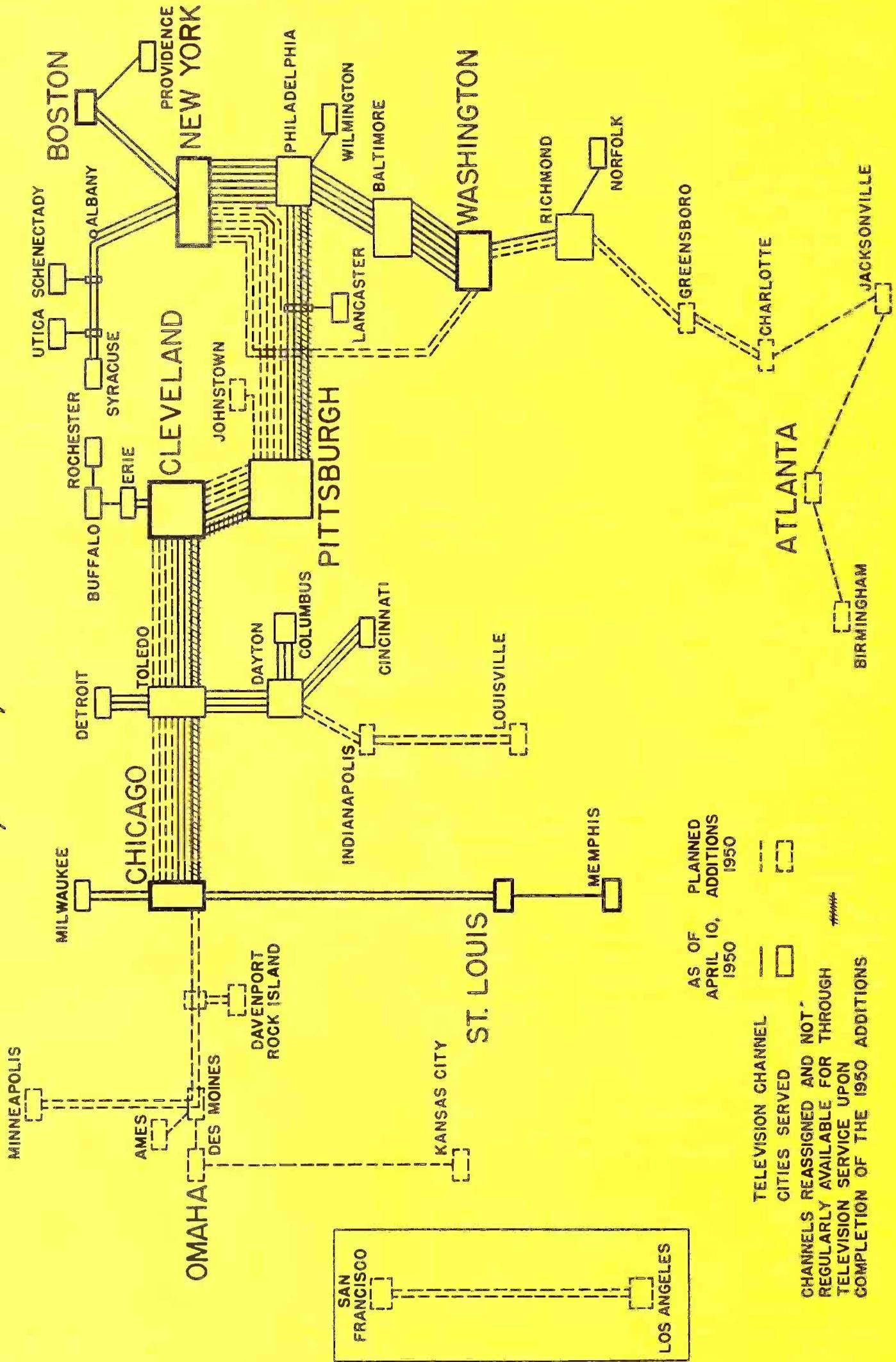
TV added only about 5000 to normal working force of 125,000 in radio-electronics industry, Bureau of Labor Statistics reported April 5. Huge TV production was accomplished almost entirely by transfers of workers from radio.

Gimmick by Pilot: "Full length, lockable doors" in 16-in. console, guaranteed to enable parents to keep children from watching TV when they shouldn't.

Our 1950 *Directory of Consulting Engineers Specializing in Radio & TV* is sent herewith to all full-service subscribers as Supplement No. 12-D, replacing last year's 12-C. It contains names, addresses and staffs of 87 broadcasting-telecasting consultants, plus 17 in miscellaneous category, as well as executive engineering staffs of all 5 networks. Names, addresses, telephone numbers have all been checked with principals. Extra copies are available to subscribers at \$2 each; in quantities of 10 or more, \$1 each.

BELL SYSTEM INTERCITY TELEVISION CHANNELS

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Television Digest WITH AM-FM REPORTS



broad scale for one reason only, and that is a straight, businesslike and advertising reason" -- to sell merchandise as efficiently per dollar spent as other media. Procter & Gamble currently sponsors Fireside Theatre on NBC-TV, signed this week for 30-minute weekly Beulah program on film on ABC-TV for this fall.

Broadcast Advertising Bureau came out swinging in April 11 newsletter. Recognizing move to force radio rates down, BAB calls on broadcasters to arm themselves with figures on increased coverage, audience, set ownership, sets-in-use. Also, to show advertisers how low radio rates are compared with audience delivered. BAB even urges stations to hike rates -- says BMB figures justify move and stations can still make rate increases stick if action taken soon. It also suggests stations pare all but "vital few" discounts.

In rough words, BAB tells broadcasters to keep radio from being "sold short by rumor-mongers, ill-informed outsiders, foolishly-frightened broadcasters, short-sighted time buyers, etc."

Attempting to spread oil on troubled radio waters, Broadcasting Magazine in April 10 editorial calls for clear thinking and planning in both radio and TV. It doesn't think AM rate card "adjustments" will snowball, does admit day may arrive when sound radio may have single-rate rate card -- same rate for day and night. And, referring to what it calls "bargain-basement" rates, it chides TV operators for rate cutting -- summer discounts, package deals, etc., and reminds readers of early radio days when rate cards were honored more in breach.

Continuing full-page ads in big newspapers (Vol. 6:14), NBC this week published No. 2 of series showing how radio has grown, quoting figures to prove radio is "bigger, busier, more economical." Variety reports this week that "Clip Clipp" is slogan in AM circles these days, referring of course to Philadelphia (WFIL & WFIL-TV) broadcaster who started the whole thing.

* * * *

Meanwhile, TV continues to make hay. NBC-TV chief S. L. Weaver told Pittsburgh Ad Club April 11 that TV has more circulation in major markets already than the major magazines, said it's really available to 3 out of 5 U.S. families (24,000,000 out of 40,000,000), noted "bonus" audience of 20,000,000 viewers who don't have own TV sets but watch at friends' homes or public places. (Note: American Research Bureau Jan. 15-Feb. 5 survey in Washington found 38,000 non-TV owners viewing TV an average of 3.4 hours per person per week vs. 101,000 set owners in area who viewed average of 18.8 hours per person per week.)

And TV business continues upward, as reported by networks and stations alike (see our weekly listings of Station and Network Accounts). Cincinnati's WLWT, for example, reports March business up 37% over February, 160% over same month last year; counts 35 network advertisers, 16 local, 50 participants, 47 spot.

BASEBALL TELECASTING ON TAP: Populous markets centering on big league baseball cities, many minor league cities as well, look to heightened interest in telecasting during new season. All big league teams, save Chicago White Sox and Pittsburgh Pirates, are having their home games telecast; White Sox may yet be, for reports from Chicago are that deal is still cooking, but Pirates are opposed to TV. Though package deals for rights, talent and time don't often yield much revenue to stations, baseball means solid "circulation" for them and set sales for distributors during time when interest in TV is normally expected to wane. These are the teams, sponsors and stations now lined up for big league baseball telecasts, daytime and/or night: New York Yankees, Ballantine, WABD; New York Giants, Chesterfield, WPIX; Brooklyn Dodgers, Schaefer Beer, WOR-TV, with off-air pickups by WNHC, New Haven; Chicago Cubs, Atlas Beer & Chrysler Dealers, WBKB; Boston Red Sox, Narragansett Beer, WBZ-TV; Boston Braves, Chevrolet Dealers, WNAC-TV; Philadelphia Athletics & Phillies, Atlantic Refining & Ballantine alternating, WPTZ Saturdays, WFIL-TV weekdays, WCAU-TV Sundays; Detroit Tigers, Goebel Beer, WWJ-TV; Cleveland Indians, Standard Brewing, WXEL; Cincinnati Reds, Burger Brewing, WCPO-TV with Dayton's WHIO-TV & Columbus' WTVN; Washington Senators, Chesterfield, WTTG; St. Louis Browns & Cardinals, parts of schedules on KSD-TV, sponsors undetermined.

Network Accounts: Anchor Hocking Glass Corp., to promote its no-deposit, non-returnable beer bottles, buys full-hour variety show 5 nights a week, Mon. thru Fri. 11-midnight (except Tue. 11:15-midnight) on NBC (14 stations in East signed to date) to run 52 weeks from May 16; placed thru Wm. H. Weintraub . . . Frigidaire, pleased with NBC-TV Easter show featuring Bob Hope (49.4 Hooper), has signed him for similar 90-min. programs on Memorial, Labor, Thanksgiving and Christmas days . . . General Foods (Post cereals) has bought new *Hop-along Cassidy* film series starting April 16, Sun. 6-7 for 52 weeks on 11 NBC-TV stations (not all interconnected); contract does not include New York WNBT, where Gordon Baking Co. already sponsors *Hopalong* . . . NBC-TV about fills up *Saturday Night Revue* with sale of 8:30-9 segment to Speidel Corp. (watchbands), starting May 6; 9-9:30 to Magnavox, from April 15; 10-10:30 to Snow Crop (frozen orange juice) from April 22—with United Fruit, Swift, RCA Victor continuing 9:30-10 spots; though show goes off for summer May 20 (Vol. 6:14), Speidel is taking 8-9 *Jack Carter Show* from Chicago for added 3 weeks from May 27 . . . Procter & Gamble announces it will carry 30-min. weekly version of its CBS *Beulah* show on ABC-TV next fall, Ethel Waters starring . . . Sanka's *The Goldbergs* quits radio July 1, won't return after summer; General Foods is holding radio time open, however, for another show. On CBS-TV, *The Goldbergs* will have more stations hooked up next season . . . Admiral renews *Stop the Music* for 13 weeks from May 4 on 27 ABC-TV stations, Thu. 8-8:30; *Old Gold* renews for 52 weeks, 8:30-9 . . . Admiral extends *Lights Out* on NBC-TV, Mon. 9-9:30, for 8 weeks from May 8 with options . . . ABC-TV as of May 3 sets up 8 programs as "Spot Sustainers" for local spot sales by affiliates, who pay network 5% of their onetime local or national evening hour rate per announcement; shows are *Art Ford on Broadway*, *On Trial*, *Author Meets the Critics*, *My True Story*, *The Little Revue*, *In the Morgan Manner*, *Doctor Fix-Um*, *Majority Rules* . . . Arnold Bakeries' *Faye Emerson Show*, which moves from CBS-TV to NBC-TV as of April 22, Sat. 10:30-10:45, will return to CBS-TV on June 25, Sun. 9-9:15 . . . CBS-TV *Popsicle Parade of Stars*, starting May 15 for 10 weeks, Tue. 7:45-8, will feature name stars as guests each week, these being scheduled in succession: Milton Berle, Dick Haymes, Arthur Godfrey, Tony Martin, Fanny Brice, Borrah Minnevitich, Martha Raye, Paul Winchell-Jerry Mahoney, Margaret Whiting, Groucho Marx . . . British Automobile & Motorcycle Show in New York's Grand Central Palace has taken half-hour onetime show on CBS-TV, April 20, Thu. 10:30-11.

Personal Notes: James G. Riddell named president of WXYZ Inc., operating ABC's WXYZ & WXYZ-TV, Detroit . . . WPIX, New York, promotes Peter Molnar to director, Wm. B. MacRae (ex-ABC) to sales service mgr., adds 3 new directors: Ted Estabrook, ex-WFIL-TV & WAAM, Everett T. Gammon, Robert McCahon . . . E. C. Bradley named v.p. of Biow Co., working on Procter & Gamble account . . . George F. Perkins, ex-ABC, joins Schwab & Beatty, as head of radio-TV dept. . . . Alex Rosenman, sales v.p. of WCAU & WCAU-TV, resigns as of May 1 . . . Edward S. Friendly Jr., son of former publisher of *New York Sun*, recently radio director of Al Paul Lefton Co., joins ABC-TV sales staff . . . Ed Sullivan, the columnist-m.c., and Marlo Lewis, executive v.p. of Blaine-Thompson, appointed staff producers of CBS-TV; Sullivan continues newspaper column and *Toast of Town* jobs (which may continue through summer, sustaining), Lewis quits agency post—they're to work as team.

Station Accounts: Trend of big retailers to TV seen in Macy's new *It's Smart to Be Thrifty* show on own WOR-TV, Wed. & Fri. 12:30-1; report that Gimbel's will follow on another N. Y. station; fact that Saks-34th St., has bought part of *Kathi Norris* daytime show on WNBT (Vol. 6:14); Hecht Co.'s current use of all stations in Washington for its all-commercial *Shop by Television*; Eddie's Super Markets, food chain, sponsoring *Prosperity Parade*, audience quiz, on WBAL-TV, Baltimore, starting April 26, Wed. 10:30-11 p.m. . . . Pepperell Mfg. Co. buys spot on Thu. segment of new *Zeke Manners* show on WJZ-TV, Wed. thru Sat. 3-5 . . . Hoffman Radio buys wrestling on KECA-TV & KTLA, Los Angeles, calls it "good sales insurance for second and third quarter sales" . . . Regal Beer sponsoring San Francisco Seals baseball on KPIX . . . Among other sponsors reported using or planning to use TV: Bauer & Black, thru Leo Burnett Agency; A. S. Harrison Co. (Preen polishing wax), thru J. M. Mathes Inc.; Parfums Corday, thru Peck Adv. Agency; Woodbourne Garden Center Inc., thru Flint Adv. Associates; Daystrom Corp. (furniture), thru N. W. Ayer; Acrobat Shoe Co., thru Ruthrauff and Ryan, Chicago; Fleming-Hall Tobacco Co. (Sano & Encore cigarettes), thru Raymond Spector Co.; McGraw Electric Co. (Toaster Products Div.), thru Erwin, Wasey; F. W. Fitch Co. (shampoo), thru Campbell-Mithun (now on KTSL, Los Angeles); Wynn Oil Co., thru J. T. Crossley Co., Los Angeles; L. Sonneborn Sons Inc. (Amlie Pennsylvania motor oils), thru Hicks & Greist (now on WCBS-TV); American Cyanamid Co., thru Roy S. Durstine (on KTSL); Weatherguard Corp., thru Fein & Schwerin, Philadelphia (on WMAR-TV, Baltimore); Karseal Corp., thru Mogge-Privett Inc., Los Angeles (on KTTV); Flexit Bands, thru E. L. Frenkenstein, N. Y. (KTTV); Wine Growers Guild, thru Honig-Cooper Co., San Francisco (KTTV); Home Container Corp., thru Guild, Bascom & Bonfigli, San Francisco (KTTV).

Telecasting Notes: Definitely in works is CBS purchase of old Warner Bros. lot on Hollywood's Sunset Blvd., lending credence to unconfirmable reports CBS is about to buy KFI-TV there, which of course would mean relinquishing its 49% interest in *Los Angeles Times'* KTTV . . . Warner Bros. selling KFWB, Hollywood AM outlet, to manager Harry Maizlish for reported \$350,000 . . . Not only are Denver retailers seeking 150,000 signatures on petition to Sen. Johnson urging lifting of freeze (Vol. 6:14), but Pittsburgh City Council and County Commissioners have passed resolution urging same, also that city's vhf channels be assigned immediately . . . Chicago City Council last week passed resolution asking FCC to assign city's remaining 3 pre-freeze vhf channels . . . DuMont gets TV rights to next season's 5 Notre Dame home grid games, sponsored last fall by Chevrolet Dealers; report that Paramount is in on contract denied, but DuMont says any theatre-TV operator will be allowed to pick up telecasts for theatre showing if proper arrangements are made . . . Johnstown's WJAC-TV will link into New York-Chicago microwave relay system June 30, when NBC-TV service will be provided . . . Miami's WTVJ claims first telecast ever from blimp, April 12, station's first anniversary . . . New York's WNBT May 2 begins morning schedule with *Josephine McCarthy Show*, Mon. thru Fri. 9:45-10, not 9:30 as previously reported . . . Millard C. (Tex) Faught definitely announced as retained by Zenith as consultant on Phonevision . . . Chicago's WGN-TV now starting program day at 10 a.m., WNBQ planning to start 1:30 p.m.

FCC Chairman Coy is principal speaker of June 5-8 RMA convention at Chicago's Hotel Stevens. Talk is set for June 8 banquet.

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GEN. LUCIUS D. CLAY MAY HEAD RMA: Quiet moves at top industry levels to secure man of outstanding stature to head up Radio Manufacturers Assn came to head Thursday at board meeting in Quebec, where it was decided to offer presidency to Gen. Lucius D. Clay. The retired former deputy to Gen. Eisenhower, who won great reputation as military commander of occupied Germany 1947-49, will be waited upon next week and offered \$50,000 job, free hand to reorganize, authority somewhat akin to Eric Johnston's in the Motion Picture Assn and ex-Senator 'Happy' Chandler's in baseball.

"We're a billion dollar industry now," was comment of leaders, "and it's time we had strong leadership in Washington, in the trade and before the country." Prime movers in reorganization committee headed by Standard Transformer's Jerome Kahn (Vol. 6:8) were Fred Lack, Western Electric; Ben Abrams, Emerson; W. A. MacDonald, Hazeltine.

It's believed Gen. Clay will accept, taking over after June 5-8 RMA convention in Chicago. Headquarters will continue in Washington; memberships will continue to embrace manufacturers of all kinds of electronic equipment -- though RMA is now dominantly TV-radio. It's regarded as virtually certain that large companies who have left RMA fold will now return, notably Admiral, Tele-tone, Meck. Well-heeled association is understood to have \$250,000 surplus fund. Executive v.p. Bond Geddes, nearly 70, retires Aug. 1 after 23 years, was voted retirement pay and retained as special advisor.

Gen. Clay is 53, comes of an old Georgia family. His brother Ryburn Clay is a prominent Atlanta banker. Their father was U.S. Senator from Georgia. He was graduated in 1918 from West Point, his military career largely devoted to engineering assignments. At war's outbreak, he was asst. chief of staff for Material, Service of Supply, then appointed director of war programs, then Eisenhower deputy.

'THE CHILD IS FATHER OF THE MAN': No crystal ball is needed to perceive the "revolution" that's occurring in the broadcasting industry -- reflected in dullish proceedings but spirited corridor talk at this week's NAB management convention in Chicago. Like it or not, admit them or reject them, the facts and trends are plain as pictures on your kinescope. They were pointedly analyzed in statistics quoted by FCC chairman Wayne Coy (see excerpts from his speech in Special Report herewith) and neatly summed up when he noted:

"These figures show that TV is still largely supported by its parent, AM. But they also show that television is beginning to grow up -- to look hopefully for the day when it will be independent of the old man. In fact, it is already starting to show off, starting to smoke, to stay out late and even...to use naughty words."

There you have the epitome of the broadcaster's problem: the child is becoming father of the man -- and some of the men don't like it. As one broadcaster was overheard to remark first day of convention, "I'm resigning from NAB because there's too damned much talk about TV." Reminded NAB had scheduled only one TV session, on final day, he replied: "I don't care. All you hear around this place is TV, TV, TV. I don't give a hoot in hell for it; we won't have it up our way for 15 years."

But there seemed to be even more -- eager-faced young men, in large part -- anxious to learn about TV, admitting it was the hope of the future, asking for facts and figures, plying the "ins" with questions about their operations. Indeed, for

sheer smug satisfaction, you cannot beat the TV operators -- more and more of whom are reporting profit or near-profit status.

[Our own list of break-even or profit-making telecasters has swelled considerably, though very few will permit their identities to be revealed -- for obvious reasons. We can report, though, that Detroit's WWJ-TV, one of heaviest of TV's pioneer investors, came within ace of breaking even in March, and that Mrs. Maria Helen Alvarez proudly states that her Tulsa KOTV hit black ink last month.]

When Coy suggested that some of those present really hoped freeze would never end, there was a substantial ripple of applause -- only applause during whole speech. But it's also a fact that more and more broadcasters, especially old-line operators not quite as fearful of TV as many post-war parvenus, are making ready to file for TV the moment the freeze lifts.

Fact is, small stations paying very small dues cut a lot of ice numerically in NAB, which may be one of reasons why ABC, CBS & NBC and many big stations didn't have their top executives on hand -- very noticeably. It's doubtful networks will quit NAB, as threatened, but they haven't been too happy with it lately. Many big broadcasters have quit, though, at least one of them stating frankly that he did so because NAB had the temerity to set up a TV Dept.

Yet the most heavily attended session of whole convention was TV -- audience largely blue chip. Noteworthy, also, was fact that equipment exhibits were dominantly TV. Rather apathetic convention drew 2180 registrants: of these, 895 were registered for Management, 343 for Engineering, 242 for Unaffiliated Stations conferences, 498 exhibitors, 202 extras such as wives, trade press, attorneys, etc.

WINNING ATTENTION IF NOT FRIENDS: Zenith's E. F. McDonald has written major film producers asking for rights to rent films on same basis as any other exhibitor. Movie practice is to charge on basis of seating capacity, percentage of box, etc. -- meaning McDonald wants to rent films to serve proposed 300 Phonevision test families during experiments now set for Oct. 1 start. At 5 per TV set, that would be equal to 1500-seat theatre. Reaction to latest maneuver was (a) that it may mean no films have been signed yet, certainly no first-runs; (b) that McDonald is laying ground-work for lawsuit if they turn him down.

Influential Motion Picture Herald April 15 satirizes Comdr. McDonald and his pay-as-you-look plan, particularly the publicity surrounding it, and notes: (1) phone company statement it has no intention of furnishing the service claimed (Vol. 5:45,50); (2) denial by FCC of higher power for test station (Vol. 6:13); (3) retreat from original position that only first-run films would be shown (Vol. 6:12). Trade paper asserts: "Exhibitors, gloomily convinced that Phonevision, in the foreseeable future, will be TV's death blow to the motion picture theatre, can relax."

Whatever may come of Phonevision, these facts are presently clear: (a) Zenith, and incidentally new Teco Inc. formed to promote Phonevision (Vol. 6:15), are getting millions of dollars worth of publicity out of it -- to envy of some of Zenith's manufacturing competitors; (b) FCC has authorized an experiment only, must then decide on basic policy respecting this and other forms of "subscription radio"; (c) Zenith must yet "sell" idea to major movie folk, let alone telecasters, now generally opposed -- the latter particularly none too friendly because Zenith has never been much of a radio advertiser, and unlike other top set makers doesn't use TV at all; (d) most TV stations are now moving toward profitable operation along traditional radio lines, hence remain to be convinced they need subscription services to make money; (e) no major manufacturer has yet announced taking out proffered Zenith license (Vol. 6:8) to equip his receivers for Phonevision.

This week, Dr. Millard S. Faught, now on Zenith retainer, spoke before Chicago Commonwealth Club, repeating his much-publicized thesis that high telecasting costs require Phonevision or similar method (Vol. 6:6) -- stressing, this time, angle that educational institutions can derive "tuition" fees of \$1 or more for badly needed revenues. Speech got big play in Chicago dailies, though reporters are traditionally barred from club's sessions. At NAB convention, meeting just up the street, Stromberg-Carlson president Robert C. Tait suggested TV as an added educational tool but said he had "violent objections" to some of Faught's conclusions.

Telecasting Notes: New WJIM-TV, Lansing, Mich., debuts May 1—104th station on regular schedule. It affiliates with ABC, CBS, NBC, getting programs via own microwave relay from Detroit at Milford, Mich. . . . KBTW, Dallas, becomes WFAA-TV May 25, having been purchased by *Dallas News* (Vol. 6:10) . . . 220 North Kingshighway Inc. (Koplar family), owning St. Louis' Chase, Park Plaza and other hotels, has applied for Channel 7, making 5 applications now pending for new outlets in St. Louis (see TV Addenda 10-N herewith) . . . Possible forerunner of "raids" on higher power NBC-AM affiliates seen in talk that WLW may give up NBC affiliation in favor of CBS; Crosley's Jimmy Shouse denies it, though WLW already takes some MBS programs, likes idea of "tapping" any network it pleases . . . CBS acquires exclusive TV rights to 26 weeks of Saturday night sports events in Madison Square Garden, starting Oct. 7, paid reported \$115,000 for rodeo, basketball, track, horse show, hockey events now being offered for sponsorship . . . Mon. thru Fri. rating of 27.1 (by American Research Bureau) for 2-3 p.m. *Hollywood Playhouse* (feature films) cited by Philadelphia's WPTZ as proof of daytime TV audience; sets in use averaged 31.2, with 2.5 viewers per set. Audience breakdown was 50.7% women, 32.5% children, 16.7% men . . . KFAC, Los Angeles, has withdrawn application for Channel 13 (now occupied by KLAC-TV, Los Angeles).

Station Accounts: Gimbels-New York joins movement of dept stores into TV, signs to sponsor first half of *Ann Pringle & Carl Carusa Show*, shopping guide, on WNBT, Mon. thru Fri. 12-1, starting May 2 . . . WNBT also signs Claridge Foods, Great Atlantic & Pacific Tea Co., Irby Wax as added participants in *Kathi Norris Show*, starting May 2, 10-11 a.m.; and adds A&P, Hood Rubber, Tender Leaf Tea, for other spots . . . Conmar Zippers placing *Cafe Continental* on WNBT, other stations, thru Weintraub . . . WJZ-TV reports Goldfarb Seed Stores, Garfield, Williamson Inc. (Wonderlawn grass seed), Plantspur Fertilizer, Jackson & Perkins Co. (rose bushes) as partic. on *The Home Gardener-Phil Alampi*, Fri. 8-8:30 . . . Among other advertisers reported using or planning to use TV (station reporting indicated): Renuzit Home Products Co., thru McKee & Albright (KTLA); TWA Airlines, thru BBDO (KTLA); Eureka Williams Corp. (Oil-o-Matic), newsreels, thru Casler, Hempstead & Hanford (WPIX); Home Test Products Co. and Radio Offers Co., thru Huber Hoge & Sons (WPIX); American Limoges, thru Scheck Adv. (WPIX); Red Cross Shoes, thru Moss Associates; Executive Books & The Children's Record Guild, thru H. B. Humphrey, Boston; Thor Washers, thru Earle Ludgin Agency; General Controls (automatic temperature controls, etc.), thru Hixson & Jorgensen, Los Angeles; Diamond T Motor Car Co. (trucks), thru Roche, Williams & Cleary; Adjust-o-Belt Co. (girdles), thru A.H.P. Adv. Agency, Newark; Miller Mfg. Co. (Kardek car-top carriers), thru Hendrick Adv. Agency, Detroit.

Network Accounts: Peters Shoe Co., St. Louis (Weather-Bird shoes) April 23 becomes alternate sponsor of last half-hour of *Super-Circus* on ABC-TV, Sun. 5:30-6; M & M Ltd. (candy) begins as other alternate April 30, Canada Dry continuing to sponsor first half . . . CBS again acquires exclusive rights to broadcast Kentucky Derby, on AM, Sat. May 6, 5:15-5:45, Gillette sponsoring; will offer it thereafter on film on interconnected TV stations, May 7, 10:30-10:45, on non-interconnected May 9 . . . CBS-TV has acquired syndication rights to 52 *Strange Adventure* films, produced specially for 15 & 30-min. TV programs, previously on some stations as *Fireside Theatre*.

Mutual Broadcasting System's widely publicized press release April 17 says its stockholders' TV stations (WOR-TV, WGN-TV, WNAC-TV, WOIC, KTSL) are available "for its network advertisers who desire to telecast their programs"—which states the obvious but implies MBS is forming own TV network. Prospects of another TV network, it's plain, lie only in merger with one of others; there simply aren't enough stations and interconnections now or in immediate sight, and no hookup with West Coast (KTSL) is in prospect until 1952. Syndication or exchanges of kine-recordings among MBS's 5 TV-operating stations would hardly constitute network comparable to ABC, CBS, DuMont, NBC. As for rumored sale of MBS (presumably merger, too), though its volume is admittedly down, president Frank White took pains after Chicago board meeting to announce "no offers for the purchase of Mutual network are either being entertained or sought."

Big Ten ban on live football telecasts cast gloom over TV fraternity this week, but enhanced value of DuMont-signed Notre Dame games (Vol. 6:15) as well as those of Eastern and other colleges that permit TV. DuMont sold the 5 Irish home games to Chevrolet, signed nearly all affiliates to carry them. Big Ten permits films to be shown on TV 24 hours later, but loses estimated \$500,000 in TV rights. Ban is for 1950 only, based on assumption TV hurts attendance, particularly of lesser games when a major game is being telecast same time.

TV is not dominant factor affecting movie earnings, United Paramount Theatres' president Leonard Golden-son told stockholders in first quarter report this week. He said, "No doubt TV is a factor in the situation, but it is impossible to isolate and measure its effect apart from other factors. The company has made comparisons of its first quarter earnings in TV areas with those in non-TV areas and found that the declines are about the same." Golden-son told of "striking increase" in attendance after tests with TV trailers in Chicago, Detroit, New Haven.

March had 15.6% more TV advertisers than February, according to *Rorabaugh Reports*. Total increase was from 2398 to 2842, with this breakdown: network, up from 70 to 80; national and regional spot, 438 to 527; local, 1890 to 2235.

Personal Notes: Glenn D. Gillett, veteran Washington consulting engineer, left April 16 for Vienna to serve 3-4 months as advisor to commanding general, U. S. Forces in Austria, in connection with improved broadcast facilities there . . . New ABC director of radio stations is James H. Connolly, new director of TV stations is Otto Brandt, under reorganization effected by Ernest Lee Jahnecke Jr., stations v.p. . . . Charles J. Cresswell, ex-RCA Victor and Bigelow-Sanford Carpet Co., appointed controller of NBC-TV Dept. . . . Hal Bock, off TV assignment, now director of public relations, NBC western div. . . . Herbert Stewart, ex-WTVN, Columbus, new gen. mgr. of WICU, Erie, Pa. . . . John McClay, ex-program mgr., WCAU-TV, joins WPIX, New York, as operations director May 15; Anthony Azzato promoted to director of film programs, WPIX . . . Robert Thompson promoted to gen. mgr. of WBEN Inc., supervising both WBEN and WBEN-TV, Buffalo; sales chief Frank W. Kelly is new WBEN-TV mgr.

Frank R. McNinch, 1937-39 chairman of FCC, died in Washington April 20 at age of 76.

Daniel F. Tuthill, 53, onetime NBC sales mgr., died April 14 of coronary thrombosis in Norwalk, Conn.

NAB Convention Notes

NAB's new general manager, taking over administrative post formerly occupied by A. D. (Jess) Willard Jr. (now president of WGAC, Augusta, and a newly elected NAB director), is personable William B. Ryan Jr. He leaves general managership of KFI & KFI-TV, Los Angeles, under 3-year contract at \$25,000 a year. Before joining Earle Anthony station, Ryan was NBC San Francisco sales manager, then general manager of ABC's KGO.

NAB membership dropped to 1652 as of March 1, or 179 less than same time last year. Roster still includes 37 TV, 36 FM, 74 associate members (manufacturers, transcription firms, etc.). NAB's 1949 income was \$763,960 vs. expenses of \$860,839; in 1948, income was \$817,237, expenses \$723,327. Balance sheet shows net worth of \$502,211.

Member of NAB Board for TV stations, manager Eugene Thomas, WOIC, Washington, plumped hard for NAB efforts in TV, reported what it has done in labor management, research reports, BAB aids, standard rate cards and contracts. TV Dept. plans TV clinics at district meetings, is devoting itself now to helping negotiate ASCAP per-program license; preventing sports bans; work on program standards; sampling industry opinion on national problems. Ironically, WOIC is owned by same (Macy's) interests as New York's WOR-TV, whose engineering v.p. Jack Poppele is president and prime mover in rival Television Broadcasters Assn.

Fracas over AM rates expected to pop at NAB convention didn't materialize, although subject was among topics uppermost in corridor and hotel room talk. Rumored gang-up on Roger Clipp, whose recent rate change for Philadelphia's WFIL sparked industry buzz (Vol. 6:12), never took place. How seriously rumor was taken was indicated by fact WFIL owner Walter Annenberg wired NAB's Justin Miller that he took full responsibility for cut in AM rates, that Clipp was just carrying out orders.

First glimmerings of extent of AM-TV competition in NAB came at convention when membership asked board to split BAB into separate AM and TV divisions—despite fact move would obviously add to operating costs. Meanwhile, BAB is moving more and more heavily into TV with these services: dealer co-op data cards, retail data folders, rate card standardization recommendations, rate practices study, retail service bulletins. Coming up are production pointers for effective TV commercials and a desk-top presentation on TV's value as ad medium, similar to one used successfully on radio's ad value.

TV music committee wants all information it can get on TV programming for this year and next. It wants data to forecast music usage so it can get down to brass tacks with ASCAP, said Crosley's Dwight Martin, committee chairman, at TV luncheon April 19 at NAB convention. He presented significant problems in negotiations for per-program licenses, expected May 1 interim deadline to be extended. Issues involve: spots, participation programs, film rights, multiple licensing, payment of fees on graduated scale, incidental music, term of contract, etc.

Sort of patriarch of the broadcast business, ex-MBS president Edgar Kobak, now a business consultant and owner of local WTWA, Thomson, Ga., voiced what many believe to be sentiment of smaller NAB station members when he told Unaffiliated Stations meeting that: (a) NAB ought to re-examine its services; (b) ought to move to New York, real center of broadcasting and TV, keeping branch in Washington; (c) ought to settle controversial industry matters at annual meetings, deal with national problems like standards of practice, research, policies,

business, etc.; (d) ought to try out federated organization—individual AM, FM, TV divisions, with top echelon services common to all. Otherwise, he said, he reluctantly foresees 2 separate associations—AM-FM and TV.

Attracting attention of telecasters was Federal Telecommunication Labs' exhibit of new IT&T unit for microwaving both video and audio; trick lies in modulating 5-mc subcarrier without "cross-talk." Equipment can be added to existing radio relays . . . RCA showed portable film projector permitting use of film commercials at remote points, \$1500; also 6-ft. microwave dish with remote control, \$4850 . . . Raytheon has lightweight plastic microwave dish for remote pickup use; 4-ft. dish is \$770, 8-ft. is \$1450 . . . GE has montage and wipe amplifiers for \$900 each; pointer for \$500 . . . DuMont showed new high-speed film projector which can be used with field camera or for process scenes, \$2985 . . . INS revised its Projectall so it can be remotely controlled, has unit for transparencies, portholes for 2 film projectors, \$2300.

TV has added to overall radio-TV audience, as well as cut into AM listening, in view of McCann-Erickson president Marion Harper Jr., addressing TV session. Value of TV as advertising medium was confirmed by fact sales of products of Harper's 23 TV clients have gone up 19% to 37% in TV markets through use of TV, as compared with sales in non-TV markets. Although TV didn't pay off first year, even though it increased sales—due to high costs—Harper said he was confident it would begin to make money for advertisers second year.

Big-time Chicago TV user Jim Moran, Courtesy Motors, expressed anxiety over mounting production costs, also felt competition of network shows was going to have effect on his 3 local programs. Moran, who spent \$350,000 on TV in 1949, said he "wouldn't give 10¢ for radio" now that TV is here, pointed to value of live TV remotes to dealer showrooms for auto demonstrations.

Code for TV is in works, accelerated by FCC chairman Coy's recent remarks about "livery stable" humor (Vol. 6:11), given impetus by resolution of National Council of Catholic Men calling for standards. Propriety, good taste and vulgarity were discussed at NAB convention this week by Robert C. Tait, Stromberg-Carlson president; Edgar Kobak, ex-MBS president; Eugene S. Thomas, WOIC, Washington. Latter revealed NAB was doing preliminary work on code. Great expectations from speech by MPA's Joseph I. Breen, movie code administrator, before American Television Society in New York April 20 were dashed when he ducked entirely recommendations for TV, spoke on history of movie code. However, he met with telecasters in closed session next day, reportedly got down to brass tacks.

Radio-TV jointly are ranked 10th among users of national newspaper advertising in 1949, accounting for \$12,756,000 worth of space in 1260 daily and 430 Sunday newspapers, according to report April 21 by Bureau of Advertising, American Newspaper Publishers Assn. Figure was 11.4% below 1948—but it doesn't include dealer co-operative and local advertising. ANPA reported national advertisers spent record \$445,015,000 for newspaper space last year, putting that category ahead of magazines \$440,795,042) first time since 1942. Radio and TV were ranked third with \$357,000,000 vs. \$389,261,000 in 1948.

Thirteen religious films for TV, designed for children and costing some \$100,000, are being made by Protestant Radio Commission, 297 Fourth Ave., New York City. Everett C. Parker, director. Films illustrate parables by use of puppets, will be distributed to local churches by fall. It will be up to churches to place films with stations. If first series is successful, 52 will be made.

LATE-ROUND PUNCHES IN COLOR HEARING: This was big cross-examination week in color hearing -- RCA needling CBS -- but it's doubtful whether complexion of whole affair has changed much. Next week is demonstration week, except for cross-examination of DuMont witnesses Tuesday.

Real fireworks are expected week after -- May 1, when RMA's engineering chief, GE's W. R. G. Baker, gets on stand. Then, again, May 3, when RCA chairman David Sarnoff appears.

RCA worked hard (through chief counsel John Cahill) in attempt to get these principal points across:

(1) That CBS has been less than enthusiastic about TV in general, has actually attempted to hamper it, even delayed until 1947 its own applications for more stations. RCA brought up CBS's daily announcements over its New York WCBS-TV, from 1941 to 1945 and in early 1947, tending to discourage purchases of sets -- reading, in part, CBS "does not want you to consider these broadcasts as inducements to purchase television sets at this time. Because of a number of conditions which are not within our control, we cannot foresee how long this television broadcasting schedule will continue." CBS countered that FCC's 1941 decision, the war and 1947 color hearing justified announcements. Comr. Hennock said she was "disturbed" about them.

(2) That CBS has shifted policy regarding importance of high definition and large screen size. RCA asserted CBS used to give those factors great weight when it was pushing 16-mc, uhf color, but doesn't any more. CBS explained that addition of color and improvement of black-and-white art make the difference.

(3) That CBS receivers and converters will cost considerably more than has been indicated. Estimates of CBS and its manufacturing witnesses (Tele-tone, Air King, Webster-Chicago, Birtman Electric), said RCA, ignored such things as automatic phasing, switching and motor starting, "crispening" circuits, dot-interlacing. CBS's answer was that its system is adequate without those, that they aren't essential, that they aren't unreasonably expensive.

(4) That conversion of existing sets to CBS color is extremely dubious with many sets, particularly consoles. CBS witnesses plain disagreed.

(5) That programming with CBS color, switching back and forth from standard black-and-white, is impractical because of receivers' delay in following switches. CBS contended that proper programming can take care of problem and that there would be no trouble when CBS standards were telecast fulltime.

* * * *

CBS president Frank Stanton got headlines when he testified CBS was considering organizing \$50,000,000 corporation (Vol. 5:34,42,43) to make and/or distribute CBS receivers if rest of industry wouldn't. He said CBS probably wouldn't put money into it, but would license it, possibly let it use "Columbia" brand name. Some Wall Street people are already interested, he claimed.

CBS said its license fees would run 25¢ for sets retailing less than \$100, 50¢ for \$100-\$180, 75¢ for \$180-\$250, \$1 for sets over \$250. RCA's fees, CBS estimated, ran about 1½% of retail price, Hazeltine's about ½%.

As for FCC compelling manufacturers to build CBS sets, assuming it could, Stanton thought set makers should have only 30 days to get moving before Government steps in. Actually, he added, manufacturers are likely to change tune in event of decision favoring CBS system.

Stations in new TV areas, non-interconnected, should be required to start out fulltime with CBS color, he recommended. Conversion of existing stations to color, CBS estimated, would run \$3622 for single studio camera, \$6212 for dual.

Unimpressed by RCA's improvements, CBS's Dr. Peter Goldmark repeated his assertions of last fall -- that RCA system isn't much good, never will be. Upon questioning by FCC counsel Plotkin, he insisted RCA system is too complex, too unstable, too costly, too liable to interference -- gives only "tolerable" pictures at best.

Asked about dot-interlacing with his system, Goldmark claimed it would work out better than it does with RCA's. For one, he said, inter-dot flicker would appear only in areas of fine detail; for another, dot-interlacing makes system no more subject to interference than before. But he admitted that technique is still experi-

mental, that it won't be shown over air, that final method of achieving it hasn't been decided.

Bureau of Standards' color expert, Dr. D. B. Judd, had interesting testimony when he compared color fidelity of all 3 systems, including CTI. At their best, he said, they're about equal. That was his personal observation, he added. He's made scientific tests for Condon Committee, he reported, but can't reveal results until permission is granted.

* * * *

Hearing seems to be accelerating towards completion. But testimony and demonstrations to come have potential of extending hearing -- at least that's been history of 7-months-old proceedings to date.

DuMont witnesses go on stand April 25; CBS New York demonstrations of its dot-interlacing are April 26, at 2:30. Next day, Hazeltine holds private showing for FCC only (Vol. 6:15); press will be invited in week or two. Hazeltine has been doing a lot of work, may come up with some surprises.

'FM BOAT HAS SAILED'—STANTON: Reasons for FM's rough going, one of broadcasting's most argued topics, were laid before FCC this week in first such summary by major network spokesman. CBS president Frank Stanton was obviously well-prepared when Comr. Jones, during color hearing, imputed neglect of duty towards FM on CBS's part.

Jones was seeking to show parallel between FM-AM and color-monochrome situations. He wanted to know why CBS didn't use 15-kc network lines for FM, instead of 5-kc, and why CBS didn't affiliate FM-only stations to cover "white areas" of poor radio coverage.

Public neither appreciates nor will pay for FM's high fidelity of kind 15-kc lines would bring, Stanton testified. He told of experiments, with laymen and musicians, backing that up. He also related how CBS tested FM circulation by deliberately interrupting its top-rated shows -- Jack Benny and Lux Theatre -- during transmissions over its own FM stations. Outside of New York, he reported, stations received average of 3 or 4 complaints. Spending some \$250,000 yearly to operate those stations for that audience was "very depressing," he said.

Flight of FM, Stanton attributed to: (1) Inadequate broadcaster and manufacturer promotion. (2) FCC's original ban on duplication of AM shows. (3) Petrillo's similar ban. (4) Shift of low to high band. (5) Listener difficulty in tuning sets.

And most important, he said, "the manufacturer and the broadcaster and the consumer alike have turned toward the shining light of television...FM has just been overrun by the enthusiasm for TV."

FM's real advantages, he thought, are its immunity to static and its consistent day-and-night coverage. And he knew of no FM-only station that could reach any substantial audience not now reached by AM-FM affiliates of CBS.

If a network were compelled to affiliate FM stations in areas where it doesn't now have AM-FM outlets, would that stimulate FM set sales? asked FCC counsel Harry Plotkin.

"Not today...the FM boat has sailed," answered Stanton.

* * * *

In Chicago, however, NAB's FM members were bailing like mad. In session during convention, some 300 enthusiastic members heard speakers insist FM is no "gone goose," that it can pay off now with specialized services for transit vehicles, stores, restaurants, factories, etc. Consensus was that with such techniques FM could keep afloat, indeed make headway while home audience is built up.

[Whether specialized techniques can be considered broadcasting is subject of current FCC study. Indication of Commission's thinking may be forthcoming shortly.]

TV manufacturers were a particular target. Members were riled because set makers don't put FM into all TV receivers. They could do it for only \$2 extra, said Morris Novik, representing stations of International Ladies Garment Workers Union. Session climaxed with adoption of request that NAB ask FCC to find out why manufacturers have left out FM. NAB members later passed resolution asking TV set makers to install FM tuners in sets, dropped reference to FCC.

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April 29, 1950

RMA MUST RENEW QUEST FOR LEADER: There's no hiding disappointment of industry leaders -- rugged individualists though many are, chary though some were of a military man -- over Gen. Lucius Clay's turndown of offer of presidency of RMA (Vol. 6:16). Though RMA committee had good reason to believe he was available, he chose instead to accept offer to become chairman of Continental Can Co.

Committee must now start all over again, combing list of potential candidates for \$50,000 job which must be filled by time of RMA's June 5-8 Chicago convention. Present managing director Bond Geddes retires shortly thereafter. It's a tortuous process, too, for committee can only recommend to board, board must agree, membership must approve.

Burden on committee now is to find man of stature willing to take the job. Many members would like a business man of independent means and mind, who could hold industry's numerous prima donnas in line on basic issues -- a man like MPA's Eric Johnston. Or, if a military figure of great ability and high standing in Washington is still desired, perhaps someone like Gen. Omar Bradley, now chief of joint staffs, whose term expires soon; or Gen. Walter Bedell Smith, wartime chief of staff to Gen. Eisenhower, ex-Ambassador to Russia, now commanding general of First Army, Governor's Island, N.Y.; or Brig. Gen. Frank L. Howley, retired, Philadelphia adman who earned big reputation as U.S. military commander in Berlin.

TV ENTERPRISERS FEW BUT FERVENT: The story seems to be getting across gradually -- (1) that radio's future rests largely in TV, and (2) that there's profit to be had in TV (Vol. 6:13,15,16). In any case, you'll find the most enthusiastic TV proponents among broadcasters also operating telecasting stations: of the 104 operating TV stations now listed, 90 are owned by AM broadcasting interests. Their attitude toward TV, their reactions to way it has intrigued audiences, is much same as that of enterprisers who ventured into radio in its inceptive days in the '20s.

Even operators of TV stations still heavy losers, such as non-interconnected but bigtime-operated WDSU-TV, New Orleans, which celebrated opening of splendid new French Quarter plant this week, are completely "sold". This station, of course, has Rosenwald wealth behind it; but its general manager Robert Swezey, ex-MBS v.p., will tell any of his broadcaster colleagues that it's being operated on sound business basis, expects to hit break-even point at least by year's end. He will tell them, too, that they're foolish if they persist in looking down their noses at TV.

No. 104 station starts operating on regular schedule next week (May 1) -- WJIM-TV, Lansing, Mich., Channel 6, with network service via microwave relay from Detroit, 85 mi. Still-testing WKZO-TV, Kalamazoo, hasn't yet decided on formal starting date. WHBF-TV, Rock Island, Ill., should be ready for tests soon. Only other CPs outstanding are WJAX-TV, Jacksonville; WSM-TV, Nashville; WCON-TV, Atlanta -- latter probably to be dropped (Vol. 6:12-13). Due to freeze, there won't be any other new outlets rest of this year.

SKOURAS GOES ALL OUT FOR THEATRE TV: Not much question about serious intentions of 20th Century-Fox's Spyros Skouras in field of theatre-TV. At Chicago convention of Society of Motion Picture & Television Engineers this week, he disclosed negotiations now under way with AT&T for microwave and lines to hook up 20 Los Angeles area

theatres in closed-circuit tests to cost "millions". Project will get under way even before FCC grants theatre-TV frequencies -- and date for hearing on that matter has yet to be set.

Time of Los Angeles tests depends on June or July demonstrations in New York of improved theatre-TV equipment, developed by Fox with RCA and reported capable of bringing definition up to 35mm film resolution. If test succeeds, Skouras envisions 4 or 5 "networks" in various areas -- New York, Chicago, Denver, Atlanta, for example -- serving 500-1000 theatres each. "This," said he, "will usher in an era of unprecedented prosperity for the entertainment industry." And he predicted a "golden era" for movies, attendance tripling.

To doubters who think public won't pay for theatre TV when they can get entertainment free at home via TV, Skouras retorted: "Audiences will pay for big league stuff, even though they can see sandlot performances free." He also said: "No advertising will be able to compete with this..."

PAY-AS-YOU-LOOK PUBLICITY POT BOILS: Looks more and more like Zenith doesn't yet have any top-ranking domestic feature films for its Phonevision tests, is really looking to an anti-trust suit to bring major producers to terms (Vol. 6:16). For this week's pay-as-you-look publicity battle was highlighted by statement by 20th Century-Fox's Spyros Skouras before SMPTE Chicago convention -- that he wasn't releasing any of his pictures for Phonevision. That makes 4 majors who, by Zenith president McDonald's admission to reporters, have flatly said "No" -- 2 others being RKO and Paramount. He said he couldn't recall fourth except to say it wasn't Warners, MGM or Universal. Two, he said, have asked more time to consider.

Said Skouras: "We will protect the theatres because our first allegiance is to the thousands of theatre men who built up this industry; because we believe the public will be served best through theatre TV."

In his audience was Comdr. McDonald, who riposted quickly. Through his Phonevision spokesman John R. Howland, he proclaimed that producers can't legally refuse to rent Zenith films (Vol. 6:16). Personally, to reporters, he chided Skouras for playing up theatre-TV, playing down Phonevision, said both were same -- only latter goes into home, is cheaper, will have bigger audiences.

This week, Senator Tobey (R-N.H.) sent FCC letter demanding it ask movie people whether they will rent movies to Zenith on same basis as to theatres. If they refuse, Tobey stated, it should be construed as "monopolistic" attempt to suppress Phonevision. Tobey has gone to bat for Zenith before, notably in 1948 Senate hearings on FM (Vol. 4:17-20).

BIG 'IFs' IN MOVIES' CASE FOR TV: If you can assume FCC commissioners' questions at oral arguments on anti-trust violations indicate their thinking, movie industry can look for tough sledding when it comes seeking TV stations or theatre-TV channels. On other hand, questions could be considered purely exploratory and answers by top legal brains may have satisfied FCC. So nothing may be done to hold previous anti-trust or other Federal violations against them.

That about sums up effect of day-long arguments April 24 on question whether FCC should adopt uniform policy toward applicants adjudged as having violated Federal laws (Vol. 6:4,5,15). At stake are movie industry's plans for TV; also, the still "temporary" licenses held by Paramount, DuMont, et al.

Arguments on behalf of 16 broadcasters and movie firms added up to: (1) FCC doesn't have power to set up broad rule covering Federal law violators, except where communications monopoly is involved. (2) FCC should treat each applicant on case-by-case merits. (3) Anti-trust laws are remedial, not punitive, so violators can't be considered "tainted". (4) Violations of Federal laws vary in seriousness -- some (such as patent judgments) are largely technical, others stem from changing climates of economic philosophy (what's legal one year might be declared illegal next).

Most questions were asked by lawyer-Comrs. Hennock, Hyde, Jones. They pursued these lines: (1) Should certain types and number of violations be ruled disqualifying? (2) Should FCC set up special procedure for applicant with anti-trust

or other Federal violation on record? (3) Should such violations be considered, ipso facto, blemish on character of applicant? (4) Since movie producers and distributors acted monopolistically toward exhibitors, might they not also tend same way toward TV stations or networks? (5) Might not huge resources of movies make them too formidable to be allowed to get into TV?

Comr. Hennock even brought up embarrassing question whether producers were permitting TV stations to use feature films.

HAZELTINE, CBS SHOW COLOR ADVANCES: Improvements in RCA color system, apparently of considerable significance, were shown to FCC and staff Thursday by Hazeltine, RCA's biggest competitor in patent development and licensing field.

It's too early to tell what impact developments may have on color hearing, because FCC isn't saying anything yet (showing was informal, not part of hearing) and techniques are still in developmental stage. Here's what commissioners and key staff members saw at Hazeltine's Long Island lab:

(1) Method of reducing prominence of dot structure.

(2) Method of minimizing effects of interference at, or near, 3.6-mc sampling frequency.

Techniques, if practical, would tend to offset criticisms raised on those two points during hearing. FCC hasn't yet asked Hazeltine to testify or demonstrate for the record. But it's expected to, if it considers developments significant.

Hazeltine hasn't disclosed techniques to anyone except FCC, but it presumably will show them to its licensees, Condon Committee, NTSC, press, etc.

FCC saw new dot-reducing system compared with straight 12-mc simultaneous color system. It's understood difference between them was scarcely apparent to some observers, except at very close viewing range. Receivers used dichroic mirrors.

Costs of incorporating improvements into RCA-type receivers weren't estimated, but it's believed they aren't great. Just how improvements are achieved, we don't know.

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CBS showed its own improvement, dot-interlacing, Wednesday. Demonstration was part of FCC hearing record, drew all commissioners save Webster to New York showing. Off-the-line images looked good. CBS's Adrian Murphy and Peter Goldmark again contended, as they have before during hearing, that increased horizontal resolution (almost doubled) doesn't mean much.

To back up their point, they showed closeups of Patty Painter and scarves under 3 conditions: straight 4-mc color, 4-mc with dot-interlacing, 9.6-mc video bandwidth. Observers were asked to guess which was being used, without being told. Most couldn't see much difference; at 10-12 ft. from picture, we guessed only one out of the 3. But consensus was CBS showed no scenes demanding high resolution (such as distant and fine detail shots) -- so many are still unconvinced.

CBS also showed projection set, with no mechanical disc -- in answer to criticisms that system isn't all-electronic. Three separate images appear on tube's face, are combined optically and projected on screen. Within limit of projections, black-and-white or color, pictures were excellent. CBS's principal point here was that use of phosphors to get color, instead of filter-disc, allowed brighter pictures without flicker. There seemed to be little question that long-decay phosphors can help lick CBS's brightness-flicker problem. No fast motion was shown, so charges by CBS opponents that pictures would smear couldn't be checked.

Unveiled for first time were extremely compact color camera and control-monitoring equipment designed by CBS for industrial or broadcasting use. Camera weighs only 29 lbs., occupies $\frac{1}{2}$ cu. ft., compared with black-and-white's 100 lbs., 6 cu. ft. No prices were given.

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Color still isn't here by any means, as far as Dr. Allen DuMont is concerned. During all-day cross-examination Tuesday, he found faults in all 3 systems

as demonstrated to date. All need much more development and testing, he said.

He wouldn't take any system now, but would pick RCA's if a choice had to be made. Compatibility, he admitted, had some influence on his choice. But he couldn't think of the RCA system without tri-color tube -- and he believed it might be a "considerable number" of years before an acceptable RCA-type set could be built.

CBS system suffers principally from incompatibility, small screen, low brightness, DuMont said. Further, he'd like to see more testing in fringe areas, with non-synchronous power supplies, etc. In fact, he thought it would cost more to make a decent receiver for CBS system than for RCA's or CTI's. He figured he could build CBS set to sell for \$1125, in 10,000-unit lots; price could be cut to \$500-\$600 if production were some 200,000 a year.

Over all, DuMont recommended that FCC set standards high enough to allow improvement in years to come. Framework of monochrome standards, he said, permitted vast improvement in pictures.

Those "What would you do if--" questions (Vol. 6:15) were tossed at DuMont by FCC counsel Plotkin. If CBS system were adopted for color and black-and-white and telecasters were required to shift to it immediately, DuMont said industry would be disrupted for 3-4 years. "You would have a lot of people going broke and getting out of the business," said he.

If CBS system were adopted, but black-and-white continued for, say, 3 years, DuMont said he'd continue making black-and-white, begin making combination 405-525 line black-and-white "as soon as convenient," then make color when satisfactory tri-color tubes were available. Disc-type sets are just too small, he said; he noted he was dropping 12½-in. (CBS's maximum with disc) later this year (see Trade Report).

If manufacturers had to put 405-line adapters into sets now, so that compatibility won't be a great problem when FCC comes to decision at some future date, what would DuMont do?

"I don't think we could do it if we wanted to," he said. "If you just take last year's operations, and if we had to spend the additional money to put the adapter in, we would have ended up the year without any profit...What I am saying is if we do it, it might force us out of business."

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Next week should be big. GE's Dr. W. R. G. Baker goes on Monday, RCA's Gen. David Sarnoff Wednesday. All 5 days are scheduled for hearing in Washington's Dept. of Commerce auditorium. There are still a lot of odds and ends of testimony to take up, and there's no guessing how long they'll take.

Then there's trip to San Francisco, to which FCC is presumably committed. CTI came forth with "written assurance" that it has effected great improvement in its system -- incorporating horizontal shift. This, says CTI, eliminates "jitter," answers any question as to system's compatibility. FCC has promised to send one commissioner, plus staff members. Who's going and when haven't been decided. CTI suggested May 15.

Telecasting Notes: CBS chairman William Paley in Hollywood, en route to Hawaii for vacation—again arousing speculation about purchase of own TV outlet in Los Angeles; *Variety* quotes "high CBS spokesman" as saying it will be either KFI-TV or KTSL... Though it's reported operating in black now (Vol. 5:47), WBKB, Chicago, lost \$620,000 in 1949, about \$100,000 more than in 1948, according to Balaban & Katz report; film firm, however, showed over-all profit of \$2,805,250 last year (\$10.68) vs. \$3,455,017 (\$13.15) in 1948... Kentucky Derby officials refused live telecasts of May 6 classic, but it will be carried on CBS-AM, then 15-min. film on CBS-TV next night at 10:30—Gillette sponsoring... Cleveland Indians games (on WXEL) being piped to Buffalo, Rochester, Erie, with local Philco distributors sharing cable costs... General Mills asking stations now carrying *Lone Ranger* to re-run pictures at half-rate during summer; original series was

placed under 3-year rate freeze... Big new sponsor name for TV is Corning Glass Works (Pyrex), signing as partic. in WLWT's *Magic Tele-Kitchen*, Mon. thru Fri. 1-2, piped also to Dayton's WLWD & Columbus' WLWC; 22-week test is avowedly to "determine extent of the company's future activity in TV media"... Bing Crosby, Groucho Marx, Eddie Cantor reported readying for TV shots, Bob Hope for second Frigidaire show on NBC-TV Mothers Day, May 14... NBC-TV signs Tex & Jinx McCrary to exclusive 5-year radio-TV contract; they begin Mon. thru Fri. 6:30-6:55 series titled *Closeup* on WNBT Aug. 15... Laraine Day (Mrs. Leo Durocher) reported planning TV show, interviewing husband and other celebrities before and after Giants home games... Sindlinger & Co., Philadelphia radio-TV measurement firm (Radox), announces it has discontinued doing business... Paramount Television Productions Inc. acquires interest in Richard Hodgson's Chromatic Television Laboratories Inc.

THE TRI-COLOR TUBE — AND RCA POLICY

Remarks of Brig. Gen. David Sarnoff, Chairman of Board,
Radio Corporation of America

Before Press Conference in Washington, March 29, 1950

We believe Gen. Sarnoff's extemporaneous statements to newsmen at Wednesday's showing of tri-color tube so clearly analyzes RCA viewpoint of color TV situation that his remarks are here published for the benefit of those who want more details than those carried in sometimes confusing and contradictory press reports of the interview.

GENERAL SARNOFF: Ladies and gentlemen, I find it difficult to follow Dr. Engstrom [v.p. in charge of research, RCA Laboratories] as a speaker—after the lucid explanation he has made. I feel that, however great the stimulus may have been from other sources, the actual result is the product of the brains and the toil and sweat of the research men and development engineers, and the other technicians who have brought this wonderful tube to its present stage.

In a sense, I feel that we are witnessing here today what the first group witnessed in New Mexico when the atom bomb was exploded for the first time, with this distinction: that here we witness a development for beneficent purposes that can bring us enjoyment and happiness, and can make for a larger industry and more employment, whereas the atom bomb unhappily produces opposite results.

Beginning of Practical Color TV for Home

To my mind, practical color television begins with the single tube. Of course, systems had to be developed before this and many principles had to be explored and proven. But not until you have a single color tube, such as you have seen today, have you got the basic outlines of the practical color television system for the home. I share the optimism of Dr. Engstrom, and I congratulate most heartily every man in our organization who has had a part in this great development.

I might say to you that I have watched the development of radio and electronics for more than 40 years, but never before have I witnessed compressed into a single device so much ingenuity, so much brain power, so much development, and such phenomenal results, as are represented in this color tube.

It has taken electronics a long way and what the significance of this color tube may be to the future, I believe it would be difficult to over-estimate today. I think that the most fertile imagination would fall short in predictions compared to the realities which will follow.

'Facts of Life' About Color TV

When I came here this morning, I wondered whether I should tell you the facts of life about color television, as I see them. I have decided to do it, and in doing it, I shall be glad to submit myself to your questions and to answer them if I can.

It is almost impossible to touch the subject of color television without raising a fuss and starting a controversy. But I do not know anything that you ladies and gentlemen of the press like more than controversy. So, you have a fine target before you this morning. I leave myself to your tender mercies. Nothing I say is confidential. All I ask is that you use the abundant intelligence

which you have, so that when you quote me, please do not make me say things that I have not said. I will probably say plenty as it is.

The first point I would like to make is this: I want to dispel any suspicion or suggestion or doubt as to where RCA stands in this field of color television; as to whether we welcome it, whether we want it, whether we like it, or what we are going to do about it, and so on.

RCA 100% for Color TV

My answer to those and similar questions is that we in the RCA are 100% for color television. We believe in it. We have done all that we knew how to do up to this morning to advance it. We are going to continue to use our brain power and our resources and our facilities to keep on advancing it. So it does not strike us as something unpleasant, but rather as something we believe offers the greatest opportunity for enhancing and enlarging the service of television, both in black and white and in color, to the home and to industry in general.

And from a purely practical standpoint, who has more to gain from the development of color television than the RCA? After all, we are in business not only to broadcast programs and to sell advertising over the broadcast systems. We are also in the business of manufacturing and selling receiving sets, transmitters and tubes. So it is to our interest more than it is to any other single interest to advance the day when color television may be translated into a practical service. It will increase our business, it will increase our income, and it will increase our profits.

If anybody knows any reason why the RCA should not welcome color, I do not know that reason. It has never influenced our thinking.

The second point I would like to make is this: I am not as pessimistic as Dr. DuMont, who says that color television is anywhere from 10 to 20 years off. I do not believe that. It will be a much shorter period. I think you are able to judge that for yourselves, after what you have seen this morning. But I am not as unrealistic as the Columbia Broadcasting System spokesmen who say that color television is here today. I do not wish to associate myself with either extreme position.

Which System Is More Nearly Ready?

My third point is this: In point of readiness, which system is more nearly ready for commercial service?

You have certainly had plenty of claims and counter-claims and statements and mis-statements on that point. My conviction is that RCA is ahead of any other system even in its present form. But if we are talking about a single tube, all-electronic color system, more development

work needs to be done even with our system before mass production can be undertaken and sets sold to the public.

As to the proposed modified electronic system of the Columbia Broadcasting System, so far as I know it has neither been demonstrated nor field-tested as yet. But that does not mean, to my mind, that there is any reason why the FCC cannot set broad standards right now. The translation from the present position into the ultimate product will go faster from the day that the Commission establishes such standards.

When we talk about Commission standards, we have not the slightest wish to have the Commission approve our system and outlaw somebody else's system; nor to get into that kind of an argument. What we are interested in is to have the Commission set standards. This, it seems to me, can be done.

Already the Commission has spoken on the width of the channel—6 megacycles. We accept that. There are only two other broad standards that the Commission really has to set in order to clear the road. One is a requirement that color pictures, by whatever system transmitted or received, shall not be inferior in quality to present black-and-white pictures. The other is that whatever system is employed it *must be compatible*. You have seen the reason for that today, and you have known of that reason before.

The Three Basic Standards

If these three broad, basic standards are set by the FCC—6 mc, quality, compatibility—any system should be free to go forward and develop and try to meet those standards. I think those are the minimum requirements for standards that the FCC should be reasonably expected to set. Such standards would protect the public interest, and avoid making obsolete the 5,000,000 or so television sets already in the hands of the public. This number probably will reach 10,000,000 by the end of this year.

After such broad standards are set by the FCC, let the good American system of competition express itself to the full. Let there be competition in design, in appearance, in performance, in price and in service. . . .

It is my purpose to speak frankly. Let us, therefore, take a look at the situation as between the two principal contenders—RCA and CBS. In referring to these two, I do not intend to minimize any other system that is being offered or demonstrated. I merely refer to the two major contenders here, one of whom has been more aggressive than the other in publicity exploitation.

What About the CBS System?

CBS says, as I understand it, that its system of color is ready now; that all the Commission has to do is to approve that system and that, this done, the public would have color right away. What system are they talking about? They are talking about the mechanical disc, field-sequential system. However, in the testimony recently given by the experts for CBS they said that if the RCA color tube is made available, they could use the tube in their set, too, and that this would remove objections to their mechanical system with its limited picture size.

That is the same thing as saying we are both interested in transportation: one is building an automobile and the other a horse and buggy. The argument seems to run that when the automobile is ready the horse and buggy could be abandoned. But this would be adopting the other party's method of transportation.

Of course, that does not mean that we would not make our tubes available to anybody that built CBS sets. We would make them generally available. But the basic principle of the mechanical system then goes by the board, as it should.

I cannot imagine that, between now and whatever time it may take to produce these tubes commercially and to make them available to the public, anyone would be interested in buying a mechanical-disc set, with its limitations, for home use. I do not believe they would be interested in making such a purchase any more than they would be interested in buying a mechanical black-and-white set when they can get an all-electronic black-and-white set.

CBS has stated, also, that it will adopt the sampling method which is an important element of the RCA system. Likewise CBS has said that it will adopt the dot-interlaced scanning method. Thus, they claim, they can improve their picture. I hope they will do all this. But, if they adopt dot-interlaced scanning, and sampling, and the single tri-color tube, if they throw away their mechanical disc, what is left of their so-called system that justifies them calling the modified system the CBS system?

What About Compatibility?

I will tell you what is left—the field-sequential method. Although they are not the inventors of the field-sequential method (for it was known years before), nevertheless their use of it would be the only distinguishing feature between the so-called CBS system and the RCA all-electronic system which employs the dot-sequential method.

I ask you, is that a virtue or a vice? As you know, the dot-sequential system provides compatibility, while the field system does not. If anyone knows why the field-sequential system should still be employed, I wish he would tell me. I do not know the answer and our engineers don't know the answer, although they know many reasons why it should be abandoned.

Now, all the CBS has to do is to move over a little bit and adopt the dot-sequential system. This would end the needless argument. The Commission could set standards and all the engineers could go back to their laboratories and workshops instead of hanging around in Washington.

Our friends in CBS say that their system is all ready, and that ours still needs further development. Well, *what* system is ready? We have already discussed the mechanical system as it stands today in the light of the color tube. But when they begin to modify their mechanical system, and adopt dot-interlaced-scanning and sampling, to throw away the mechanical disc, and to substitute the RCA color tube, then they, too, will have an all-electronic system.

CBS Needs to Field Test

But has anybody seen that modified CBS system? Has the CBS itself seen that system? Do they know what a color tube would do in their present set with their present field-sequential circuits? They have admitted, only two weeks ago, that they would have to submit their modified system to field testing. You will recall that at the beginning, they said that their system required no field testing; that they had already had all the field testing necessary.

So, if CBS now has to submit an all-electronic set to field testing, which they admit they have to do, and which we agree they have to do, how can it be claimed in advance of any knowledge of what the field tests would show, that such a modified, unproven and untested system is ahead of what you have already seen here today? Our system has been field-tested, up to the color tube, for months and months.

So the opposite of what is claimed by CBS happens to be the case. The RCA is further ahead in the development of an all-electronic system than anyone else in the world. I submit that statement for challenge by anyone. CBS is not quite as ready as their press reports and their testimony before the FCC imply.

Ladies and gentlemen, those are the essential facts I wished to place before you today.

Having listened to me patiently, so far, I assume that what you want to know now is how soon will this color set, equipped with the RCA color tube, be ready for the public.

There is no simple answer to that question. Our next step is to make an official demonstration to the FCC. The date is set for April 6. Tomorrow we are going to demonstrate this tube and set to licensees and to other people who are interested in television, so that they can see what you have seen today.

As Dr. Engstrom has stated, we are moving forward to translate these laboratory and hand-made models into production models. That is not a matter of years; it is a matter of months. After we get good production models, we have to tool up, and gear our lines for mass-production.

No matter which system is approved by the FCC, it will require a reasonable period of time before one can produce commercially designed instruments. I hesitate to say one year, two years, or three years, because I don't know the exact amount of time all this will take. But I do know that from the minute the FCC sets standards, and if they set standards along the lines that I have just discussed, we would be able to go forward with our system. From the moment when the green light is given, we will be working day and night to take these remaining steps in our laboratories, in our set factories and in our tube plants, in order to get these instruments to the trade and to the public as quickly as possible.

Black-and-White Buyers Safe

In such a program, we see no problem either for the broadcasters or for the manufacturers of black-and-white sets. With a compatible system, there is no reason whatever why anybody should not continue to own or to buy, if they do not own one now, a black-and-white television receiver. The programs will be received in monochrome with present-day black-and-white sets, and without any modification whatsoever. You have seen here, today, better black-and-white than you have seen before. When the color tube is available, either a new color set can be purchased or present sets can be converted to receive in color as well as in black-and-white.

We have not yet fully gone into the problem of simplification of these circuits so that they could be adapted to present sets. That is the next step. We have no doubt that the color tube with its accompanying additional circuits can be made to apply to existing television receivers. That is an engineering development now under way.

What you have seen here are our standard black-and-white sets to which the color tube and its circuits have been adapted. We see no reason why, under the program I suggest, there should be any problem for the industry or why there should be any hesitation on the part of anyone to buy black-and-white sets now on the market.

It is quite a different story with an incompatible system. It is a different story for the broadcaster, too. You have seen or heard the statement made by the president of NBC before the FCC last week. He said that NBC would be prepared, when the FCC sets standards, to equip its broadcast transmitters for color transmission and to send out color programs on a regular schedule.

Finally, I would like to leave this thought with you. There is nothing in the development of our system, whether it be at the transmitting end or at the receiving end or at the tube end, which we seek to preserve exclusively for ourselves. There is no monopoly element, no monopoly question involved in this whole situation. We would make all of the things that we would use ourselves, available to anyone else who wanted to buy it and use it.

That is the story of color television, as I see it, as of this morning. I thank you most sincerely for your patience and for your attention.

QUESTION: Would you tell us what the projected cost would be of a set?

GENERAL SARNOFF: At this moment we have not yet moved into commercial design and mass production. My guess would be that when these sets are made and sold in similar quantities to black-and-white sets, the cost would be approximately 25% more, perhaps 20 to 25% more than an ordinary black-and-white set. But, as I say, this is guessing in advance of detailed knowledge of the specific design and actual production costs.

QUESTION: I notice that during the talk this morning that more emphasis seemed to be put on the three-gun tube. Do you think that is more likely to be the answer than the one-gun tube?

GENERAL SARNOFF: I don't think so. I think that there will be both, but I think the one-gun tube is likely to be the ultimate answer. These are purely matters of economical manufacture. There is no basic reason I know of why the one-gun tube should not be the ultimate answer. Nor do I think it is going to make any great difference whether it is three guns or one gun. It is still one tube.

QUESTION: When you talked about authorization of any particular system, did you feel that the Commission might practically authorize all of the competing systems and leave it up to competition to decide which is the best?

GENERAL SARNOFF: I don't visualize the necessity for the FCC to approve or disapprove systems as such. I think what it needs to do is to set standards. If FCC sets broad standards, any system that can meet those standards can go ahead. Competition can be along many lines, as for example, design, color tube type, price, service and so on.

QUESTION: That would mean that no system would be outlawed, then; all companies could go ahead on whatever system they might be working on?

GENERAL SARNOFF: No, no system would be outlawed, but none would be licensed that did not conform to the standards.

QUESTION: How far is the color system away from equality in quality with that of the best black-and-white?

GENERAL SARNOFF: Well, so far as reception on black-and-white, which you saw today, the color camera produces a black-and-white picture on the standard receiver somewhat better, I think, than the standard black-and-white. So far as color is concerned I would say that we are already pretty close to that same quality.

You must remember also that when you see these demonstrations, they are under forced draft, they are using temporary equipment. Also lighting has much to do with the net result that you see on the receiver. But when color operations are standardized as they are for black-and-white, I would expect that the definition of a color picture will be as good as black-and-white.

QUESTION: What kind of lighting was used in the studios?

GENERAL SARNOFF: So far as I know, it is standard lighting. Is that so, Dr. Engstrom?

DR. ENGSTROM: Incandescent lighting. The light level was 150-foot candles. This is the same or a little less than we use for black-and-white.

QUESTION: Ordinary street type makeup?

DR. ENGSTROM: The makeup tends to go a little bit in the direction of make-up for color movies.

QUESTION: How many dots do you hope to get? How many elements do you hope to get?

DR. ENGSTROM: Twice the present number.

QUESTION: The General has indicated when the color tube set is in production it will cost about 25% more. What about the problem of the cost of conversion? Can you tell us something about that?

GENERAL SARNOFF: I don't know the price of conversion yet. We haven't worked out the precise design for conversion. But there will be continued efforts in the direction of simplification and this will bring down the cost.

QUESTION: How close are you to mechanization of the tube, where is it built?

DR. ENGSTROM: Lancaster, Pennsylvania. We have quite completely visualized the mechanized processes, and the next step now is to put them into operation.

QUESTION: There is one point that I think was left unanswered by both you and Dr. Engstrom, and that is the matter of size of the picture. This is a 16-inch tube that was reduced to 14. I suppose that is because of the mask inside. That does not mean that this color tube will limit the size of the picture?

DR. ENGSTROM: No. It will not be limited in size. In fact it is easier for us to make a large tube than a small one.

QUESTION: Will you use 24 and the 30 inch tubes, when they come along?

DR. ENGSTROM: I think we will start with the 16-inch size and go up in size for color.

GENERAL SARNOFF: There is no limit in picture size with a tube as there is with the mechanical disc. More than that, the viewing angle is exactly the same as it is with present black-and-white receivers. This is because the color tube is the direct-view type and does not require a lens to enlarge the picture.

QUESTION: You said that the FCC ought to set just general standards?

GENERAL SARNOFF: Broad standards.

QUESTION: And one of those standards was compatibility. What about the question of compatibility of color system? Would there be one receiver that would receive your system, modified CBS system and the CTI system?

GENERAL SARNOFF: If there is such a universal receiver, I know nothing about it. I never saw one. Such a universal receiver has not yet been demonstrated. Obviously, it would be more expensive than a receiver for one system.

QUESTION: Then you would have a set that would accept the RCA system only, but if the CBS system were authorized and some broadcaster were to broadcast the CBS modified system, single system receivers would not be able to receive all transmissions.

GENERAL SARNOFF: If CBS or anyone else can comply with the broad standards that I discussed, then there would not be a CBS system or an RCA system or any other specified system. It would be a compatible color television system.

QUESTION: What about the CTI?

GENERAL SARNOFF: Well, the CTI has a line sequential system. CTI claims that their system is compatible.

QUESTION: There is no question of compatibility of color, that is, if the standards you suggested were to be authorized?

GENERAL SARNOFF: I want to clarify your question. What I am saying is that under multiple standards where each system is authorized to go ahead, you will need three

separate receivers, or a universal receiver that can receive all three systems. The latter would certainly be more complicated and more expensive than a receiver built for a single system. Competition should not be between field-sequential or line-sequential or dot-sequential systems. Competition should be based on the quality, price, design, service, etc. of the product and on programs.

Now, the Commission has no choice, as I see it, either to set broad standards, as I have suggested, or to set multiple standards. We see no useful purpose to be served by multiple standards. However, if the Commission decides on multiple standards we will go along and cooperate. No one knows what the future may bring. Therefore any standards that are set must be such as to permit further development and further growth. The field-sequential system using the mechanical disc has demonstrated that it cannot improve unless it adopts the important features of the all-electronic compatible system.

We have demonstrated from the beginning the continued improvement possible with our system. You have seen these improvements during our successive demonstrations and we are confident of further improvements.

QUESTION: Do you foresee the day when RCA will not turn out black-and-white television sets?

GENERAL SARNOFF: No, I don't. A compatible set will receive both black-and-white and color transmissions. And black-and-white sets will always be cheaper than a combination black-and-white and color set. I see no reason why we should abandon black-and-white receivers.

QUESTION: You mean the single tube will tune in the black-and-white program?

GENERAL SARNOFF: Yes, it will.

QUESTION: Do you think it is worth trying for more than 6-megacycles bandwidth for color?

GENERAL SARNOFF: I think 6-megacycle channels have become so fixed because of practical considerations that I doubt whether there is any way to alter it now. Certainly for the VHF 6-megacycle channels are indicated. We can also start UHF with 6 megacycles. There is no doubt that with more channel width you can pass more information. The better the definition the better picture you would have. But there is a limit to the use to which the spectrum can be put which has to be considered by the Commission. I have great sympathy with the problem of the FCC in this difficult problem of allocation. It is not an easy job.

QUESTION: What assurance does the FCC have that, if they would authorize standards for your system, the coaxial would be modified to carry them?

GENERAL SARNOFF: Such assurance as they can get from the Telephone Company. The Telephone Company has stated that it would adjust its cables for the required band-width to carry the color programs. Also, most of the interconnection will be by radio relays, where that problem does not exist at all. I think that the first trans-continental television will be by radio relay rather than by coaxial cable. It will carry our color. It does not seem to me to be proper to compress color and reduce its quality in order to meet the narrow band of existing cables. It is better to increase the bandwidth of the cable, by whatever means needed and those means are known—and thus let the full color signal go through.

Also, I believe that the present cable problem will not continue for long. I would not be surprised to have our experts find how to get our color through, even with present limited bandwidth of the coaxial cable.

In any event, the Telephone Company is on record that it would make proper facilities available for color transmissions. I think that by the time color television will be ready for the home, the cable problem will be solved.

MECK-PHILHARMONIC GET WILCOX-GAY: Mainly to obtain added TV production facilities, John S. Meck and Bernard H. Lippin have entered into agreement with board and officers of Wilcox-Gay Corp., Charlotte, Mich., whose Recordio players and discs are well-known in trade, whereby they "personally" will acquire control of that company subject to stockholders' approval April 11. Details aren't announced yet, but it's understood considerable cash outlays are involved; also, that Wilcox-Gay plants are already turning out TVs and furniture for John Meck Industries Inc., Plymouth, Ind., and for Mr. Lippin's Philharmonic Radio Corp., New York. They will have equal holdings, with Leslie Evan Roberts acquiring some stock and running the company. Mr. Roberts is identified as a Long Island banker, New York office 745 Fifth Ave.

Wilcox-Gay products and brand names will be continued, according to plans, including its recently begun TV line (Vol. 6:6), of which only about 5000 units have thus far been turned out; it also makes radios, public address systems, etc., has been in business 30 years but in last few years has suffered heavy deficits (Vol. 6:12). Meck has made considerable record in TV in recent months, distributing through 59 wholesalers, manufacturing for Brunswick and Philharmonic as well as own brand, making much ado about his policy of dealer markups up to 40%.

Philharmonic has made big splash in recent months selling Meck-made TVs with Philharmonic label through big dept. stores (Vol. 6:1) offering 10-in. table at \$99.50, 12½-in. table at \$139.50-\$149.50, 16-in. table at \$190, and various other quantity-sold TV models (Vol. 6:9). It's probable Meck will move headquarters to Chicago, if deal goes through, administering own plants in Plymouth and Peru, Ind. as well as one in Charlotte. He has said he'll turn out 250,000 TV sets this year.

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News release from John Meck, March 30: "I don't know why the press is calling me regarding the supposed leak that a TV manufacturer is planning [to] feature a 10-in. table model at \$99.50. However, my answer to the press, the trade in general and the manufacturers in particular is: It doesn't surprise me a bit.

"We could do it. Any manufacturer who can't reduce his costs to meet such a price should refigure his entire engineering and production program. The \$99.50 price is going to be placed on a 10-in. set by someone before long. It is inevitable -- just like the \$99.50 washing machine, \$99.50 radio-phonograph, \$99.50 electric range and \$99.50 refrigerator."

1950 'GUESSTIMATES' CALLED TOO LOW: Remember those "guesstimates" of top 1950 TV producers and their unit and dollar volumes published here a few weeks ago (Vol. 6:8), as compiled by Television Shares Management Co. (Television Fund Inc.)?

There was so much reaction to this tabulation -- so many principals complained their unit figures were too low -- that we asked for comments from each of the top 20, as well as the 12 placed in non-ranking order in what TSMC called "second echelon". All but 4 of the 20 responded; also, 7 of the 12:

Their own estimates upheld TSMC's rankings, by and large, except for Big Three (Admiral, Philco, RCA) -- each claiming first. But whereas TSMC's total forecast was 5,365,000 for those 20 companies alone, our replies added up to well over 6,000,000 for them plus at least another 1,000,000 for second group.

Bear in mind these are only 32, albeit the leaders (plus one added starter), out of more than 100 TV receiver manufacturers -- yet, if we accept their word for it, they alone will turn out more than 7,000,000 units this year!

Can the industry really do it? Most key observers think not, considering expected seasonal declines in demand, known plant capacity, looming material shortages. "In the neighborhood of 5,000,000," is forecast you hear most.

But it makes for good, clean sport to listen to the favorites dope them-

selves--so here's their own 1950 dopesheet, using own words where possible. Underlined figure is one we've tallied as best available, either company's own or TSMC's:

Admiral -- TSMC estimate: 800,000. Wrote v.p. Richard Graver, "You are low on your estimate."

RCA -- Estimate: 700,000. Said spokesman, "No one will out-produce us this year." So let's guess 800,000.

Philco -- Estimate: 625,000. According to executive v.p. James Carmine, "We should do more than 800,000 for the year."

Motorola -- Estimate: 535,000. Writes Robert W. Galvin, executive v.p., "You will not have to worry about Motorola meeting [that] figure."

Zenith -- Estimate: 330,000. No statement, but informal trade reports are that it considers figure too low.

Emerson -- Estimate: 330,000. Says president Ben Abrams, "Emerson expects to produce about 400,000."

General Electric -- Estimate: 300,000. No other information.

DuMont -- Estimate: 190,000. Does not give out unit figures, but Dr. DuMont states, "We expect to do better than \$65,000,000 in sales of receivers this year." If TSMC average of \$225 factory price per set holds, that would mean 240,000.

Tele-tone -- Estimate: 175,000. Says President Gross: "At least 250,000."

Hallicrafters -- Estimate: 170,000. Says executive v.p. Ray Durst, "We think they have pegged us slightly lower than what we will actually accomplish. But all in all it is not a bad forecast."

Westinghouse -- Estimate: 150,000. "Quite low," says manager Todd Sloan.

Avco (Crosley) -- Estimate: 150,000. According to W. A. Bles, sales v.p., "Probably 40% right. You can guess which way -- up or down!" 250,000.

Meck -- Estimate: 150,000. John Meck states, "We are opening new facilities which, by the end of the year, should give us a total of 250,000 sets."

Raytheon (Belmont) -- Estimate: 140,000. W. L. Dunn, v.p., says figure is "most conservative."

Sylvania -- Estimate: 120,000. No further information.

Magnavox -- Estimate: 120,000. No further information.

Capehart-Farnsworth -- Estimate: 100,000. President Fred D. Wilson writes, "We believe that Capehart will produce approximately 140,000 units this year, and that the average factory price will be about \$175."

Olympic -- Estimate: 100,000. P. L. Schoenen, executive v.p., states, "Our total production for 1950 should reach 150,000 units having a value of approximately \$24,000,000."

Garod (Majestic) -- Estimate: 100,000. No further information.

Hytron (Air King) -- Estimate: 100,000. R. D. Payne, sales manager, says at least that, now producing at rate of 200,000 per year.

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So much for the first 20, as picked by TSMC; they alone would add up to minimum of 6,145,000 units. Of other 12, this is gist of replies from 7 responding:

Bendix, reports in excess of 120,000; Fada, says it's geared to capacity of 250,000, but doesn't claim that many -- guess would be under 50,000; Hoffman, says planning on 180,000, may do 200,000; Noblitt-Sparks (Arvin), "more than 100,000"; Stewart-Warner, won't say more than that it's aiming for figure that would include it among first 20; Stromberg-Carlson, no figure but expects to do 40% better than 1949; Tele King, says it plans "200,000 with estimated volume of \$25,000,000".

Not replying were: Muntz, Sentinel, Sparton, Trav-Ler, Wells-Gardner. Credit each with, say, 50,000--and consider, too, complaint from non-listed Packard-Bell's v.p. Robert S. Bell for being overlooked, stating: "We are presently producing 8000 receivers per month and estimate [in 1950] 106,000 units with average factory price of \$145." Thus another 1,000,000 or more must be added -- without even taking into account the 70-odd lesser companies also listed in our TV Directory No. 10.

Topics & Trends of TV Trade: Joseph B. Elliott, RCA consumer products v.p., tells National Installment Credit Conference of American Bankers Assn March 29:

(1) That TV demand will hold up for rest of year, subject only to seasonal variations. Market is still wide open, with more than 80% of families in TV areas still without TVs. In New York area, top market, 70% of families are potential customers.

(2) That TV price cuts comparable with those of early 1950 are "extremely unlikely." For one thing, there are minimum components necessary to each set—for example 15 tubes, at very least, in 10-in. Then there's trend to larger (and more costly) picture tubes, which mean more components and larger cabinets.

(3) That retail value of TVs sold this year will be \$800,000,000. If only half of purchases are on installment basis, a conservative estimate, bankers who charge 6% can count on \$24,000,000 business.

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Big rival of RCA as drum-beater for TV, Philco gave out with this astonishing bit of news at banquet March 29 honoring 500 production, engineering and sales employees for "quality and production achievement": That it is now producing TVs at rate of more than 20,000 weekly, which president Wm. Balderston said "we believe to be the highest in the TV industry" and is "a forerunner of 25,000 TV receivers a week." Philco's first quarter sales (all products) will achieve record of about \$78,000,000, he added. TV-radio division president Larry Hardy said Philco distributor-dealer sales by end of first quarter will exceed 200,000 TV sets.

Third of the Big Three, Admiral, announced huge promotion plan this week—publication 6 times yearly of 24-page home magazine called *America's Smart Set*, covering Admiral product messages in its ads. Dealers will supply mailing lists for about 1,000,000 circulation, will pay about 10¢ per copy and will get choice of one out of 16 prepared pages for own ads on back cover. First issue is due May 1. Ad manager Seymour Mintz is directing project; Drake Publishing Co., Chicago, is publisher.

Philco breaks April 2 with national advertising offering "special TV lamp" with every Philco TV set (except 12½-in. table leader at \$200) and with all radio consoles. In cooperative promotion with dealers, it also has had 1,000,000 rotogravure folders sent to consumers telling of offer. Lamp has reversible shade which can direct light upward when TV set is in use, retails for \$11.95. Special "what-not" shelf worth \$3.80 is also being given away with 900-series table radios.

Sylvania TV's spectacular new promotion will be Douglas Leigh creation of 40-foot-high Ali Baba flying through air, consisting of 12,000 light bulbs strung on sides of dirigible.

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North American Philips moves into consumer field this week, offering mahogany or walnut console housing its Protelgram unit for attachment to existing direct-view TV sets. It's called Duo-Vue and lists for \$199.50. Attachment permits set owner to switch from direct view to projection up to 3x4-ft onto home movie screen. Attachment is serviceman's job, should take less than hour, say officials. Table TV could rest on console. Selling will be through 35-50 distributors now being enfranchised. The 2½-in. Protelgram tube now sells for \$19.50 to consumer. Some 20,000 dealers have been circularized by mail.

Admiral has new line of rectangular 16-in. modern consoles with doors: 26R35, walnut, \$300; 26R36, ma-

hogany, \$320; 26R37, blonde, \$340. They're companions to rectangular 16-in. open-face period consoles 26X45 at \$300 and 26X46 at \$310. Remaining in line are round 16-in. Models 26X35-36-37, also modern consoles with doors, at \$50 higher than 26R series. Admiral feels rectangulars will be in such short supply for awhile that they won't cut much into sale of rounds . . . Admiral has purchased Midwest Mfg. Co. (kitchen equipment) in Galesburg, Ill., now has 9 plants. Galesburg plant's 265,000 sq. ft. will be enlarged to 365,000.

Magnavox's 2 new models this week—12½-in. table at \$200 and 16-in. rectangular table at \$280—round out its line (Vol. 6:8, 11, 12) as follows: Tables—Wilshire, 12½-in., \$200; Metropolitan, same with more sensitivity, \$240, blond \$250; Metropolitan, rectangular 16-in., \$280, blonde \$295. TV-only 16-in. consoles—Playhouse, rectangular, \$300; same in blonde, \$320; Shoreham, round, \$340; Contemporary, round, \$400; same with more sensitivity, \$450; Normandy, round, \$450. TV-only 19-in. console—Shoreham "200" at \$495. 16-in. console combinations—Avenue, rectangular, \$450, blonde \$470; Wedgewood, rectangular, \$499; American Traditional, round, \$595; American Modern & French Provincial, round, \$795; Embassy, round, \$995.

Motorola has new 12½-in. table at \$190; it replaces 2 previous models, one at same price, other at \$220, only change is cabinet . . . Pilot has new rectangular 16-in. table with FM at \$300 . . . Muntz has new line, dropping 10-in. as hinted earlier this year (Vol. 6:3). Sets are 12½-in. table, \$170; 16-in. table, \$220; 16-in. console, \$250; 19-in. console, unpriced . . . Air King has new 16-in. rectangular table, unpriced; same in console-combination, \$400, or \$50 under one with round 16-in.

"You save \$500," said full-page local ad March 31 by Lubar-Washington, offering Brunswick 10-in. console with AM-FM-phono for \$99. Closer study revealed set was 1948 "Kensington" model originally offered at \$795, cut to \$599 in Jan. 1949.

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New TV manufacturer: Mitchell Mfg. Co., 2525 No. Clybourn St., Chicago, maker of lighting fixtures and air conditioner room units. Initial Mitchell set, due June 1, is rectangular 16-in. console at \$290, chassis made by Sonora. President Bernard A. Mitchell, et al, have financial interest in Sonora. Plan is to make 3000 per month, selling through company's regular distributors. It has made radio-lamp novelties many years, sells through 5000 dealers. Heading Mitchell TV dept. is E. H. Tracey, ex-Majestic.

Reeves Soundcraft Co., recording blank maker and TV producer through subsidiary Tele-Video Corp., Upper Darby, Pa., has 3x4-ft projection set for public places at \$1995, expandable in theatre-dark auditorium to 6x8-ft. Set uses 5-in. tube in barrel, projects from front or behind screen, is similar in design to RCA theatre-TV unit.

Emerson celebrated 11 millionth radio-TV unit off its line this week by presenting president Ben Abrams with the portable; 5,000,000 units are postwar . . . CBS won judgment after trial before Supreme Court Justice Gavan against use of name "Columbia" by Bronx TV retail store, court finding defendant sought to take advantage of network's good will to sell receiving sets . . . Four parts manufacturers fined March 28 in Federal court in Trenton for anti-trust violations in conspiring to fix condenser prices arranging patent pool, instituting harassing infringement suits: General Instrument Corp. and Radio Condenser Co., \$10,000 fines; Condenser Development Corp., \$6000; Variable Condenser Corp., \$2000. Officers of first 2 companies also fined \$5000 each.

Financial & Trade Notes: CBS earned net income of \$4,184,079 (\$2.44 per share) on gross of \$105,397,580 during 1949, according to March 24 annual report. This compares with \$98,377,258 gross and \$5,041,682 (\$2.94) in 1948; \$101,045,647 gross and \$5,920,104 (\$3.45) in 1947 (53 weeks). Earned surplus at end of 1949 was \$27,214,656. Showing was surprisingly good in view of TV costs, which have cut deeply into ABC and NBC earnings, but CBS is understood to have done well in phono record as well as radio time sales (separate breakdown not reported).

Notice of annual meeting April 19 discloses to CBS stockholders following 1949 salaries: William S. Paley, chairman, \$100,000; Frank Stanton, president, \$100,000 (plus \$34,740 bonus and shares in profits); Joseph H. Ream, executive v.p., \$50,000 (plus \$11,977); Edward Wallerstein, president, Columbia Records, \$60,000 (plus \$3208); Edward R. Murrow, director, \$121,944. Stockholdings of directors include: William S. Paley, 88,510 Class A, 223,500 B; Isaac D. Levy, 31,826 A, 20,755 B; Leon Levy, 14,000 A, 40,900 B; Frank Stanton 810 A, 3025 B; Ralph Colin, 1028 A; Samuel Paley, 7000 A, 16,000 B; J. A. W. Iglehart, 3400 A, 900 B; Joseph H. Ream, 100 A, 100 B.

Proxy statement for ABC stockholders meeting in New York April 11 discloses these officer salaries: Mark Woods, vice chairman, \$75,000; Robert E. Kintner, president, \$50,000; C. Nicholas Priaulx, v.p.-treas., \$27,500; Charles C. Barry, v.p., \$36,666. Also these directors' stockholdings as of March 1: Edward J. Noble, chairman, 901,667 shares of common; Owen D. Young, honorary chairman, 10,000; Earl E. Anderson, v.p., 15,000; Robert E. Kintner, 10,600; Mark Woods, 6500; Franklin S. Wood, attorney, 6000; William Zeckendorf, 2000; C. Nicholas Priaulx, 1000.

Admiral Corp. annual meeting is in Chicago April 13, and notice discloses president Ross D. Siragusa, wife and children owners as of March 15 of 764,992 out of 2,000,000 shares of stock outstanding, or 39.74%. Officers' 1949 salaries and stockholdings: Mr. Siragusa, \$82,765; John B. Huarisa, executive v.p., \$55,432 (plus \$65,848 bonuses), 95,442 shares; Wallace C. Johnson, v.p., \$20,000 (plus \$28,800); Kenneth D. Turner, v.p., \$14,550 (plus \$17,255), 67,262 shares; Richard F. Dooley, v.p., \$14,600 (plus \$17,255), 57,294 shares; Lynn C. Park, treas., \$16,766 (plus \$19,833), 25,820 shares.

Stewart-Warner's president James S. Knowlson, in 1949 annual report, says TV is apparently entering stage of "cut-throat competition," yet its growth seems unquestioned. Report doesn't indicate what part TV-radio play in its sales, but 1949 total sales were \$54,609,713, profit \$2,163,106 (\$1.67), considerably down from 1948 sales of \$72,534,085, profit \$3,154,316 (\$2.44).

P. R. Mallory Co. reports 1949 net income of \$1,124,090 (\$2.79 per share) on sales of \$24,647,429 vs. 1948 net of \$1,154,091 (\$2.86) on sales of \$23,622,144 . . . Sprague Electric Co. earned \$1,206,054 (\$2.48) in 1949 vs. \$831,649 in 1948 . . . General Precision Equipment Corp. 1949 sales were \$26,711,826, profit \$456,485 (76¢) vs. 1948 sales of \$27,008,450, profit \$936,679 (\$1.56).

Avco and consolidated subsidiaries (Crosley radio-broadcasting reported doing more than half) reports sales of \$37,919,344, profit of \$1,137,581 (15¢ per share) for quarter ended Feb. 28 vs. \$35,825,613 and 14¢ for same 1948 quarter . . . Sentinel reports net income of \$27,137 on sales of \$5,224,694 for 8 months ended Nov. 30, 1949, or 8¢ per share on 320,000 shares; no comparison available . . . Hytron (Air King) earned \$565,171 (90¢) on record sales of \$16,226,143 in 1949 vs. \$75,669 (13¢) on \$7,937,422 in 1948 . . . Olympic directors have approved

6-for-5 common stock split, subject to stockholders' approval April 24 . . . Trad Television Corp. has filed with SEC for issue of additional 600,000 shares of common stock for expansion; Tellier & Co. is underwriter . . . Stromberg-Carlson's loss for whole of 1949 was \$478,000, not for first quarter as inadvertently reported (Vol. 6:12).

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Footnote on current stock market activity in TV-radio stocks, quoted from Oliver J. Gingold's column in March 31 *Wall Street Journal*: "The rather wild advance in the television group, largely on public buying, has been regarded by some technicians as an excess. Obviously the TV industry has done well and may do better but the sort of buying which doubles the prices of stocks in a few months is regarded by conservatives as not too healthy. In the meanwhile, the short interest, which is the largest in close to 18 years, includes a large bear position in TV issues."

Trade Personals: G. Edward DeNike, ex-National Union, joins DuMont Tube Div. April 1 as sales mgr. . . . C. J. Hassard, asst. to gen. sales mgr., promoted to merchandising mgr. of Bendix Radio-TV . . . Edward C. Bonia has withdrawn as executive v.p. of Muntz TV . . . Lynn C. Holmes promoted to associate director of research, Stromberg-Carlson . . . Paul W. Nief, ex-McMurdo Silver Co., succeeds late Leonard Welling as sales mgr. of Jewel.

Heavy newspaper promotion of TV receivers is reflected in Media Records reports covering 34 markets: Cooperative manufacturer-dealer advertising in February ran 3,831,423 lines vs. 2,412,816 in January; same 1949 months were 1,261,456 and 1,122,215, respectively—total increase thus being 162%. General advertising ran 714,222 in February, 605,357 in January—up about 11% over same 1949 months.

February RMA tube shipments show 10-in. and smaller all but discontinued. Breakdown of 427,189 total: 7 & 8½-in., 2,985 units (.7%); 10-in., 14,488 (3.4%); 12 & 12½-in., 259,642 (60.8%); 14-in. and up, 150,022 (35.1%); projections, 52. Trend to larger sizes is still accelerating; see Vol. 6:1, 5, 9.

Phonograph and record makers get together April 11 in Chicago's Stevens Hotel to plan campaign to sell public on advantages of getting record player with TV sets. They hope to enlist aid of radio-TV manufacturers as well as dealers and distributors. Committee is headed by J. A. Berman, Shure Bros., Chicago. Present thinking is to sell all elements of TV industry on using "complete home entertainment unit" idea in all promotion.

How big are rectangular tubes, in terms one can understand? Confusion existing ever since rectangulars came out should largely be dispelled by handsomely printed 12-page booklet now available from by American Structural Products Co., Box 1035, Toledo. It has diagrams showing exact measurement of all dimensions of 14, 16, 19-in. rectangulars and 12½, 16, 19-in. rounds.

Underwater TV, with which observers on ship's deck can watch activity below, was demonstrated by Navy this week. Navy foresees great assistance offered by TV in salvage operations, etc. Kine recordings of underwater telecasts were also made, by Lieut. Comdr. W. R. Fraser, who recently testified before FCC about his recordings of CBS color (Vol. 6:12).

Metal parts of kinescope guns are being turned out at rate of 30,000 sets weekly by John Volkert Metal Stampings Inc., Queens Village, Queens, N. Y., according to manager Jack Kleinoder. He claims company makes 35% of all such parts, will shortly step production up to 50,000 weekly.

JOHN MECK PROMISES THE \$100 TV: Now it can be told, if you haven't already deduced it from frenzied denials and conjectures in the trade press, that John Meck Industries Inc. is the manufacturer intending to turn out 10-in. table TVs at \$99.50 list this summer (Vol. 6:11,13). But in authorizing this disclosure, Mr. Meck emphasizes he isn't going to hurry, doesn't want to disturb present market in which he can sell every set he turns out, figures the "under \$100" set mainly as a promotion for mid-summer dog days -- "and then only if the market gets sluggish and needs artificial stimulation." He's convinced it will.

As for 12½-in. at \$119 and console at \$149, those prices aren't as fixed in Mr. Meck's mind as the \$100 idea. His present 10-in. table sells for \$140, though he made Philharmonic sets that were job-lotted to dept. stores as \$99.50 leaders. He owns his plants (now entirely on TV) in little Indiana towns of Plymouth and Peru, and his line (Vol. 6:11) is constantly undergoing revisions -- for he can operate flexibly with what he describes as plentiful and highly efficient labor supply. He also states he will manufacture 250,000 or more TVs this year regardless of Wilcox-Gay factory deal (Vol. 6:13) -- which easily puts him among top 20 producers.

SQUALLS AHEAD OR BRIGHT HORIZONS? First warnings of summer storm clouds for TV trade came from DuMont sales chiefs Ernest Marx and Walter Stickel, meeting last week with their regional managers. Others also see "softening" markets -- one of them Emerson's president Ben Abrams, who looks for repetition on smaller scale of last year's piled-up inventories and consequent price-cutting. But it would be erroneous to report that's the consensus; quite the contrary, April 6 roundup by Retailing Daily sums up beliefs of New York area manufacturers that summer slump won't be so bad, will enable them and distributors to stock inventories so that they will have sets to sell for expected big fall market (as against last fall-winter when brand merchandise was in short supply).

Fact is, production continues extremely high. Five-week March output may well approach 600,000 receivers (vs. 460,000 in February, 420,000 in January; Vol. 6:7,11) -- for RMA already reports 90,500 for first week, 95,200 second week. And we've established fact that 25% added to account for non-RMA is quite conservative. Nor have there been signs yet that April output has slackened, though we won't get figures on this month until mid-May.

DuMont thesis is that huge production will leave everybody loaded up with inventories which they can't carry, so they will start cutting prices. More than that, they believe new models due in summer for fall market will be priced 10% below today's equivalents -- adding further to urge to get rid of old stock. But they foresee fall-winter market better than last year's. New DuMont sets are due soon.

Retailing Daily's Martin Rosenblum affirms most new lines are expected in June-July, with price drops estimated from 10-17%. But he reports shortages of cabinets and some receiving tubes (Vol. 6:10) will serve as brake on overproduction.

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Emerson's Ben Abrams adds pertinent footnote to those much-talked-about "guesstimates" of 1950 production (Vol. 6:8,13): "My own personal reaction is that industry-wise it [5,365,000 total forecast for top 20 producers alone] is very much over-estimated. If you are to add the production of about 90 other manufacturers not listed, you would arrive at an approximate industry production of 8 or 9 million TV receivers. My own feeling is that the total [will be] in the neighborhood of 5,000,000. Emerson expects to produce about 400,000...There are many factors involved which would make it impossible for some of the manufacturers mentioned to realize the production figures listed."

RECTANGULARS—TRENDS AND SIZES: Next, it's metal-coned rectangular tubes. DuMont is first actually planning production, though many have long experimented with idea. Due first is 16 or 17-in., promised sometime this summer, then 21-in. month or so later. Presumably, reasons for metal rectangulars are same as for metal rounds -- less weight, etc.

In meantime, DuMont will push 17-in. glass rectangulars (Vol. 6:11), is now getting samples from Corning. DuMont also has plans for 21-in. glass rectangular, blanks also to come from Corning during "latter half of year."

These sizes confuse rectangular situation and nomenclature more than ever. To get them straight:

(1) All rectangulars to date are glass, come from either Corning or American Structural Products Co. (Owens-Illinois).

(2) Until recently, only 14-in. and 16-in. have been made, both glassmakers' output giving same screen dimensions.

(3) Corning added 17-in. because tube-makers want same screen area offered by expanded 16-in. round.

(4) ASPC will have 19-in. samples in May, production in July. Corning's version, planned for same time, will be 20 or 21-in., to give about same area as 19-in. expanded round.

Neither has plans beyond those, so that all larger sizes (22, 24, 30) are likely to be metal, whether rectangular or round.

Measurements of rectangulars refer to length of diagonal across face of whole tube, to nearest inch. For example, 14-in. actually has 13.688-in. diagonal. But diagonal of actual usable picture is 12.875-in. And picture is 11.665x8.749-in., with rounded corners. The 16-in. gives 13.788x10.341-in. picture; 19-in. yields 16.047x12.035-in. Dimensions aren't available on the larger sizes to come.

That rectangulars will eventually replace rounds, few have doubts -- but there's no urgency while market absorbs everything the bulb and tube makers can turn out. Though RCA has produced no rectangulars as yet, it's known to be experimenting with metal-coned, as well as glass, rectangulars. ASPC says that 75% of its production now is rectangular and that trend is unquestionably to virtually 100%. Corning offers no percentages, but agrees on trend.

RADIATION PROBLEM BECOMING CRUCIAL: Acute, and getting worse, is problem of oscillator interference. You can be sure matter is serious when an established TV station asks for immediate channel shift to escape loss of audience -- as did Yankee's WNAC-TV, Boston, in requesting move from Channel 7 to 2.

Question of FCC jurisdiction over receiver manufacture "may well come up if the manufacturing industry does not do something" to solve problem, Chairman Coy warned during color hearing this week. Portions of industry (RMA committee, American Standards Assn., individual companies) have been active in matter -- but great mass of electronics industry hasn't bestirred itself as much as trouble warrants.

There's nothing new about problem, nor is it confined to TV. But fast-growing number of TV sets and their great susceptibility to such interference are bringing matter to a focus as much as anything. FM sets are also bad radiators.

Ruined TV reception as far as 1-2 miles, because of single bad receiver, has been reported to FCC. Sets have even been known to foul up aircraft communications.

Simply put, here's the trouble: Great many devices, including TV receivers, radiate signals strong enough to interfere with other TV sets or other services. Until recent years, it has been common practice to design equipment so that interference fell into unused or little-used portions of spectrum. As FCC engineer put it, they were "dumping their garbage into vacant lots or somebody else's backyard."

Now, however, "vacant lots" are almost non-existent. Only solution is to restrict radiation as much as possible. But it costs money to do proper job. Thus, for competitive reasons, particularly in AM-FM-TV receivers, manufacturers are re-

luctant to incur extra expense unless everyone does. And very few want FCC to set standards; many feel it would be opening wedge to general regulation of set manufacture -- emphatically unwanted.

FCC came out with proposal April 13, 1949, looking toward reduction of such radiation. It has had industry-wide meetings since, and there's been considerable activity at committee level.

But definite FCC move to set standards, meaning type-approval of TV sets since they radiate signals, can be expected unless whole industry cleans up situation to Commission's satisfaction. If taken to court, some within FCC feel: "It's better to try and fail than not to try at all." Quite a few believe they could win.

Next committee action comes April 25 at meeting of American Standards Assn Committee on Radio-Electrical Coordination at NEMA headquarters, 155 E. 44th St., New York. It will consider how to measure interference, just what to measure, and susceptibility of various services to interference.

All FCC proposals and documents to date may be obtained from its Technical Information Division, or we'll get them for you.

Topics & Trends of TV Trade: Almost any appliance or furniture dealer within reach of a TV signal will tell you his hottest items are TV receivers. But you may not be aware that the home furnishings industry, also enjoying boom, attributes part of that boom to TV. It wound up first 1950 quarter nearly 12% ahead of same 3 months of last year, according to Lawrence H. Whiting, president, American Furniture Mart.

Echoing Mr. Whiting's report was that of Associated Furniture Dealers of New York. This week, showing March dollar volume up 15.1% over same month last year and referring to "phenomenal" gains in major appliances and TV--latter up as much as 150%.

TV demand is strong in itself, said Mr. Whiting, but is also bringing traffic into other departments. Furniture, of course, is also profiting from the building boom, veterans insurance, lowered prices. Dept. of Commerce recently noted that furniture industry may face new era as TV centers family life more around home (Vol. 6:7).

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New TV production venture, with Hollywood overtones: Richmond Television Corp., 515 E. Ninth St., Los Angeles, offering 75 different models with "Natalie Kalmus" brand name, all 16 & 19-in. at prices ranging from \$395 to \$985. Major stockholder is J. A. Richmond, (12½%) who owns Richmond Show Case Co., with outlets in Los Angeles, San Francisco, Portland, Seattle, Salt Lake City. Chassis are purchased from Stolle Engineering & Mfg. Co. (see *TV Directory No. 10*), then put into Richmond cabinets.

Mr. Richmond tells us he's geared to turn out 1000 sets per month, with 2000 capacity, plans national distribution, 40% discounts; he says he's getting tubes from DuMont, RCA, Sylvania--all rounds. Associated in venture is Mrs. Natalie Kalmus, of Technicolor Inc., who he said is due to communicate with FCC regarding new TV color development. He wouldn't go into details, said it wasn't Geer tube (Vol. 6:10).

Crosley has new line, superseding all previous sets except 10-in. at \$170. Line now comprises 12½-in. table, \$240; same in console, \$290; and console with AM-phono, \$390; rectangular 16-in. table, \$300; round 16-in. console, \$380. This is said to be line for remainder of 1950. Company is increasing production capacity 50% . . . Stromberg-Carlson has 16-in. rectangular console combination at \$625, has practically ceased production of all 12½-in. . . . Stewart-Warner has new 12½-in. console with AM-FM at \$300 . . . Capehart-Farnsworth has new rectangular

16-in. table at \$270, console \$300; round 16-in. console in period cabinet, \$470 . . . Philco is giving away table base with its 12½-in. table set (\$230); in Philadelphia, Emerson distributor is doing same, with same-priced 12½-in. table model.

Motorola has begun shipping rectangular 14-in. table model in wood cabinet at \$230; set is replacement for 12½-in. tables at \$220 and \$230 deleted last week (Vol. 6:13). Production of 8½-in. and 10-in. has ceased.

Emerson will have first production line operating May 1 in its big new plant in Jersey City, recently acquired from Continental Can Co. (Vol. 6:6); it will duplicate its New York 16-in. line, on which local Jersey personnel is now being trained . . . Additional intelligence from Magnavox to implement Television Shares Management Co.'s "guesstimates" (Vol. 6:8, 13): "We will probably exceed a volume of \$35,000,000 for the calendar year 1950," writes executive v.p. Frank Freimann . . . In addition to recently reported new line (Vol. 6:11), Fada has rectangular 16-in. table model at \$270, same in console \$300; president J. M. Marks says production is geared to 150,000 annually . . . Pilot has round 16-in. console with FM at \$350.

Pye Ltd., British TV producer, responding to our inquiry whether it really intends selling receivers in U. S. market, radiograms: "Cannot provide further information." Prospect seen slim for any foreign set maker competing with price-cut American merchandise; it hasn't happened in radio, at any rate.

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Webster-Chicago launches big promotion campaign April 17 to sell 3-speed phonos as replacements for single 78rpm players, sees market for 15,000,000 replacements or plug-in attachments at retail potential of \$900,000,000; replacement model will cost \$46.50, plug-in \$51, with latter promotion aimed especially at TV owners. Six 20-second TV film spots will be placed cooperatively . . . Columbia Records plans \$2,500,000 promotion, including use of own TV network . . . In Jersey City, Rex Television Store used 12 full pages in one edition of *Jersey Journal* to sell TVs.

Dealer education is next on RMA Town Meeting Committee agenda, with plans for 4 slide-films on sales, advertising, merchandising, business practices to be shown cooperatively to all dealers in 60 TV markets. These 15 manufacturers are bearing cost: Crosley, DuMont, Emerson, GE, Hoffman, ITI, Motorola, Noblitt-Sparks, Packard-Bell, Philco, RCA Victor, Raytheon, Stromberg-Carlson, Westinghouse, Zenith.

Financial & Trade Notes: DuMont disclosed to SEC this week, in report filed with registration statement for 250,000 shares of Class A common to be marketed through Kuhn, Loeb and Van Alstyne Noel Corp., that its 1949 net income was \$3,269,880 (\$1.49 per share on 2,101,597 shares) vs. \$2,701,767 (\$1.20 per share on 2,043,652) in 1948. Reports immediately gained currency that new funds will be used to help acquire Paramount's 560,000 Class B shares (Vol. 6:4-7), representing 29.5% interest in company. DuMont wants divestment from film company, so that it can acquire 2 more TV stations and reach limit of 5, now halted by FCC because of Paramount's interest in 2.

DuMont net sales of manufactured products rose to \$42,406,121 in 1949 (\$33,469,234 in receivers, more than \$6,000,000 in tubes) from \$25,658,461 in 1948 and \$11,077,097 in 1947. Income from TV network and stations totaled \$2,435,966, but costs ran \$5,000,457, representing loss of \$2,564,491, compared with 1948 telecast operations income of \$1,011,336, costs \$2,435,966, loss \$1,424,630. TV Receiver Division was charged with \$535,597 for sponsored time on DuMont Network.

Jan. 1, 1950 DuMont balance sheet showed current assets of \$15,438,458 with cash of \$7,203,750 and inventories of \$5,478,374; current liabilities \$6,859,443.

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Zenith declared \$2 dividend, payable April 29 to holders of record April 14, directors stating increase was "justified by the excellent earnings of the company during the current fiscal year and the favorable prospects"; dividends in 1949 and 1948 were \$1.50. Estimated net profits for 9 months to Jan. 31, 1950 were \$3,138,938 (\$6.37) compared with \$2,025,781 (\$4.11) for same previous period—sales jumping from \$56,951,492 to \$65,196,527.

Wells-Gardner & Co. reports sales of \$7,662,068, net income of \$182,289 (44¢ per share) during 1949. Sales in 1948 were \$14,214,491, profit \$717,836 (\$1.80) . . . Canadian Admiral Corp. Ltd. has registered with SEC 28,458 shares of \$1 par common stock, part of offering of 95,925 shares made to stockholders of record April 5 on basis of half share for each share held and at \$5 a share in U. S. currency . . . Television Fund Inc. declares dividend of 12¢ a share, payable April 29 to holders of record April 17; same amount was paid Jan. 30 . . . RCA declares first extra dividend in its history—25¢ a share on common, payable May 29 to holders of record April 21.

Raytheon sales for quarter ended Feb. 28 were \$16,516,699, net profit \$752,863 (48¢ per common share) vs. \$14,099,361 sales, \$419,666 (25¢) profit in same 1948 period; for 9 mo. ended Feb. 28, sales were \$39,504,828, net profit \$131,162 vs. \$42,431,476 and \$1,099,714 for comparable 1949 period . . . Hoffman reports first quarter sales will run about 50% of total for all 1949 (which was \$11,987,649; Vol. 6:12).

Quote from Eastman, Dillon & Co. March 24 report: "Majority of industry opinion attributes the current boom in (TV) sales to the recent GI insurance refund, as well as to steadily improving program quality, lower prices effected shortly before Christmas, larger screens and better cabinet styling."

Having reduced kinescope prices to manufacturers (12½-in. from \$20.50 to \$19, 16-in. from \$33 to \$29; Vol. 6:9), RCA Victor April 4 posted these additional suggested new prices: Distributors net on 12½-in., reduced from \$22.55 to \$21, on 16-in. from \$36 to \$32; dealer price on 12½ from \$28.20 to \$26.25, on 16 from \$45 to \$40; list on 12½ from \$37.50 to \$35, on 16 from \$60 to \$53.50. New distributor and dealer prices are effective April 1, new list May 1.

Telecasting Notes: Denver dealers reported seeking 150,000 signatures on petition to Sen. Johnson, urging freeze be lifted for city, which is one of few top markets not yet TV-served, has 7 "frozen" applications . . . MPA code administrator Joseph I. Breen to discuss TV code of good taste before American Television Society in New York's Hotel Roosevelt, April 20 . . . *ABC-TV Film Catalogue* has been issued by network's Film Dept., listing more than 1000 available films by title, type, running time, distributor . . . This week's upsurge of ABC stock, despite recent annual report (Vol. 6:13) and TV losses, roused speculation that Howard Hughes was dickering to buy—but "no comment" was only statement from network . . . Reports persist CBS is buying old Warner studio on Sunset Blvd. as Hollywood TV headquarters . . . *Variety* front-paged report that offer of \$350,000 for single TV performance of *South Pacific*, to be sponsored by National Lead, was turned down . . . ABC Stations Planning & Advisory Committee meets with network topkicks in Chicago's Ambassador East, April 16 . . . KPIX, San Francisco, signs Katz Agency as national rep.

Trade Personals: David B. Smith, Philco v.p., and Kenneth A. Norton, Bureau of Standards, sail with Donald Fink April 13 on *Queen Elizabeth* to attend CCIR demonstrations on international TV standards; wives of all 3 accompany them . . . M. Charles Banca, mgr. of scientific instrument group, named mgr. of newly created industrial TV products group, RCA Engineering Products Dept.; RCA has resumed own merchandising-selling of industrial electronics equipment, terminating distribution arrangement with Allis-Chalmers . . . Leonard C. Truesdell elected Zenith v.p. in charge of household radio and TV sales . . . C. K. (Larry) Baggs quits as sales mgr. of Colonial (Sylvania); no successor yet . . . Henry Goldsmith new national sales mgr. of Jackson Industries Inc. . . . G. Pryor Molloy named head of field engineering, industrial electronics, American Structural Products Co., headquartering at Columbus plant . . . J. Benton Minnick named Motorola TV merchandising mgr., Howard Handweg assigned as merchandising mgr. of auto radio div. . . . Norman Woodford appointed sales mgr., TV division of North American Philips, will have charge of building distributor-dealer organization for new Duo-Vue unit (Vol. 6:13).

FM's tough sailing was attributed directly to "sex appeal" of TV by FCC Chairman Coy during April 4 MBS *Meet the Press* broadcast. To recapitulate trend, the statistics show, since Jan. 1, following deletions: 16 licenses, 19 CPs, 1 application. In same period, 10 CPs were granted and, rather surprisingly, 7 applications were filed. Meanwhile, another FM pioneer, 8-year-old WMIT, Winston-Salem, N. C. (WJSJ), is turning in its license April 13—*Milwaukee Journal's* WTMJ-FM having recently done so (Vol. 6:13). Writing to FCC, publisher-broadcaster Gordon Gray, retiring Secretary of the Army, now special asst. to President Truman, said: "I still feel that the frequency modulation system of broadcasting is the superior form of sound broadcasting and sincerely hope that some day this feeling, which is shared by quite a few other broadcasters, will prove to be right from a financial as well as a technical standpoint."

April 1 sets-in-use, reported since NBC Research "census" of March 1 (Vol. 6:12): Memphis 29,775, up 5575 in month; Dallas 26,865, up 2365; Fort Worth 22,260, up 2960; Tulsa 20,800, up 4400; Omaha 20,361, up 4561; Utica 11,500, up 2200; Greensboro 10,400, up 800; Norfolk 9315 (as of April 4), up 5715.

Walter E. Poor, 64, Sylvania chairman, died in New York April 4.

Additional Digests of Oppositions to Comments

APPEARANCES FOR HEARING ON PROPOSED TV ALLOCATIONS

(To Be Conducted Before FCC en banc; Docket No. 8736)

For text of proposed rules and allocations, see TV Directory No. 10

Note: These oppositions are in addition to those reported in Supplements 67-B through 67-E. They are in answer to comments filed March 25, 1950 (Supplement No. 67-F).

- American Broadcasting Co., New York, N. Y. (WJZ-TV, WENR-TV, KECA-TV, KGO-TV, WXYZ-TV) -- Opposes proposals of Eastern Radio Corp., DuMont, Wyoming Valley Broadcasting Co., McClatchy Broadcasting Co. (Haley, McKenna & Wilkinson).
- Badger Broadcasting Co., Madison, Wis. (WIBA) -- Opposes proposals of Rockford Broadcasters Inc., DuMont (Miller & Schroeder).
- Baltimore Radio Show Inc., Baltimore, Md. (WFBR) -- Opposes proposals of DuMont, Communications Measurements Laboratory Inc., U. S. Office of Education, National Education Assn. (Caldwell-Rollo).
- Crosley Broadcasting Corp., Cincinnati, O. (WLW, WLWT, WLWC, WLWD) -- Opposes proposals of Evening News Assn. as they affect Cincinnati, Columbus and Dayton (Hogan & Hartson).
- Daily News Television Co., Philadelphia, Pa. (WIBG) -- Opposes proposal of Eastern Radio Corp. (Roberts & McInnis).
- Empire Coil Co., Cleveland, O. (WXEL-TV) -- Opposes proposals of Radio Cincinnati Inc., Westinghouse Electric Corp., WCAE Inc. (Wilner & Bergson).
- Evening News Association, Detroit, Mich. (WWJ & WWJ-TV) -- Opposes proposals of Radio Cincinnati Inc., WICA Inc. (Barnes & Neilson).
- Fort Industry Co., Wheeling, W. Va. (WWVA) -- Opposes proposals of Westinghouse Radio Stations Inc., WCAE Inc., DuMont to assign Channel 7 to Pittsburgh. (Dow, Lohnes & Albertson).
- Grandview Inc., Manchester, N. H. -- Opposes proposal of Yankee Network Inc. (Sutherland G. Taylor).
- Hearst Radio Inc., Milwaukee, Wis. (WISN) -- Opposes proposals of Rockford Broadcasters Inc. to assign Channel 8 to Peoria as it affects Milwaukee; Badger Broadcasting Co. to assign No. 12 to Milwaukee in lieu of No. 10 (Dempsey & Koplovitz).
- KFEQ Inc., St. Joseph, Mo. (KFEQ) -- Opposes proposals of DuMont, Pittsburg Bestg. Co. Inc., WHB Bestg. Co. (Pierson & Ball).
- Kingsport Broadcasting Co. Inc., Kingsport, Tenn. (WKPT) -- Opposes proposals of DuMont, News Piedmont Co.; favors proposals of Piedmont Broadcasting Co. (Fisher, Wayland, Duvall & Southmayd).
- Lufkin Amusement Co., Beaumont, Tex. -- Opposes proposal of Galveston Television Co. (Barnes & Neilson).
- Matheson Radio Co., Boston, Mass. (WHDH) -- Opposes proposals of Hildreth & Rogers, Yankee Network (Dempsey & Koplovitz).
- Meredith Champlain Television Corp., Albany, N. Y. -- Opposes proposals of Yankee Network Inc., Albany Amateur Radio Assn., DuMont, WCAU Inc. (Haley, McKenna & Wilkinson).
- Meredith Syracuse Television Corp., Syracuse, N. Y. (WHEN-TV) -- Opposes proposals of DuMont, Eastern Radio Corp. (Haley, McKenna & Wilkinson).
- Milwaukee Broadcasting Co., Milwaukee, Wis. (WEMP) -- Opposes proposal of Badger Broadcasting Co. (Bingham, Collins, Porter & Kistler).

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- Picture Waves Inc., Columbus, O. (TVN-TV) -- Opposes proposals of NBC to change Channel 6 from Lansing to Detroit.
- Pittsburg Broadcasting Co., Pittsburg, Kan. (KOAM) -- Opposes proposals of KFEQ Inc., Dumont, WHB Broadcasting Co. (George O. Sutton).
- Radio Cincinnati Inc., Cincinnati, O. (WKRC & WKRC-TV) -- Opposes proposals of DuMont, Evening News Assn. (Cohn & Marks).
- Radio-Television of Baltimore Inc., Baltimore, Md. (WAAM-TV) -- Opposes proposals of Piedmont Bcstg. Corp. to assign Channel 13 to Norfolk-Newport News and No. 12 to Winchester, Va. (Henry G. Fischer).
- Rockford Bcstrs. Inc., Rockford, Ill. (WROK) -- Opposes proposals of DuMont, Badger Broadcasting Co. (Spearman & Roberson).
- Sangamon Valley Television Corp., Springfield, Ill. (WTAX & WSOY, Decatur) -- Opposes proposal of Rockford Broadcasters Inc. (Hogan & Hartson).
- Southeastern Ohio Broadcasting System Inc., Zanesville, O. (WHIZ) -- Opposes proposals of DuMont, WCAE Inc. (Dow, Lohnes & Albertson).
- Southwestern Publishing Co., Fort Smith, Ark. (KFSA) -- Opposes proposals of DuMont as they affect Fort Smith and Tulsa; Southwestern Sales Corp., as they affect Fort Smith.
- Summit Radio Corp., Akron, O. (WAKR) -- Opposes proposals of Evening News Assn., WICA Inc., DuMont, Communications Measurement Laboratories Inc.
- Triangle Publications Inc., Philadelphia, Pa. (WFIL & WFIL-TV) -- Opposes proposals of Elm City Bcstg. Corp. insofar as they request change to metropolitan classification (Wilner & Bergson).
- United Broadcasting Co., Cleveland, O. (WIK) -- Opposes proposals of Summit Radio Corp., WICA Inc. (Loucks, Zias, Young & Jansky).
- Universal Broadcasting Co., Indianapolis, Ind. (WISH) -- Opposes proposals of Radio Cincinnati Inc. (Haley, McKenna & Wilkinson).
- Wabash Valley Broadcasting Corp., Terre Haute, Ind. (WTHI) -- Opposes proposals of DuMont, Rockford Broadcasters Inc.
- WDEL Inc., Wilmington, Del. (WDEL & WDEL-TV) -- Opposes proposals of Eastern Radio Corp., DuMont (George O. Sutton).
- WGAR Bcstg. Co., Cleveland, O. (WGAR) -- Opposes proposals of WICA Inc. (Caldwell-Rollo).
- WHB Broadcasting Co., Kansas City, Mo. (WHB) -- Opposes proposal of Pittsburg Bcstg. Co. (Spearman & Roberson).
- Wisconsin Broadcasting System Inc., Milwaukee, Wis. (WFOX) -- Opposes proposals of Badger Broadcasting Co., Rockford Broadcasters Inc. (Haley, McKenna & Wilkinson).
- WJAC Inc., Johnstown, Pa. (WJAC & WJAC-TV) -- Opposes proposals of Westinghouse Electric Corp. (Dow, Lohnes & Albertson).
- WJIM Inc., Lansing, Mich. (WJIM & WJIM-TV) -- Opposes proposals of Evening News Assn., NBC, DuMont.
- WJW Inc., Cleveland, O. (WJW) -- Opposes proposals of Evening News Association, WICA Inc. (Pierson & Ball).
- WPIX Inc., New York, N. Y. (WPIX) -- Opposes proposals of Wyoming Broadcasting Co. (Caldwell-Rollo).

(more)

Note: The following filed oppositions to the proposals listed below.

Oppositions to Evening News Assn. proposals: Mid-America Broadcasting Corp., Louisville, Ky. (WKLO); National Broadcasting Co., Cleveland, O. (WTAM & WNBK-TV); Presque Isle Broadcasting Co., Erie, Pa. (WERC); Scripps-Howard Radio Inc., Cleveland, O. (WEWS-TV).

Oppositions to McClatchy Broadcasting Co. proposals: Don Lee Broadcasting System, Los Angeles, Cal. (KHJ & KTSL-TV); Golden Empire Broadcasting Co., Redding, Cal. (KVCV); Standard Radio & Television Co., San Jose, Cal.; Television California, San Francisco, Cal.; Valley Electric Co., San Luis Obispo, Cal. (KVEC).

Oppositions to Piedmont Broadcasting Corp. proposals: Atlanta Journal Co., Atlanta, Ga. (WSB & WSB-TV); Hearst Radio Inc., Baltimore, Md. (WBAL & WBAL-TV); Jefferson Standard Broadcasting Co., Charlotte, N. C. (WBT & WBTB); Roanoke Broadcasting Corp., Roanoke, Va. (WSLS); Times-World Corp., Roanoke, Va. (WDBJ); WPTF Radio Co., Raleigh, N. C. (WPTF).

Oppositions to DuMont proposals: Allegheny Broadcasting Corp., Pittsburgh, Pa. (KQV); Carolina Broadcasting System Inc., Greenville, N. C. (WGFC); Cherry & Webb Broadcasting Co., Providence, R. I. (WPRO); Durham Radio Corp., Durham, N. C. (WDNC); Fall River Herald News Publishing Co., Fall River, Mass. (WSAR); Fort Industry Co., Miami, Fla. (WGBS); Fort Industry Co., Toledo, O. (WSPD & WSPD-TV); Gable Broadcasting Co., Altoona, Pa. (WFBG); Guy Gannett Broadcasting Services, Portland, Me. (WGAN); Guy Gannett Broadcasting Services, Bangor, Me. (WGUY); Golden Empire Broadcasting Co., Chico, Cal. (KHSL); Havens & Martin Inc., Richmond, Va. (WMBG & WTVR-TV); Hazleton Broadcasting Co., Hazleton, Pa. (WAZL); Hildreth & Rogers Co., Lawrence, Mass. (WLAH); King Broadcasting Co., Seattle, Wash. (KING & KING-TV); KVOS Inc., Bellingham, Wash. (KVOS); Richard Field Lewis Jr., Winchester, Va. (WINC); McClatchy Broadcasting Co., Sacramento, Cal. (KFBK); Miami Valley Broadcasting Corp., Dayton, O. (WHIO & WHIO-TV); North Jersey Broadcasting Co., Paterson, N. J. (WPAT); Tom Olsen, Olympia, Wash. (KGY); Piedmont Broadcasting Co., Danville, Va. (WBTM); Sarks Tarzian Inc., Bloomington, Ind. (WTTS & WTTV-TV); WGAL Inc., Lancaster, Pa. (WGAL & WGAL-TV); WJHL Inc., Johnson City, Tenn. (WJHL). Constitution Publishing Co., Atlanta, Ga. (WCON & WCON-TV) endorsed DuMont proposals.

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CROSS-SECTION COMMENTS ON PROSPECTS: Besides the cautious notes sounded by key executives of Emerson and Dumont last week (Vol. 6:14), we have additional comments from other top manufacturers in response to telegraphed inquiries as to what they foresee for spring-summer TV trade. Most of the replies were quite optimistic, consensus being that market is softening somewhat but that nothing comparable to last year's distress season should be expected. Everybody expects seasonal slump, varying timing up to end of May.

"The bloom will be off the peach in May," said one of big "little fellows" (Garod-Majestic's Leonard Ashbach) -- and another in same category (John Meck) thought, "This market is on the edge of tipping over. It will be a hard summer." But, quoting from 6 more "top 10" producers, using names only where authorized:

"We hear of some shipments being refused, but not ours. We are short in all markets now, but expect seasonal slump to begin about May 15. Even baseball can't maintain winter-going rate." -- Henry G. Baker, RCA.

"Our TV sales still holding extremely strong, although we are promoting sales with the dealers in nation-wide newspaper and tabloid campaign. Do not foresee any slackening over normal seasonal estimates." -- J. H. Carmine, Philco.

"We're under pressure even now for every set we can build. Have no reports of any market dropping off. Demand especially heavy for 16-in. I see nothing standing in way of taxing our capacity through May. June and July will slack off but not anything like percentage last year, for whole economic philosophy is different now from last year when everything was on downtrend. Price reductions will be nothing like last year. Our radio also enjoying best year we ever had." -- E. H. Vogel, GE.

"Some signs of TV markets softening, but very spotty. Actually, our total distributor sales to dealers last week were largest since first week in March. Do not anticipate serious distress market this spring, though planning on natural summer slump in retail sales which has always occurred in entertainment field since early phono days."

"Slight softening of higher priced merchandise, but to be expected as seasonal. Do not foresee any distress market this spring or summer, and even less seasonal drop than last year due to better values, more seasoned market and better programs."

"There is evidence of overbuilding of TV receivers, which can only result in price structure breakage and slowing up of sales for next few months. Fall business should be terrific."

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TV receiver production reached all-time record third week of March, for which RMA reports total of 106,600 units. Since first March week figure was 90,500, second 95,200, RMA members alone made 292,300. Add 25% to account for non-RMA production and you have 365,375 already toward month, which will be 5 weeks and for which final 2 weeks remain to be compiled. So March is certain to reach new high, far exceed 4-week January's 420,000, February's 460,000 (Vol. 6:7,11).

ENGINEERS SIZE UP UHF, CHECK ON VHF: Optimism over uhf and improved vhf equipment techniques were most noteworthy TV angles at NAB Engineering Conference in Chicago's Hotel Stevens this week. But fact is that station engineers, mostly from small outlets, reflect ideas of their bosses -- they're leery of TV altogether, fearful of TV costs while trying to keep highly-competitive AM paying.

Uhf isn't mystery it was even year ago, engineers gathered from talks by Westinghouse's Ralph Harmon and NBC's Raymond Guy. Former reported that tests in Pittsburgh area's rough terrain showed telecasters "will have difficulty in getting

adequate coverage at uhf frequencies until higher radiated powers [200-400 kw] are obtained than are now available" and that "capital investment and operating cost of a uhf plant will be greater than the lower-power vhf plant for equivalent coverage."

In Bridgeport's smoother terrain, said Guy, good-to-fair coverage can be obtained out to some 20 miles with only 1-kw transmitter radiating 11-12 kw (Vol. 6:14). RCA-NBC's "guinea pig" operation there is being eyed closely by telecasting and manufacturing engineers alike.

New air-cooled 5-kw vhf transmitters were unveiled by DuMont and GE, while RCA showed 20-kw air-cooled vhf amplifier, following lead of Federal last year (Vol. 65:8) -- indicating watercooled jobs are on way out. RCA's amplifier is built on same principle as Bridgeport uhf transmitter, i.e., cluster of tubes in circle.

Crying need for high-quality camera and projection equipment (Vol. 6:10) is bringing nice response from manufacturers. General Precision Labs' engineers showed off new 16mm projector well-tailored for TV. Dr. Frank Back, of Zoomar lens fame, traced TV signal through camera chain, told how it can be cleaned up.

All-in-all, well-rounded picture could be gained by diligent note-taker as he heard about engineering economics, station construction, lighting, network facilities, antennas, etc.

MANUFACTURERS READYING FOR UHF SETS: Set makers' plans for uhf receiver production are still obviously very fluid, won't congeal until FCC makes decision -- probably toward end of this year. But present plans of leaders are worth noting. Philco's David Smith, during cross-examination in color hearing Monday, envisaged starting out by making 3 kinds of sets: vhf, uhf and vhf-uhf. Public demand would take it from there, determining what proportion of each would be made.

In answer to dealers worried about obsolescence stemming from uhf, Smith said a few weeks ago that he thought it would be 1-1½ years after FCC final decision before there would be substantial amount of uhf telecasting.

Talking about uhf converters during hearing, Smith hinted about one so simple it could be considered part of uhf antenna. It turns out that Philco has developed single-channel converter size of cigarette pack, considered it excellent during tests on signals from Bridgeport's KC2XAK (Vol. 6:14). Catch is, of course, that it's good for only one channel. Two or 3 of them, with switch, might be practical. But most engineers still believe tunable unit to be most realistic answer where more stations are involved.

MAJESTIC-GAROD TO ABSORB WILCOX-GAY: These are Leonard Ashbach's stated purposes in acquiring Wilcox-Gay Corp., Charlotte, Mich., in deal concluded this week following withdrawal of John Meck-Bernard Lippin (Philharmonic) offer (Vol. 6:13):

(1) Michigan plant will provide his Majestic and Garod lines with badly needed source of cabinet supply.

(2) New facilities permit expansion of Majestic brand, recently acquired from bankrupt former Majestic company in Elgin, Ill. (Vol. 5:49,50). Majestic combination TV-radio consoles, some private-label sets and some radios will henceforth be made in newly acquired plant.

(3) It's step toward consolidation of his companies into new parent firm, Majestic Radio & Television Corp., an Illinois corporation, for which Wilcox-Gay stock will be exchanged. Details of capitalization are undecided as yet. Only cash involved in Wilcox-Gay deal as yet is \$100,000 put up for immediate working capital.

Ashbach's Garod brand is fast being pushed into background by Majestic, but he expects to retain Garod label on certain top-of-line receivers. It's unlikely Wilcox-Gay TV brand (Vol. 6:6) will be continued, but the Recordio wire and tape recorders will certainly be, he said.

With his own personnel already on hand, headed by Ben R. Ross, with fulfillment of some private-label orders now assured out of Charlotte, Ashbach raised his sights to \$40,000,000 volume this year, of which he said \$32,000,000 will represent 200,000 TV receivers.

Note: Television Shares Management Co. in February "guesstimated" Garod-Majestic TV production this year at 100,000 sets with factory value of \$14,500,000.

Topics & Trends of TV Trade: Sentiment in industry quarters seems to be that semi-annual Furniture Market in Chicago June 19-29 is too early for introduction of new fall-winter models—and it won't be surprising if very few manufacturers show then. In fact, some are planning own conventions, not necessarily in Chicago, including of course Philco's big ones for its dealers as well as distributors in Atlantic City, June 16-22 (Vol. 6:12). Even then, it's expected the big set makers will only show a few models in mid-summer, then add to lines in August, September, October. That would repeat pattern of last January when Chicago marts (Vol. 6:2) brought out only starters of new 1950 lines—13 companies displaying at the Furniture Mart, 6 at Merchandise Mart, scattering few others elsewhere around city.

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Mail order houses are still making considerable pitch for TV markets, Sears Roebuck in spring catalog listing these Silvertone models: 12½-in. metal table (advertised as good for 25-mi. radius from transmitter) at \$140; same in wood cabinet, more sensitive, \$180; rectangular 16-in. table, \$235. Aldens also listed TVs in recent spring catalog (Vol. 6:12).

Spiegel Inc., big Chicago mail order house which sells private-label Aircastle sets, announces this line in its spring catalog: 12½-in. table \$150, console \$190; 16-in. table \$190, console \$230; 12½-in. console with AM-phono \$250, with AM-FM-phono, \$290; 16-in. console with AM-phono \$300, with AM-FM phono \$340; 19-in. console, \$340. All 16-in. are rectangular.

Western Auto Stores does not intend to eliminate its private-label Truetone line, as rumored in trade—made for it by Hallcrafters, Belmont (Raytheon), Wells-Gardner. Current line: 12½-in. leatherette table \$180, in wood cabinet \$200; rectangular 16-in. console \$260, round \$280, in better cabinet \$300; rectangular 16-in. console with AM-phono \$350, with AM-FM-phono \$480.

* * * *

International Resistance Co., flourishing in TV trade that requires some 100 resistors per set, has embarked on \$1,500,000 plant expansion to assure supply not only of ½, 1 & 2-watt resistors but also insulated chokes and other components. "Our decision to take on an expansion of this magnitude," says v.p. Harry A. Ehle, "is of course based on our complete confidence in the future of TV and electronics . . ." IRC 1949 sales were \$6,589,706 vs. \$4,934,448 in 1948; net profit for 1949 was \$347,529 (39¢ per common share) vs. \$141,273 (12¢) in 1948. For first 10 weeks of 1950, Mr. Ehle reports IRC sales \$1,646,000, earnings \$126,000.

Admiral president Ross Siragusa told stockholders this week that when and if price-cutting hits TV, it probably will take form of bigger-screen sets offered at prices charged for smaller ones. Currently he said, Admiral is shipping some 80,000 sets monthly, yet retailers have only about 5000 on hand . . . Noblitt-Sparks (Arvin) adding 81,000 sq. ft. factory adjacent to plant in Columbus, Ind., to be devoted exclusively to TV production.

Olympic states rising costs of cabinets and components have forced it to add \$10 to price of 12½-in. table, now \$220, in blonde \$230; has priced its 16-in. console combination at \$500 . . . Freed has added 19-in. consoles with FM to line—\$595 with traditional cabinet, \$625 modern . . . Mercury line comprises rectangular 16-in. console \$320, combination \$370; 19-in. console, \$400.

Sonotone Corp. (hearing aids) says there's absolutely no foundation to rumor it's going into manufacture of TV sets, given currency apparently when it undertook sub-contract on making of part of CR gun for unnamed tubemaker . . . Tele-tone has set up export subsidiary, called

Cinelectric Inc., headed by Jack Kellman, ex-sales v.p. of Natco Sound Projector Co.; will handle foreign radio and (when export market opens up) TV sales . . . In Montreal, Electrical Products Co. Ltd. reported planning plant for manufacture of Tele-tone TVs; its own radio brand is Fleetwood.

* * * *

Bankrupt Majestic Radio & Television Corp. (whose brand name is now owned by Leonard Ashbach interests) has sued Fairchild Engine & Airplane Corp. for \$6,054,939 damages in Chicago Federal court, suit being cross-complaint in answer to Fairchild's \$650,000 breach of contract suit; Majestic charges Fairchild's failure to deliver 39,479 radio cabinets was a cause of its inability to take advantage of postwar radio-TV boom . . . Ashbach is in no way connected with this proceeding.

Sylvania's first entry into radio starts with 3 sets—AC-DC plastic table at \$16.95; 3-way portable, \$29.95; clock table model, \$34.95. First set will be on market in 2 weeks, second in May, third in June. Latter two are made by Jewel, which also makes one Admiral radio set.

Add Sylvania to tubemakers known to be readying 24-in. direct-view tubes—others definitely being GE and Lansdale, with RCA working on 21-in, DuMont on 30-in. (Vol. 6:12). Others probably, too, but no definite word from them and little likelihood of anything going into new receivers before late winter or next year.

Court attitude on fair-trade practices is expected soon out of New York Supreme Court in decision on GE request for temporary injunction to restrain Macy's and other dept. stores from price-cutting its appliances. Macy's defense was that discount houses have been selling GE appliances below fair-trade prices for years, and GE has done nothing about it. Macy's et al, have been selling various fair-traded appliances below price since early March.

Brach Mfg. Corp., 200 Central Ave., Newark, N. J. (division of General Bronze Corp., Garden City, L. I.) has \$19.75 antenna coupler to feed up to 4 TV sets from one antenna. Unit is called *Mul-Tel*, and company says it has orders for 10,000; it's producing 500 a day, has capacity for 1500 daily.

* * * *

Excesses in some TV set advertising, as well as some abuses in service, etc., have impelled Better Business Bureaus in New York and Washington to work up standards to guide retailers. In Washington, 13-point recommendations suggest these points, among others, be stated in advertising of sales or clearances: (1) Year of model. (2) Condition of model—whether new, used, repossessed. (3) Number of sets available. (4) Name of manufacturer—not "famous make." Washington bureau also suggests term "RCA licensed" not be featured, terms "big," "large," etc. be eliminated and only actual tube sizes used. New York bureau, after meeting this week with manufacturers and retailers, is preparing standards covering, among other things, extent of service, what prices include, responsibility for performance. Manufacturers' sales managers committee is still working on set of advertising standards, following initial meeting last month (Vol. 6:9, 12). RMA is also revising regular receiver warranty to make terms more specific on TV parts (such as cathode ray tube, etc.).

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Admiral president Ross Siragusa hung up another piscatorial world record during March vacation at Cat Cay—9 lb. 12 oz., bonefish, 14 oz. heavier than ever taken on 7 ft. flyrod, 5 oz. tip, 6 lb. nylon line; bonefish, in case you're uninitiated, are reputed by fisherman to be the fastest of all light-tackle gamefish.

Financial & Trade Notes: Admiral Corp. net rose to \$4,158,449 (\$2.08 per share) for first quarter 1950, nearly 3 times the \$1,536,217 (77¢) shown for same period last year, just about half the \$8,239,582 (\$4.12) profit shown for all 1949. Sales for March quarter totaled \$46,291,409, up 97% over \$23,513,097 for same 1949 period—comparing, also, with sales of \$112,004,251 for all 1949 and \$66,764,265 for all 1948 (Vol. 6:8). President Ross Siragusa told April 13 stockholders meeting that sales for first half of this year will reach \$100,000,000, for third quarter \$35-38,000,000, for all 1950 should reach \$200,000,000. While TV is biggest item (expected to be about 1,000,000 sets this year), Admiral's appliance v.p. Lee H. D. Baker has reported first quarter factory sales of 88,000 refrigerator-electric range units.

Motorola first quarter sales exceeded \$35,500,000, profits \$3.50 per share, all-time highs, reports president Paul Galvin. This compares with \$15,200,000 sales, \$1.14 per share profit for same 1949 period. Present outlook, he said, is for "greatest year in the company's history." Factory expansion now under way will by Aug. 1 permit doubled TV output, or 110,000 sets per month. TV accounts for nearly 60% of Motorola business. In proxy notice for May 1 stockholders meeting, Motorola discloses these officer salaries: Paul V. Galvin, president, \$60,000; Robert W. Galvin, executive v.p., \$25,000; and vice presidents Daniel E. Noble, \$40,000; Elmer H. Wavering, \$36,200; Walter H. Stellner, \$35,600; George R. MacDonald, \$35,300; Frank J. O'Brien, \$35,000.

DuMont sales first 10 weeks of 1950 totaled \$12,944,000 vs. \$9,023,000 in like period last year and \$3,595,000 in same 1948 period, according to annual report. (For 1949 and comparative figures, see Vol. 6:14.)

Avco president Victor Emanuel told stockholders meeting April 13 that Crosley is setting new records in TV and refrigerators, its AM stations (WLW & WINS) enjoying good business, its 3 TV stations (WLWT, WLWD, WLWC) operating at loss but with good long-range prospects. Business will be improved, he said, during second fiscal quarter ending May 31, with TV capacity particularly expanded.

Hytron, which owns Air King, had sales of \$6,646,046 for 3 months ended March 31, profits of \$473,705 vs. \$3,233,743 sales, \$128,906 profits for same period last year. President Bruce Coffin reported to stockholders April 13 that sales are now running at rate of \$20,000,000 a year vs. about \$16,000,000 last year. Management is considering common dividends, he said. Present TV picture tube output was reported 1000 to 1200 daily, which will run 3500-4000 when new plant in Newburyport, Mass. goes into production in July.

Muter Co., which owns Rola and acquired Jensen last June, reports \$7,907,572 gross sales and \$453,264 (\$1.53 per share) net profit for 1949 on 296,000 shares outstanding; in 1948, profit was \$389,184 (\$1.31). At April 18 annual meeting, stockholders will be asked to approve proposal to increase authorized shares of 50¢ common stock from 325,000 to 1,000,000; as of March 15, 1950 president Leslie Muter is shown as owner of 50,000 shares.

National Union 1949 sales were \$7,455,106, net income \$70,846 (3¢ per common share) vs. \$5,497,391 sales and loss of \$40,601 in 1948; working capital declined to \$795,796 from \$1,163,087 year earlier . . . Webster-Chicago reports 1949 sales of \$11,089,364, profit of \$835,824 (\$2.89) vs. \$13,768,731 sales, \$834,550 (\$2.89) profit in 1948.

Muntz TV Inc., which has just incorporated in Delaware with authorized capital of \$1,500,000, has Keibbon, McCormick & Co., Chicago investment firm, heading up underwriting for its first public stock offering—400,000 shares at \$3.

Zenith has sent stockholders notice, under date of April 1, informing them of privileges to subscribe for \$10 par common stock of Teco Inc. (Television Entertainment Co. Inc.), formed to promote Phonevision or pay-as-you-look TV (Vol. 5:28, 31, 48). First offering will be April 19, with 99,000 shares registered. This week, Zenith asked FCC for permission to move experimental TV station KS2XBS to Field Bldg., Chicago, with 5 kw visual, 2.5 kw aural at 563 ft. FCC turned down previous request for move with higher powers (Vol. 6:13). Company also asked Commission to set Oct. 1 as date for start of 3-month Phonevision tests. Previous reports had Comdr. McDonald stating tests would start Sept. 1.

Paramount-DuMont negotiations, whereby former would sell its Class B stockholdings (Vol. 6:4, 5, 7), have fallen through—and big movie concern has moved to strengthen its position in DuMont management. Paramount president Barney Balaban and director-attorney Edward L. Weisl have been elected to DuMont board in place of Bernard Goodwin and Arthur Israel Jr., Goodwin continuing as secretary, Israel as asst. secretary. Also elected by Paramount was Irving Singer as asst. treasurer to succeed Richard Hodgson, resigned. Unverified reports are current that Paramount, besides owning all Class B, has become substantial Class A stockholder.

Organized to take over Western Electric's radio transmitting equipment business, marketed through Graybar, Standard Electronics Corp. has apparently abandoned Providence factory project (Vol. 6:5) and instead has become subsidiary of Claude Neon Inc., which in electronics fields also owns Reeves Hoffman Corp. (quartz crystals), Hudson American Corp. (marine radiotelephones), American Transformer Co. (radio transformers). In joint April 12 press release, Claude Neon-Graybar also state that, in addition to AM-FM, Standard is "now in a position to manufacture a line of TV broadcast transmitting equipment"—although Western Electric's Fred Lack states that deal with WE involved only AM-FM equipment, designs etc., nothing in TV. Edward M. Martin, ex-Farnsworth, now president of Standard, is quoted as saying: "With some 2000 TV stations probably to be licensed soon, TV is one of the new major industries in the country today, and with the help of Graybar . . . we intend to get a substantial share of this market." Thus sixth competitor is promised in now-frozen TV field (others being DuMont, Federal, GE, RCA, Raytheon)—to say nothing of more competition in presently-depressed AM-FM equipment field (something less than 2300 AM stations authorized, about 750 FM).

RCA took licenses on Philco patents in 1946, covering TV receivers and other developments, paying \$375,000 a year royalties until 1954. So Philco engineering research v.p. David B. Smith testified at FCC color hearing this week, adding that GE, Westinghouse, et al, are also negotiating for Philco licenses.

General Precision Laboratory, Pleasantville, N. Y., reports license-sales arrangement with Pye Ltd., Cambridge, England, which is expected to make GPL "an important supplier to the American TV industry." GPL is subsidiary of General Precision Equipment Corp., big supplier to movie industry.

Trade Personals: Raytheon elects Percy L. Spencer power tube div. v.p.; Norman B. Krim, receiving tube div. v.p.; Ernest S. Leatham, asst. to president Charles Francis Adams Jr. . . . Howard M. Boyd new sales mgr, for parts div., Sylvania, Warren, Pa. . . . S. M. Decker, ex-Garod, named asst. chief engineer of Air King . . . Louis Kahn named research director of Aerovox.

1950 Directory of

Consulting Engineers Specializing in Radio & Television

Including Network Engineering Executives and Miscellaneous Television-Electronics Consultants

Broadcasting and Telecasting Engineering Services

- ADAIR, GEORGE P.**
 1833 M St. NW., Washington 6, D. C. Executive 1230.
Staff: Edward Mueller, Robert E. Ritch, Warren Taylor.
- ADLER, BEN**
 Adler Engineering Co., 18 Grand St., New Rochelle, N. Y. Telephone: 6-1620.
- AMOO, LLOYD R.**
 3709 Carpenter, Des Moines, Ia. Telephone: 7-9272.
- ANDREW CORP.**
 263 E. 75th St., Chicago 19, Ill. Triangle 4-4400.
 John W. McLeod, manager, broadcast consulting division; Leonard J. Petraitis, field engineer; George Sklom, engineering asst.
- ANTHONY, W. E.**
 Broadcast Engineering Service, P.O. Box 1387, Shreveport 92, La. Telephone: 2-8711.
Partner: O. S. Droke. *Associates:* T. A. Tinsley, E. S. Gunning.
- BAILEY, STUART L.**
 Jansky & Bailey, National Press Bldg., Washington 4, D. C. Metropolitan 5411. *Laboratory:* 1339 Wisconsin Ave. NW., Washington 7, D. C. Adams 2414.
Partner: C. M. Jansky Jr. *Associates:* Delmer C. Ports, Frank T. Mitchell Jr., Oscar W. B. Reed Jr., N. J. Schalrer, R. E. Rohrer.
- BAIREY, GEORGE B.**
 1757 K St. NW., Washington 6, D. C. National 0196.
- BAKER, LEE E.**
 826 Landers Bldg., Springfield 4, Mo. Telephone: 2-1951.
- BARCLAY, JAMES N.**
 Silliman & Barclay, 2915 Red River Ave., Austin, Tex. 2-5055.
Washington Office: 1011 New Hampshire Ave. NW., Washington 7, D. C. Republic 6646. (Robert M. Silliman).
Partner: Robert M. Silliman. *Staff:* Carl L. Kowalski.
- BEECHER, WILLIS C.**
 Kear & Kennedy, 1703 K St. NW., Washington 6, D. C. Sterling 7932.
Partners: Dr. Frank G. Kear, Robert L. Kennedy. *Staff:* Stewart Schmalbach, Henry R. Dolstra, Marianna Woodson, James C. Moseley Jr.
- BENNS, WILLIAM E. Jr.**
 3738 Kanawha St. NW., Washington, D. C. Ordway 8071.
- BERNARD ASSOCIATES**
 5010 Sunset Blvd., Hollywood 27, Calif. Normandy 2-6715.
Field Offices: 86 Webster Ave., Harrison, N. Y. Harrison 8-3083-J. (Edward Iannelli).
- BITTER, A. R.**
 Bitter Associates Inc., 4125 Monroc St., Toledo 13, O. Kingswood 7631.
- BITTER, RALPH H.**
 Carnine & Bitter Engineers, 2332 Ontario Rd. NW., Washington 9, D. C. Hudson 7513.
Partner: Robert L. Carnine.
- BOND, CLYDE H.**
 629 E. Maple St., Orange, Calif. Telephone: 1403M. Affiliated with Gautney & Ray, Washington, D. C.
- CARNINE, ROBERT L.**
 Carnine & Bitter Engineers, 2332 Ontario Rd. NW., Washington 9, D. C. Hudson 7513.
Partner: Ralph H. Bitter.
- CARR, LESTER H.**
 Weldon & Carr, 1605 Connecticut Ave. NW., Washington 9, D. C. Michigan 4151.
Dallas Office: 1728 Wood St., Dallas 1, Tex. Riverside 3611 (James O. Weldon). *Seattle Office:* 4730 W. Ruffner St., Seattle 99, Wash. (Maj. Gen Frank E. Stoner, USA Ret.).
Partner: James O. Weldon. *Staff:* Ross Hilker, Jules Cohen, James E. Hardwick, B. W. Griffith Jr., C. A. Brawner Jr., Eugene E. Arnold, Paul L. Wimmer, G. W. Martin, F. W. Yeagley.
- CHAMBERS, JOSEPH A.**
 Chambers & Garrison, 1519 Connecticut Ave., Washington 6, D. C. Michigan 2261.
Partner: Millard M. Garrison. *Staff:* J. R. McKenna, M. F. Cook, H. D. Carlson, D. L. Steel.
- CRAVEN, T. A. M.**
 Craven, Lohnes & Culver, Munsey Bldg., Washington 4, D. C. District 8215.
Partners: George M. Lohnes, Ronald H. Culver, LaVerne M. Poast.
- CREUTZ, JOHN**
 Bond Bldg., Washington 5, D. C. Republic 2151.
- CROSBY, MURRAY G.**
 Crosby Laboratories, 126 Herricks Road, Mineola, N. Y. Garden City 7-0284.
- CULLUM, A. EARL Jr.**
 Highland Park Village, Dallas 5, Tex. Justin 8-6108.
Partners: D. A. Peterson, C. M. Danell, R. L. Hammett. *Associates:* J. G. Rountree, L. E. Cox.
- CULVER, RONALD H.**
 Craven, Lohnes & Culver, Munsey Bldg., Washington 4, D. C. District 8215.
Partners: T. A. M. Craven, George M. Lohnes, LaVerne M. Poast.
- DAVIS, GEORGE C.**
 Munsey Bldg., Washington 4, D. C. Sterling 0111.
Staff: Joseph W. Collier, Julius Cohen, A. P. Barsis, Ralph Dip-pell, A. F. Barghausen, Walter L. Davis.
- DILLARD, EVERETT L.**
 Commercial Radio Equipment Co., 1319 F St. NW., Washington 4, D. C. District 1319; Porter Bldg., Kansas City 2, Mo. *Associates, Washington:* Edward F. Lorentz, Irl T. Newton. *Kansas City:* Robert F. Wolfskill.
- DROKE, O. S.**
 Broadcast Engineering Service, P.O. Box 1387, Shreveport 92, La. Telephone: 2-8711.
Partner: W. E. Anthony. *Associates:* T. A. Tinsley, E. S. Gunning.
- du TRIEL, L. J. N.**
 L. J. N. du Triel & Associates, 204 Homedale Ave., New Orleans, La. Telephone: Audubon 0917.
- EBEL, A. JAMES**
 212 So. Jefferson St., Peoria 2, Ill. Telephone: 6-0711.
Associates: George Pyle, Williard Hall, Dale King.
- FOSS, WILLIAM L.**
 William L. Foss Inc., 927 Fifteenth St. NW., Washington 5, D. C. Republic 3883.
Staff: John A. Moffet, Edmund E. Pendleton, Edward W. Deeters.
- FRIEDMAN, THOMAS B.**
 2909 Washington Blvd., Cleveland Heights 18, Ohio. Telephone: Yellowstone 2-6866.
- GARRISON, MILLARD M.**
 Chambers & Garrison, 1519 Connecticut Ave., Washington 6, D. C. Michigan 2261.
Partner: Joseph A. Chambers. *Staff:* J. R. McKenna, M. F. Cook, H. D. Carlson, D. L. Steel.
- GAUTNEY, GEORGE E.**
 Gautney & Ray, Warner Bldg., Washington 4, D. C. National 7757. *West Coast Affiliate:* Clyde H. Bond, 629 E. Maple St., Orange, Calif. Telephone: 1403M.
Partner: Homer A. Ray Jr. *Associate:* John S. Chavez.
- GELLERUP, D. W.**
 5437 N. Santa Monica Blvd., Milwaukee, Wis. Woodruff 2-5172.
- GILLE, BENSON D.**
 Gille Bros., 1108 N. Lillian Way, Hollywood 38, Cal. Gladstone 6178.
Associate: C. E. Taylor.
- GILLET, GLENN D.**
 Glenn D. Gillett & Associates, National Press Bldg., Washington 4, D. C. National 3373-4.
Associates: William E. Plummer, E. M. Hinsdale Jr., Paul Berg-quist.

GODLEY, PAUL F.
Paul Godley Co., P.O. Box J, Upper Montclair, N. J. *Laboratory:* Great Notch, N. J. *Telephones:* Montclair 3-3000 and Little Falls 4-1000.
Associates: B. C. Coffman, P. F. Godley Jr., C. W. Kauffman, R. F. Holtz, J. G. Littlefield, G. H. Wagner.

HATFIELD, J. B.
936 Thirty-fifth Ave., Seattle 22, Wash. Prospect 7860.

HEFFELFINGER, JOHN B.
815 East 83rd St., Kansas City, Mo. Telephone: Hilland 7010.

MOLEY, W. J.
1146 Briarcliff Place NE., Atlanta, Ga. Atwood 3328.

HOLTZ, ROBERT F.
Box 177, Great Notch, N. J. Telephone: Little Falls 4-1433R.

HUTCHESON, GUY C.
1100 W. Abram St., Arlington, Tex. Telephone: 4-8721.

INGLIS, ANDREW F.
McIntosh & Inglis, 710 Fourteenth St. NW., Washington 5, D. C. Metropolitan 4477.
Laboratory: 910 King St., Silver Spring, Md. Juniper 7-9200.
Partner: Frank H. McIntosh. *Staff:* Robert Ankers, Robert E. Baluta, Ambrose Cavegn, James R. Croy, Elizabeth Dahlburg, Gordon Gow, Maurice L. Painchaud, Richard Walter, Kenneth W. Owen.

JACKER, EDWARD W.
Church Road, Elmhurst, Ill. Telephone: Elmhurst 3610.

JANSKY, C. M. Jr.
Jansky & Bailey, National Press Bldg., Washington 4, D. C. Metropolitan 5411. *Laboratory:* 1339 Wisconsin Ave. NW., Washington 7, D. C. Adams 2414.
Partner: Stuart L. Bailey. *Associates:* Delmer C. Ports, Frank T. Mitchell Jr., Oscar W. B. Reed Jr., N. J. Schalrer, R. E. Rohrer.

KEAN, WALTER F.
1 Riverside Road, Riverside, Ill. Telephone: Riverside 7-2153.
Associates: W. J. Gemulla, G. M. Boyd.

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Kear & Kennedy, 1703 K St. NW., Washington 6, D. C. Sterling 7932.
Partners: Robert L. Kennedy, Willis C. Beecher. *Staff:* Stewart Schmalbach, Henry R. Dolstra, Marianna Woodson, James C. Moseley Jr.

KEEL, JOHN J.
Warner Bldg., Washington 4, D. C. National 6513.
Associates: Paul L. Muller, J. O'Connor.

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5209 Roosevelt St., Bethesda, Md. Oliver 8200.

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Craven, Lohnes & Culver, Munsey Bldg., Washington 4, D. C. District 8215.
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2404 Columbia Pike, Arlington, Va. Glebe 9096.

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MCKEY, DIXIE B.
Dixie B. McKey & Associates, 1820 Jefferson Pl. NW., Washington 6, D. C. Republic 7236.

M McNARY, JAMES C.
McNary & Wrathall, National Press Bldg., Washington 4, D. C. District 1205; 1407 Pacific Ave., Santa Cruz, Cal. Telephone: 5140.
Partner: Grant R. Wrathall (Director, Western Office). *Staff:* R. S. Duncan, C. J. Rohrich Jr.

MASON, JOHN D.
Mason & Dixon, 1616 Sixteenth St. SE., Washington 20, D. C. Telephone: Ludlow 4-1012.
Staff: R. L. Easley, J. W. Bauknight.

MAY, RUSSELL P.
1422 F St. NW., Washington 4, D. C. Republic 3984, Frederick N. Lee.

MERRYMAN, PHILIP
Philip Merryman & Associates, 114 State St., Bridgeport, Conn. Telephone: 5-4144.

MURRAY, ALBERT F.
4707 Windom Pl. NW., Washington 16, D. C. Ordway 4841.

PAGE, E. C.
E. C. Page Consulting Engineers, Bond Bldg., Washington 5, D. C. Executive 5670.
Partner: Joseph A. Waldschmitt. *Staff:* Virginia R. Erwin.

PLOTTS, ELLERY L.
8223 No. Merrill, P.O. Box 165, Park Ridge, Ill. Park Ridge 2704.

POAST, LaVERNE M.
Craven, Lohnes & Culver, Munsey Bldg., Washington 4, D. C. District 8215.
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POLLACK, DALE
Box 422, New London, Conn. Telephone: 2-0760.

RAY, GARO W.
Hilltop Drive, Stratford, Conn. Telephone: 7-2465.

RAY, HOMER A. Jr.
Gautney & Ray, Warner Bldg., Washington 4, D. C. National 7757. *West Coast Affiliate:* Clyde H. Bond, 629 E. Maple St., Orange, Calif. Telephone: 1403M.
Partner: George E. Gautney. *Associate:* John S. Chavez.

RING, ANDREW D.
A. D. Ring & Co., Munsey Bldg., Washington 4, D. C. Republic 2347.
Associates: Howard T. Head, Stephen W. Kirshner. *Staff:* Raymond P. Aylor Jr., Charles S. Wright, Charles Keller, Raymond Dordal.

ROTHROCK, HAROLD B.
Citizens National Bank Bldg., Bedford, Ind.

SILLIMAN, ROBERT M.
Silliman & Barclay, 1011 New Hampshire Ave. NW., Washington 7, D. C. Republic 6646.
Austin Office: 2915 Red River Ave., Austin, Tex. 2-5055. (James N. Barclay).
Partner: James N. Barclay. *Staff:* Carl L. Kowalski.

SINGLETON, HAROLD C.
2073 SW Park Ave., Portland 1, Ore. Beacon 1201.

SMEBY, LYNNE C.
820 Thirteenth St. NW., Washington 5, D. C. Executive 8073.

SMITH, CARL E.
4900 Euclid Ave., Cleveland 3, O. *Telephones:* Prospect 1-5000, Express 1-8888, Fairmount 1-3335.

STONER, FRANK E., Maj. Gen., USA Ret.
Weldon & Carr, 4730 W. Ruffner St., Seattle 99, Wash. *Washington Office:* 1605 Connecticut Ave. NW., Washington 9, D. C. Michigan 4151 (Lester H. Carr). *Dallas Office:* 1728 Wood St., Dallas 1, Tex. Riverside 3611 (James O. Weldon).
Partners: Lester H. Carr, James O. Weldon. *Staff:* Ross Hilker, Jules Cohen, James E. Hardwicke, B. W. Griffith Jr., C. A. Brawner Jr., Eugene E. Arnold, Paul L. Wimmer, G. W. Martin, F. W. Yeagley.

TAPP, JAY E.
T & T Radio Measurements Co., 1228 E. Compton Blvd., Compton 1, Calif. Nevada 6-3170.
Partner: Ray Torian.

TAYLOR, ARCHER S.
P. O. Box 1479, Missoula, Mont. Telephone: 8562.

TAYLOR, C. E.
Gille Bros., 1108 N. Lillian Way, Hollywood 38, Cal. Gladstone 6178.
Associate: Benson D. Gille.

TORIAN, RAYMOND B.
T & T Radio Measurements Co., 1228 E. Compton Blvd., Compton 1, Calif. Nevada 6-3170.
Partner: J. E. Tapp.

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Partner: Lester H. Carr. *Staff:* Ross Hilker, Jules Cohen, James E. Hardwicke, B. W. Griffith Jr., C. A. Brawner Jr., Eugene E. Arnold, Paul L. Wimmer, G. W. Martin, F. W. Yeagley.

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Network Engineering Departments

AMERICAN BROADCASTING CO.

30 Rockefeller Plaza, New York City 20. Circle 7-5700.
Engineering Executives: Frank Marx, v.p. in charge of engineering; Clure H. Owen, administrative assistant; William H. Trevarthen, director of technical operations; James L. Middlebrooks, chief facilities engineer; Robert M. Morris, radio facilities engineer; Joseph H. Copp, audio facilities engineer; John G. Preston, allocations engineer. Kear & Kennedy, Washington consulting engineers.

COLUMBIA BROADCASTING SYSTEM Inc.

485 Madison Ave., New York 22. Plaza 5-2000.
Engineering Executives, General Engineering Dept.: William B. Lodge, v.p.; A. B. Chamberlain, chief engineer; H. A. Chinn, chief audio-video engineer; J. W. Wright, chief radio engineer.
Engineering Research & Development Dept.: Peter C. Goldmark, director; J. W. Christensen, chief engineer; J. J. Reeves, studio equipment development; R. Snepvangers, recording development.

DuMONT TELEVISION NETWORK

515 Madison Ave., New York City 22. Murray Hill 8-2600.
Engineering Executives: Rodney D. Chipp, director of engineering; Robert Bigwood, chief facilities engineer; Sal Patriemo, special development engineer; Harry Miholland, technical operations engineer, WABD, New York; Malcolm Burleson, chief engineer, WTTG, Washington; Raymond Rodgers, chief engineer, WDTV, Pittsburgh.

MUTUAL BROADCASTING SYSTEM Inc.

1440 Broadway, New York City 18. Pennsylvania 6-9600.
Engineering Executives: Earl M. Johnson, v.p. in charge of station relations and engineering; L. Learned, chief of engineering traffic division; L. Tower, chief of facilities division; Ed W. Davis, chief of plans and allocations division.

NATIONAL BROADCASTING CO.

30 Rockefeller Plaza, New York 20. Circle 7-8300.
Engineering Executives: O. B. Hanson, vice president and chief engineer; George McElrath, director of radio network technical operations; W. A. Clarke, administrative assistant; Raymond F. Guy, manager, radio and allocations engineering; C. A. Rackey, manager, audio and video engineering; J. Wood Jr., manager of technical services; E. R. Cullen and J. D'Agostino, liaison engineers; George M. Nixon, manager of engineering development; Thomas H. Phean, New York division engineer; Robert E. Shelby, director of television engineering operations; H. C. Lutgens, Central Division Engineer (Chicago); A. H. Saxton, Western Division Engineer (Hollywood); Donald H. Cooper, engineer in charge (Washington); S. E. Leonard, engineer in charge (Cleveland); R. H. Owen, engineer in charge (Denver); C. D. Peck, engineer in charge (San Francisco).

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299 Atlantic Ave., Boston 10, Mass. Hancock 6-2339.

W. J. BROWN

Television, radio and industrial electronics.
512 Marshall Bldg., Cleveland, O. Telephone: Tower 1-6498.

CARL H. BUTMAN

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National Press Bldg., Washington 4, D. C. National 7846.

EDWARD J. CONTENT

Acoustical and Radio Engineering Consultant, Roxbury Rd., Stamford, Conn. Stamford 3-7459.
H. M. Uriass.

ELK ELECTRONIC LABORATORIES

Design and development of test equipment; product re-design.
12 Elk St., New York 7, N. Y. Telephone: Worth 2-4963.
Jack Rosenbaum.

FRAZIER & PETER

Television and Radio Management Consultants.
Bond Bldg., Washington 5, D. C. National 2173.
Howard S. Frazier, Paul F. Peter.

DR. ALFRED N. GOLDSMITH

597 Fifth Ave., New York 17, New York. Plaza 3-4150.

HAROLD M. HEIMARK

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RICHARD W. HUBBELL & ASSOCIATES

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NEAL McNAUGHTEN

Director of Engineering Dept., National Association of Broadcasters, 1771 N St. NW., Washington 6, D. C. Decatur 9300.

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Research and manufacturing engineers of electronic test equipment.
Boonton, N. J. Telephone: Boonton 8-2131.
Associates: Harry W. Houck, Jerry B. Minter, John M. Van Beuren.

PICKARD & BURNS Inc.

Consulting radio and electronic engineers.
240 Highland Ave., Needham 94, Mass. Telephone: Needham 3-3033.
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PREISMAN & BISER

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Partners: Albert Preisman, Mark H. Biser.

TELEVISION ENGINEERS Inc.

Apartment house TV antenna systems, installations.
1539 W. Harrison St., Chicago. Telephone: Taylor 9-4200.
I. J. Kaluzna, W. I. Kuzak.

WHEELER LABORATORIES

Consulting, research, developing, models.
Great Neck, N. Y. Telephone: Great Neck 2-7806.
Harold A. Wheeler, David Dettinger.

HIGH HOPES FOR PRINTED-CIRCUIT TUNER: First substantial use of printed circuits in TV sets -- long-heralded and hoped for -- was announced by RCA this week. New tuner has printed circuit for each channel (except oscillator coils for channels 2-6), is now being offered manufacturers. RCA says it has number of orders, isn't putting it in its own sets yet but plans to.

Though RCA doesn't give price, saying only that it's "highly competitive," expectation is that mass production will bring cost down considerably under conventional tuners -- meaning cheaper sets. Circuits are photo-etched, eliminate complex and precise coil-winding operations. RCA claims performance is as good as or better than present tuners. Use of printed circuits in other portions of set is planned, but none immediately.

GE, WESTINGHOUSE REPORT; RMA, TOO: Giants GE and Westinghouse, reporting record net incomes for first 1950 quarter at stockholder meetings this week (see Financial & Trade Reports), did not break down their figures to reveal size of their TV-radio business -- but with almost same words they stressed increased production rates apace with other appliances. TV-radio, of course, are only fractional though sizeable factors in their huge over-all operations.

GE president Charles E. Wilson noted that sales of all electronics products first quarter were up 34% from same period year ago, adding: "The prospects are for further substantial improvement. Our production of TV and radio receiving units is currently running at a combined record rate of 30,000 units per week, while the production of radio receiving tubes and TV picture tubes is likewise at a record level." Note: 30,000 per week, in 48-week production year, mean 1,440,000 units combined -- of which it has been "guesstimated" (Vol. 6:13) TVs will number 300,000.

Westinghouse president Gwilym A. Price said TV production this year will be double 1949, which probably means somewhat more than predicted 150,000 (Vol. 6:13). Same sort of report comes from Avco (Crosley) but no figure is divulged either, though recent "guesstimate" was 250,000 TVs.

Curiously, neither GE nor Westinghouse has cut nearly as much figure in TV as in radio, but GE is avowedly out to challenge undisputed quantitative leadership of Admiral, Philco, RCA, Motorola. Executive v.p. Ralph G. Cordiner reported April 19 that GE plans to increase output of TV-radio by 66 2/3% to 100%, depending on supply of picture tubes and cabinets.

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RMA report on March TV output will be out next week, but it's disclosed fourth week reached record total of 115,000 -- meaning 407,000 in 4 weeks. Or, adding 25% to account for non-RMA, well over 500,000 already. Statistical month has 5 weeks, so it looks as though final count will add up to approximately 650,000, as compared with 4-week January's 420,000, February's 460,000 (Vol. 6:7,11). At Quebec meeting of RMA board this week, straw vote disclosed "average" prediction of 5,350,000 TV output this year.

SCOTT-MECK DEAL MAY BE HARBINGER: It's logical to expect that John Meck's control of Scott Radio Laboratories Inc., following short on Leonard Ashbach's somewhat similar acquisition of control of Wilcox-Gay soon after acquiring Majestic trade name (Vol. 6:15), presages many more consolidations of weak into strong companies, possible shrinkage in number of TV-radio producers (now more than 100), emergence of several big new factors in TV-radio industry.

Yet it's unrealistic to repeat prediction, so often made in last few years, that the smaller companies in general are headed for oblivion in their competitive battle with the fast-growing big ones. Not in the immediate future anyhow -- not

while the TV market gobbles up everything they're all producing. Up to now, Majestic and Sonora have been the only major post-war bankruptcies, Capehart-Farnsworth takeover by IT&T the only other big consolidation, Howard Radio plant purchase by Muntz the only other sizeable sale since reconversion from wartime.

Hell bent on expansion, Meck purchased undisclosed "substantial interest" in Scott by acquiring most of retiring president H. S. Darr's stock, will continue Chicago factory (4541 N. Ravenswood) as producer of Scott quality-brand radios and phonos, will push Scott TV lines "aggressively through franchised dealers" and competitively at DuMont, Magnavox, Stromberg, Zenith levels. New corporate structure is planned, but Scott factory will operate separately from lower-price production of John Meck Industries Inc. plants in Plymouth & Peru, Ind. John Meck is new president; John C. Weisert and Frank Beiser, reelected vice presidents; Russell G. Eggo, secretary; G. F. Meck, treasurer; Mr. Darr, director.

Trends & Topics of TV Trade: Current stock market hurries in TV-radio shares, reflected in daily headlines, have turned into windfall of institutional advertising for TV industry at large and big brand-name companies in particular. Such publicity may help account for expected but seemingly delayed seasonal recession in demand. Certainly, it hasn't hurt sales. One top manufacturer now says he thinks there's good chance present excellent market will continue until end of June.

* * * *

Proposed 10% excise tax on TV comes up for House Ways & Means Committee decision April 24, as it votes item-by-item. This week, committee voted to retain 10% excise on radio, phonos, records, also voted to put 7% tax on deep freezers—first addition to list. Votes are technically tentative, but usually stick when reported to House. Excise cuts thus far total \$335,000,000, but fact that committee is on record as agreeing that lost revenues must be made up may render TV position precarious. On one hand, there's no sentiment for taxing TV (Vol. 6:15); on other, promise of \$40,000,000 revenue from TV tax may intrigue some. Bright production figures, current earnings reports, stock market activity in TV-radio shares, have gotten sort of publicity that may offset strong case put up by industry-labor forces in February.

* * * *

DuMont's new line comprises 5 new sets, priced downward from old line—claiming improved circuits, better selectivity, greater sensitivity through improved inputuner which also provides FM in all sets. Provision is made for uhf converter in 19-in. models. New 12½-in. sets are: Putnam table, \$269.50; Guilford consolette, \$329.50—former \$60 less than previous model, latter \$50 less. New 19-in. consoles are: Winslow, \$495; Hanover, period cabinet with doors, \$565; Sherbrooke, with AM-FM-phonos, \$695.

Tube complement in all DuMont 12½-in. models is 21 plus 2 rectifiers (vs. 25 & 5 in previous models); in 19-in. console, 29 & 4; in 19-in. combination, 33 & 4. Sets are now being delivered to distributors, are expected to remain in line through 1950. Additional models may be included later in year, but no decision has been made yet.

* * * *

Crosley has added rectangular 14-in. at \$200 to its new line (Vol. 6:14). Rectangular tube is in same plastic table cabinet previously used for 10-in., priced at \$170 but deleted several weeks ago. Current 12½-in. wood table is \$240. Motorola also offers 14-in. rectangular table. \$230, and Packard-Bell, Stewart-Warner, Tele-King have promised them . . . Magnavox has added 12½-in. console to line, price \$240.

Motorola, which never releases actual production figures but likes to speak in terms of percentage increases, reports TV unit sales first 1950 quarter are 340% ahead of same period last year, dollar volume 330% up. Its auto radio unit sales are up 198%, dollar volume from this business doubled. Home radio sets gained 135% unit-wise, 200% in dollar volume. Referring to radios, v.p. Walter H. Stellner said: "We expect a continuing increase throughout the summer, particularly in table models and portable sets."

Industrial Television Inc. has cut 16-in. consolette from \$500 to \$450; 19-in. commercial unit, from \$945 to \$660; has new 19-in. consolette at \$595. All have remote control. ITI says it will make 50,000 TVs this year.

Jackson Industries, making mostly for private label, has changed line to: 12½-in. tables at \$160 & \$220, consolettes at \$200 & \$250; 16-in. rectangular tables at \$200 & \$270, consolettes at \$250 & \$300; 12½-in. console with AM-phonos \$300, plus FM \$350, with AM-FM-phonos and more sensitive circuit \$450; rectangular 16-in. console with AM-phonos \$350, plus FM \$400; 19-in. console \$400. All TV-only sets have 19 tubes, 2 rectifiers, all combinations 26 & 3. Sales mgr. Henry Goldsmith says production by June 1 will reach 400 sets per day.

* * * *

Macy's-New York and other dept. stores were enjoined from price-cutting fair-traded GE appliances in April 19 ruling by New York Supreme Court Justice Benjamin F. Schreiber. Court held Macy's, et al, failed to establish charges that widespread under-selling of GE products existed and that such condition indicated GE had given up fair-trade price protection.

Tie-in that ought to produce TV sales is that reported between United Artists and Westinghouse. UA has film, *Champagne for Caesar*, with Ronald Colman, story of TV quiz winner, and some of scenes show viewers watching TV show on—you guessed it, Westinghouse sets. In return, Westinghouse is sending out special promotion for dealer-exhibitor tieups when film plays their cities.

General Transformer Co., Homewood, Ill., recently organized by executives of General Transformer Corp., Chicago, has purchased assets of latter firm to make TV transformers. New officers: M. A. Goldberger, president; W. D. Dunifon, v.p. and factory mgr.; Conrad E. deHorn, v.p. and chief engineer; Stuart A. Goldman, secy.-treas. . . . Acme Electric Corp., Cuba, N. Y., has started building new 15,000 sq. ft. plant for added capacity to supply TV transformers.

Creditors of Remington Radio Corp., White Plains, N. Y., this week petitioned Federal district court in New York City to declare company bankrupt; sum allegedly due 3 companies totals \$7500.

Financial & Trade Notes: CBS gross income for 13 weeks ended April 1 was \$30,809,064, net profit \$1,626,750 (95¢ per share) vs. \$27,018,288 gross and \$855,764 (50¢) net for same period last year. At stockholders meeting April 19, Chairman Paley said company faces period of high expenditures for TV facilities, indicated smaller percentage of earnings may be paid in dividends than previously. Good guess is that, besides unverified deal for purchase of KFI-TV, Los Angeles (Vol. 6:14-15), it has plans to acquire full permitted limit of 5 TV stations (it now owns WCBS-TV, New York, and 49% of KTTV, Los Angeles).

DuMont issue of 250,000 Class A shares at \$25, at time when market quotations were running 25¾ to 26¼, was oversubscribed promptly this week when offered by syndicate headed by Kuhn, Loeb and Van Alstyne, Noel & Co. Proceeds will be used to pay cost of transferring WABD transmitter and antenna to Empire State Bldg., for new Pittsburgh studios of WDTV, for other expansions. Prospectus for issue revealed 1949 salary of Dr. Allen B. DuMont was \$26,100, plus bonus of \$144,099; of executive v.p. Leonard Cramer \$26,870, plus \$4038.

Muntz TV Inc. registration of 400,000 shares of \$1 par stock (Vol. 6:15) involves merger of California corporation by that name into new Delaware corporation which will issue 501,994 shares of common in exchange for stock of predecessor company; will also issue 112,000 shares to acquire 56,000 shares of Tele-Vogue Inc., owned by California Muntz TV. Tele-Vogue, since last May 1, has been making sets in old Howard Radio plant, Chicago, paying reported "rental" of \$5 per set; having paid out \$287,130, it is now buying Howard plant for \$250,000. SEC report states that up to Feb. 28, 1950 Muntz has shown net profit of \$239,815 on sales of \$13,103,636. Prospectus also stated that plans call for production of 7500 TV sets in April and May, 6500 June, 3500 July, 10,000 thru November, 7000 in December.

* * * *

Zenith-sponsored Teco Inc., formed to promote Phonevision (Vol. 5:28, 31, 48) this week sent Zenith stockholders prospectus covering Class D "speculative securities," offering them privilege of purchasing (on or before May 9, 1950) one-fifth of \$10 Teco share for each share of Zenith held, proposing 99,000 shares, noting 1000 already outstanding, subscribed to by these Zenith officers and directors: E. F. McDonald, president, 590 shares; Hugh Robertson, executive v.p., 76; Karl E. Hassell, v.p., 20; directors Irving Herriott 194, Frank A. Miller 100, Ralph Hubbard 20. Officers of Teco Inc. are: S. I. Marks, owner of Simarks Co., Chicago distributor, president; Thomas M. McNicholas, ex-officer of Tennessean Newspapers Inc., Nashville, v.p., treasurer & director; B. A. Masee, Chicago insurance broker, secretary & director. Mr. McNicholas is only paid officer, getting \$10,000 a year.

General Electric Co. first 1950 quarter net profit was \$36,858,391 (\$1.28 per share), up 38% from \$26,702,978 (93¢) for same period last year and highest in company's history. Consolidated net sales for quarter were \$418,449,611, up 2% . . . Westinghouse net income for quarter just ended was \$11,890,377 (87¢) vs. \$10,866,921 (79¢) for same period last year; billings were \$223,933,898, compared with \$226,658,722 for March 1949 quarter.

IT&T 1949 report this week showed net income of \$4,685,877 vs. \$6,818,691 in 1948, points out that subsidiary Federal was still unprofitable although rate of loss has decreased; that Capchart-Farnsworth, acquired in May 1949, showed loss though small operating profit was realized in final months of 1949.

Hallcrafters March sales of \$3,487,294, profits of \$322,370 (48¢) brought total sales for first 7 months of company's fiscal year to \$14,469,156, profits \$745,711 (\$1.10). In March 1949 sales were \$2,104,242, earnings \$108,159 (16¢); for 7 months ended March 31, 1949 sales were \$10,314,966, profit \$409,828 (61¢). Daily TV unit production has been stepped up to 1000 per day, should reach 1500 this summer, said president William J. Halligan. TV set sales first 3 months of 1950 have increased 229% over same 1949 period, communications sales 21%. Mr. Halligan forecast \$40,000,000 sales this year, including 250,000 TV sets and communications orders that include \$4,490,959 military contracts.

Magnavox sales were close to \$9,000,000 first 1950 quarter, its third fiscal quarter, estimated earnings \$624,742 (about 89¢ per share), of which March accounted for about \$256,000. For 9 months ended March 31, earnings were \$1,400,442 (\$2.04). Shipments are behind orders, reports executive v.p. Frank Freimann, and "sales for second quarter are expected to be even more favorable."

Muter Co. first quarter sales were \$2,819,000, net profit \$219,137 (74¢) vs. \$1,763,000 sales, \$75,340 (25¢) net profit in same 1949 period . . . Blaw-Knox first quarter earnings were \$276,658 (20¢) vs. \$925,976 (66¢) in first quarter last year, declining in billings to \$11,257,060 from \$17,129,337 in 1949 period being attributed to "carryover results of the steel and coal strikes." . . . Pacific Cabinet & Radio Co., 14500 Aetna St., Van Nuys, Cal. (Max Stetner, president), parent of Mercury TV, plans stock issue reported to be 175,000 shares at \$3.50, thru Lester & Co., Los Angeles; Mercury is a supplier for Sears Roebuck, gets some chassis from Air King and Colonial while parent company ships cabinets to East.

Hoffman Radio reports net income for first 1950 quarter of \$680,595 (\$1.78 per share), compared with \$1,276,036 (\$3.33) for all 1949. Gross sales for quarter were \$6,240,660, compared with \$11,987,650 for all 1949. First quarter TV set sales totaled 25,000 vs. 42,000 for all 1949 . . . Olympic Radio reached all-time high sales of \$4,778,448 first quarter, record net profit of \$368,454 (\$1.44); this compared with sales of \$1,531,249, profit of \$79,170 (30¢) same period last year . . . Sentinel's note for \$200,000 has been taken over, sizeable block of stock optioned, by new interests headed by Louis Frankel, one-time in radio, recently with Holeproof Hosiery (which is headed by his brother Gus); Mr. Frankel is now executive v.p., E. Alschuler continuing as president.

* * * *

Pertinent observations on stock market by *Wall Street Journal's* Oliver J. Gingold (April 21): "The speculation in the television shares has worried conservatives. These stocks, many of which have doubled and trebled in price in recent months, have attracted the fancy of the public. Much of the recent buying has been on margin and some professional Wall Street traders have sold many of these stocks short. It is true that many television companies are showing sharp improvement in earnings but it remains to be seen how stable they are and what competition may bring as the industry develops. A lot might be learned from an investment standpoint from the growing pains of the radio industry over a quarter of a century ago. The short interest in the market remains large and although latest figures show a small decline from the position in March, it is still close to the highest level in some 17 years and prices continue to mount against the bears, some of whom continue to pay dividends and premiums to maintain their expensive positions."

Count of TV Sets-in-Use by Cities

As of April 1, 1950

Sets-in-use totaled 5,343,000 as of April 1, according to NBC Research's monthly "census" report estimating TV receivers within 40-mi. service areas (.5Mv). NBC no longer publishes family figures, but those here listed are best available estimates of 1948 families within 40-mi. radius of city; note, however, that there are some overlaps, so that family figures are sometimes higher than actually served. April report includes Kalamazoo, due to have own station soon. Total represents 508,000 increase over March 1 count (Vol. 6:12).

Interconnected Cities

Area	No. Stations	No. Families	No. Sets
Baltimore	3	732,000*	158,000
Boston	2	1,175,000*	339,000
Buffalo	1	323,000*	84,800
Chicago	4	1,438,000*	455,000
Cincinnati	3	384,000*	107,000
Cleveland	3	695,000*	200,000
Columbus	3	225,000*	63,800
Dayton	2	291,000*	48,100
Detroit	3	839,000	212,000
Erie	1	112,000	18,500
Grand Rapids	1	182,000*	19,100
Kalamazoo	—(a)	143,000*	7,700
Lancaster	1	85,000*	40,700
Memphis	1	177,000	29,800
Milwaukee	1	327,000	101,000
New Haven	1	557,000	72,700
New York	7	3,597,000*	1,225,000
Norfolk	1(b)	196,000	7,900
Philadelphia	3	1,184,000*	428,000
Pittsburgh	1	742,000*	91,000
Providence	1	1,011,000*	49,000
Richmond	1	130,000*	26,200
Rochester	1	208,000*	35,300
Schenectady	1	258,000*	70,000
St. Louis	1	474,000	115,000
Syracuse	2	199,000*	38,900
Toledo	1	241,000*	39,000
Utica	1	127,000*	11,500
Washington	4	691,000*	118,000
Wilmington	1	183,000*	30,700
Total Interconnected	56		4,242,700

Non-Interconnected Cities

Albuquerque	1	22,000	2,800
Ames (Des Moines)	1	126,000	8,100
Atlanta	2	233,000	31,300
Binghamton	1	131,000*	10,900
Birmingham	2	196,000	11,900
Bloomington	1	104,000*	5,800
Charlotte	1	171,000	13,200
Davenport	1	133,000	9,100
Fort Worth-	1	269,000*	22,300
Dallas	2	277,000*	26,900
Greensboro	1	165,000	10,400
Houston	1	217,000	17,000
Huntington	1	132,000	7,200
Indianapolis	1	281,000*	32,500
Jacksonville	1	94,000	9,000
Johnstown	1	250,000*	18,800
Kansas City	1	275,000	31,500
Los Angeles	7	1,372,000	462,000
Louisville	2(c)	188,000	30,100
Miami	1	117,000	22,000
Minneapolis-			
St. Paul	2	333,000	81,600
New Orleans	1	225,000	23,300
Oklahoma City	1	138,000	24,800
Omaha	2	132,000	19,600
Phoenix	1	49,000	5,500
Salt Lake City	2	93,000	14,200
San Antonio	2	130,000	12,500
San Diego	1	113,000	34,100
San Francisco	3	825,000	49,200
Seattle	1	307,000	26,700
Tulsa	1	125,000	20,800
Others	—	—	5,200
Total Non-Interconnected	47		1,100,300
Total Interconnected and Non-Interconnected	103		5,343,000

* Family figures are based on estimates of 1948 population. Note that following coverages (hence total families) overlap: Bloomington-Indianapolis; Kalamazoo-Grand Rapids; Detroit-Toledo; Syracuse-Rochester-Utica-Binghamton; Binghamton-Utica; Philadelphia-Wilmington; Rochester-Syracuse-Schenectady-Utica; Pittsburgh-Johnstown; New York-Philadelphia; Boston-Providence; Buffalo-Rochester; Cincinnati-Columbus-Dayton; Detroit-Grand Rapids; Lancaster-Baltimore; Dallas-Fort Worth.

(a) WKZO-TV now testing, due to start scheduled operation soon.

(b) WTAR-TV began scheduled operation April 2.

(c) WHAS-TV began scheduled operation March 27.

Mexico's first TV station—in fact, first in Latin America—will be 5-kw outlet of Television de Mexico, owned by Romulo O'Farrill Sr., publisher of *Mexico City Novedades*. RCA 5-kw transmitter for Channel 4 has been ordered, to be located in 20-story National Lottery Bldg.; station is due on air this summer.

New theatre TV unit, capable of resolution comparable with 35mm film, is being offered by RCA. Its 8-mc video bandwidth is double that of present equipment, which is same as standard TV. Though unit is gauged for 525 lines, it can be set for more—625 lines have been suggested. First delivery will be to Fabian Fox, Brooklyn. Fabian has also ordered one for Palace Theatre, Albany.

Twice as many people plan to buy TV in 1950 as in 1949, according to annual Federal Reserve Board survey of buying plans. Study was conducted during January-February, is based on 300 responses from 66 areas.

Jurisdictional fight in TV performer unions looms after this week's vote by executive board of AAAA giving newly-formed TV Authority (Vol. 6:8) jurisdiction over all TV performers—live or film. Screen unions declared immediately that they would not abide by decision of parent union, will insist on authority over all performers in films whether made for theatres or TV.

Comr. Hennock urged educators to persevere in fight for non-commercial, educational TV channels, speaking April 20 to group of teachers at U of Pennsylvania. Nine educational organizations have asked FCC to set aside block of TV frequencies for school use—one of them actually asking for vhf channels in larger cities (Supplements 67-67G). Only educational TV station among present 103 outlets is Iowa State College's WOI-TV, Ames.

Hooper's new "Hooperecorder," to be shown later this month, seems to be very similar to Sindlinger's Radox (Vol. 5:33), using device at TV receiver and phone lines to central office. Hooper plans to install it in 500 Los Angeles "guinea pig" homes, says it will give overnight reports on program ratings. Rival researchers say system is too expensive to cover large enough sample and can only show fact set is tuned to particular program, not how many people are watching per set.

Milton Berle plans repeat of Cancer Fund marathon telecast on NBC-TV which brought over \$1,000,000 in pledges last year (Vol. 5:16). Plans call for Berle to start at noon, April 29, continue until 10:30 a.m. next day, except for 2½ hours of *Saturday Night Revue*.

Film exhibitor's grumble at recent gathering of showmen, as reported in April 16 *New York Times* drama section: "The movie business is getting too complicated. What with having to look at 6 pictures in order to buy one, and keeping the popcorn machine in working order, I just can't find time to sit at home with my family and look at TV."

First view of RCA's tri-color tube by general public is set for May 12-21, at Home Builders Exposition in Washington's National Guard Armory. Number of sets to be displayed hasn't been determined.

AT&T 1951 schedule for TV interconnections adds only 2500 miles of coaxial and 5500 microwave to make total of 23,000 miles of network circuits; we were in error last week (Vol. 6:15).

FCC Friday approved Zenith request to move experimental TV station KS2XBS to Field Bldg., radiating 1 kw visual power (Vol. 6:15).

RMA members' sales to govt. in 1949 totaled \$141,288,869, up some \$28,000,000 over 1948. Radar accounted for lion's share—\$97,798,244.

'TELEVISION IS BEGINNING TO GROW UP'

Excerpts from Address by FCC Chairman Wayne Coy

Before NAB Convention in Chicago, April 18, 1950

Only those remarks directly relating to TV are reprinted. Mr. Coy's analysis of FCC's statistics on AM, TV & FM revenues, etc. are particularly apropos at this time—and his conclusions are even more significant to the broadcasting industry. FCC's complete 13-page report titled 'Estimated Revenues, Expenses and Income (before Federal Income Tax) of Radio and Television Broadcast Services, 1949' has been released as Public Notice 49197. It's obtainable from FCC Information Department, or we'll get you a copy if you wish.

* * * *

THE middle of the century finds us with a broadcasting system which grew from nothing in 1920 to one of the biggest industries and one of the most important social forces in our civilization. The mid-century, moreover, finds this vast industry on the threshold of another dramatic era of expansion and transition.

Some clues to the trends of this transition period may perhaps be gleaned from the 1949 annual preliminary financial reports released by the FCC today. I believe they are interesting to all of us.

First of all, the aggregate revenues for all three broadcast services—AM, FM and TV—are estimated for 1949 at nearly \$460,000,000. This is an increase of \$43,000,000 or 10.3% above 1948.

Now here is our first interesting trend:

For the first time in its history of more than a quarter of a century, aural broadcasting did not contribute all or most of those *new* dollars.

Most of the *new* money came from a new upstart medium—Television.

Aural broadcasting produced only about two-fifths of the new money. AM and FM contributed \$18,000,000 to the \$43,000,000 of new money, while TV contributed \$25,000,000.

Now let us examine the figures for standard broadcasting.

Total station revenue for the established AM stations (meaning stations established two years or more) for last year was 0.8% lower than in 1948.

However, in 1949 expenses for these stations climbed 1.2%. As a result, their income was 10% below 1948.

You can get some idea of the effect of that 10% decrease in income from these figures: The average income of the 1466 established stations (on the air two years or more) was \$32,100.

Our 821 pre-war stations had an average income of \$52,000, or 13% below 1948.

Our 645 war-time and post-war stations (but not including the last two years) had an average income of \$6700.

The expenses of these stations included their expenses in FM operation but not their TV expenses.

Of the AM stations, the old pre-war stations are, of course, in the most favored position. These 800 pre-war stations garnered 94% of the income last year, while the 1200 war and post-war stations had to share remaining 6%.

Here, ladies and gentlemen, is the Achilles Heel of our standard broadcasting system in meeting the transition problems. This pie (total station income before taxes) has been shrinking each year since the end of the war. Obviously, the 800 pre-war stations are in a stronger position than the 1200 other stations as they face the dilemma of today's broadcasting transition. A large proportion of

these war-time and post-war stations are low-powered or daytime only. They have an average annual income now of only \$6700 and, consequently, there is small prospect of these stations financing the construction and operation of TV from AM broadcast earnings. There is the unpleasant prospect that the competition of the transition period may be too severe and that some of these stations may not swim.

What was the impact of TV? We cannot find any significant impact yet on AM income. The best clue to TV impact is to determine the change in revenues of established stations. We find that established stations in TV communities suffered only a slight decline in revenues—1.8%. In non-TV communities the established stations' revenue was virtually unchanged—an increase of .3%.

The TV Revenue Story

Now let's look at the TV statistics. TV networks and stations quadrupled their 1948 revenue, raising it from \$9,000,000 to \$34,000,000. Of course, this year [1949] we have 97 stations reporting as against 50 reporting in 1948. But now we come to the red ink phase of TV operations. The networks and their 13 owned and operated stations lost \$12,000,000. The 84 other stations lost \$12,500,000.

All of the networks (including their stations) and all but six of the other 84 TV stations reported losses from their total operations during the year. It is probably true, however, that some stations were achieving profit status by the end of the year, although insufficient to counterbalance losses from the earlier part of the year.

Before examining some of the individual TV markets, it might be well to look at over-all network operations with regard to the effect of TV on AM.

Network revenues (including all owned and operated stations) for AM were virtually unchanged from 1948—or \$104,100,000, while at the same time, network TV revenues increased by \$14,400,000. In 1949, networks boosted their AM income 11.3% over 1948, as a result of some economies in network and station operations. Their AM income for 1949 was \$19,700,000. Out of this AM income networks have met TV losses of about \$12,000,000. Thus, over-all network income (before tax) declined in 1949 to about \$8,000,000 or 30.1% below 1948.

In summary of the network picture, it can be said that AM revenues were maintained in 1949 at the 1948 level; that TV revenues increased in 1949 over 1948; that TV losses were greater in 1949 than in 1948; and that TV losses were met almost entirely from AM income.

A look at a few selected cities may be of interest.

Of the total AM, FM and TV revenues reported by all stations in the Washington, D. C. area, the portion going to TV in 1949 was 18%, double the 1948 percentage. This increase in TV revenues was accompanied by a drop in AM revenues.

In the New York area, TV was 17% of the total station revenues, also doubling the 1948 proportion. Here, however, the increase in TV station revenues apparently was not at the expense of AM revenues which showed a slight increase over 1948.

Here in Chicago, TV represented 12% of the total, or triple the 1948 proportion. Also, AM revenues declined only slightly.

In Los Angeles, TV went from 4.5% in 1948 to 15.1% of the total in 1949. There AM revenues also increased.

Boston is still another example of where a sizable increase in TV revenues was not accompanied by a drop in AM revenues. From 2.4% in 1948, TV jumped to 14% of the total in 1949.

No Impact (Yet) on AM Revenues

These figures from networks and selected cities seem to bear out the general conclusion, which I stated earlier, that TV has not made significant impact on AM revenues. TV seems to be attracting new sources of revenue either from increased advertising expenditures by American business or from money heretofore spent with other media.

These figures show that television is still largely supported by its parent, AM. But they also show that television is beginning to grow up—and is starting to look hopefully for the day when it will be independent of the old man.

In fact, it is already starting to show off, starting to smoke, to stay out late and even starting to use naughty words [*Laughter*].

The situation facing you broadcasters due to the competition in the aural broadcast field, the competition of television both for your advertising dollar and your audience, and the continuing competition with other media of communication reminds me of a story I heard about an English farmer who was in need of a hired hand.

Parable of Farmer and the Big Wind

He went to the nearest village and found four young men who wanted the job. He interviewed them altogether. They all appeared to be strong and physically able. He asked the first of these four young men to state his qualifications. This young fellow gave in detail his knowledge of seeds, planting, harvesting, and so forth. The second young man, in reply to this same question, gave in detail his knowledge of livestock, its care, breeding, and so forth. The third young man gave in detail his knowledge of machinery, repair and maintenance of it, etc. And the fourth young man, asked to state his qualifications, said, "Please, sir, I know how to sleep on a windy night."

The answer from the fourth young man was somewhat surprising, so the farmer repeated the question and received the same answer. Obviously, the farmer was puzzled but he was also intrigued and, particularly, by the confidence of the fourth young man. He hired him.

Now, this young fellow rendered quite satisfactory service for several weeks but the farmer had no chance to see if he could really do the one thing he claimed he could do best. There had just not been any windy nights. Finally, however, the wind came in all its fury. The farmer jumped from his bed, looked out the window and could see only the faint flicker of lanterns on his neighbors' farms as the hands there went about securing the barns and the belongings.

The farmer shouted for his hired man but got no answer. He finally went up to his room where he found him snoring away undisturbed by the howling wind. He made every effort to awaken him but found it impossible to do so. The farmer grabbed his lantern and without the assistance of his hired hand went out to save what was left by the terrific gale which was blowing. But when he got out he found the gate not only shut, but securely wired; the haystacks were held firm by ropes and the ropes were held by doubly-reinforced stakes. On each barn door he found new

hinges had been put in place and that an extra bar was in place protecting each door. The farmer learned the hard way why the young man had been so confident that he could sleep on a windy night.

The winds of competition are blowing a terrific gale on the broadcasting business. There may be a few among you who are complacent because thus far you have been spared even the first signs of the storm. In many places the storm is in its full fury and in other places the winds are rising, but to those of you who are complacent, I say that the full strength of this storm will hit you with a suddenness not characteristic of the places where it is now in full strength. The question is: "Can you sleep on a windy night?"

The key to sleeping on a windy night involves your preparation to serve the public interest.

* * * *

When Will The TV Freeze End?

I know that many of you would like for me to talk about the television freeze. What you really want me to tell you is when we will get out of the freeze and when you may be expected to receive your construction permit for a television station. I suspect that there is a great deal more about television which you would like to know and which you would be glad to get from me or anyone else.

Some of you have asked me whether or not you should get into television or when did I think television would become the dominant broadcasting medium of this country. I hate to disappoint you by not talking at great length about television today. I can only say this to you on the general subject:

I have avoided a television discussion because, as you know by this time, I have tried to keep to the text given me by Judge Miller, and, because of the further reason that I do not want to disillusion you about my knowledge of television. However, I suppose you might as well know the truth now as any other time.

A year has gone by since I last addressed this gathering. In that year, I have learned a lot about television and I am even less certain of the answers to your questions than I was a year ago. I am even less certain about the time when we will get out of the freeze.

I certainly hope—and let me repeat the word "hope"—that we get out of the freeze before the end of the year. I pray that it will be earlier. I do not predict when. I suspect that some of you would even like to hear me say that there will never be an end to the freeze [*applause*].

'TV Will Become Dominant Medium'

I believe that the statistics which I have given you today covering the operations of aural broadcasting and television reflect the interregnum in the growth of television flowing from the freeze. I cannot prove that to you by the figures I have given you nor do I urge upon you the thought that the figures for 1949 can be accepted as an index to what the future may bring.

Frankly, I still believe that television will become the dominant broadcasting medium in this country and that it will occupy that position rapidly once the Commission and the industry have reached and accepted a solution to the problems which resulted in the current freeze on the processing of television applications.

I know that the economics of network television programming will change considerably when more stations are available and more markets can be covered. I hope that when that time comes the networks will not be the only beneficiaries and that the individual stations will share in the improved economic position. I hope that it will result in continuously improved programs.

But if that happens, the competition between television and aural broadcasting for audience and for the advertiser's dollar will become more and more severe . . .

FOR EVERY 2 RADIOS, ONE TV NOW MADE: Some interesting and significant facts about TV and radio receiver output and values, as adduced from RMA and other authoritative sources of statistical information:

(a) One TV receiver is now being made for every 2 radio sets; in fact, just about as many TVs are being made as home radios -- omitting portables and auto sets. (See RMA March figures, below.)

(b) Though TV represents one-third unit output of radio factories (34.1%, according to RCA license figures for Jan.-Feb.), it accounts for four-fifths (78.1%) of dollar volume. TV dollar volume at factory ran well over \$70,000,000 in January, \$80,000,000 in February, \$112,000,000 in March.

(c) Average factory price of TV receivers first 2 months of this year was about \$170; of radios, \$25. Average TV price was \$166 in January, \$176 in February.

1,535,000 TVs MADE IN FIRST QUARTER: TV unit output shattered all records during March, 5-week month accounting for 525,277 sets by RMA's count, or approximately 655,000 when you add 25% to embrace non-RMA producers. This compares with February's 460,000 (Vol. 6:11) and January's 420,000 (Vol. 6:7); previous high was 5-week November 1949 -- 497,000.

RMA weekly figures for March show steady upswing: first week 91,684, second 95,315, third 106,598, fourth 115,000, fifth 116,680. March RMA breakdown: table models, 251,376 (4182 with AM and/or FM); TV-only consoles, 219,517; combination consoles, 54,384 (42,438 with phonos). TV sets with FM totaled 57,602. Total radio-TV production: 1,505,641 units.

For first quarter, RMA reports 1,227,930 TVs out of total radio-TV production of 3,618,882. Projected by 25%, round figure of 1,535,000 may be good estimate of industry's first quarter TV output. These added to post-war cumulative of just about 4,000,000 as 1950 began (Vol. 6:3) mean TVs produced up to end of March cumulatively totaled well over 5,500,000. Figure doubtless now exceeds 6,000,000.

RMA breaks down own first quarter figures as follows: table models, 586,153 (14,287 with AM and/or FM); TV-only consoles, 518,122; combination consoles, 123,655 (89,438 with phonos). TV sets with FM: 134,629.

Note: RMA statistics committee henceforth will issue "projections" of monthly RMA members' output figures in order to provide truer estimate of production of industry as whole. As a starter, based on formula of its own, for first quarter 1950 it reports 1,600,000 TVs (somewhat more than 25% up) and 3,100,000 radios. Latter include 2,000,000 home & portable units, 1,100,000 auto radios.

WILL 12½-in. GO THE WAY OF 7 & 10? Trend to ever-bigger tube sizes was pointed up, once again this week, when Allen B. DuMont told FCC at color hearing: "Eighty per cent of our production is in sizes larger than 12½; and our present plans are that by the end of the year we won't even be making 12½." In other words, he sees the 12½-in. tube going the way of the 7 & 10-in., yielding to 14-in. and larger sizes.

Although DuMont's new receiver line (Vol. 6:16) contains two 12½-in. models, its fall line will feature 14 & 17-in. glass rectangular and 19-in. round metal-coned picture tubes -- and probably the new 19-in. glass rectangular being readied by both Corning and American Structural Products. DuMont also has a 21-in. rectangular in the works -- and of course is experimenting with the 30-in. tube previously announced (Vol. 6:11,14), but intended primarily for public places.

Since DuMont has always led way to larger tube sizes -- made 12, 15 & 20-in. long before others did -- its thinking and planning are usually bellwether for the industry. It is a prime picture tube supplier for other manufacturers, but states that by September it will be making 12½ & 16-in. rounds only for replacements.

Topics & Trends of TV Trade: From set and tube makers alike—the latter always good barometers—you get fairly consistent reports of “softening” demand for TV receivers. But it’s seasonal, and nobody seems to think TV is heading into trouble. As one major set maker put it:

“The 2 weeks after Easter declined just about the way it did last year. The summer looks slow, too, but there won’t be last year’s panic. Nobody is dumping and prices appear to be stabilized.”

This particular manufacturer, operating at ever-increasing rate of production, says positively he does not intend to cut back production now or later this summer. But another one, equally big, thinks present “frenzied” production pace must slow down, plans to cut down night and Sunday shifts, reduce overtime, drop back (as he says) to “more normal operations.”

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Coincident with release of DuMont’s “interim” line (Vol. 6:16) in New York this week, sales chief Ernest A. Marx reported April orders, while extremely satisfactory, are well below February-March peak and said he believed this holds for the entire industry. “There has been a perceptible softening in the market in the last 30 days,” he told *New York Times* April 26. “We are planning our production to meet the usual summer hiatus and will step it up appreciably to meet heavy fall demand after Sept. 1.” He said he was aware no other manufacturer is bringing out new line at this time and added: “Maybe that’s why we are doing it.”

Actually, another manufacturer is just out with new line—Meck Industries Inc., Plymouth, Ind., leading it off with much-publicized “under \$100” 10-in. set (Vol. 6:14). New Meck line comprises: 10-in. table, \$99.90; 12½-in. table, \$149.90; 12½-in. console, \$189.90; 16-in. table, \$199.90; 16-in. console, \$229.90. All sets have wood cabinets and essentially same chassis.

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Motorola reports it will produce 2,500,000 units—TVs, home radios, car radios combined. But it doesn’t break them down, v.p. Walter Stellner merely stating: “We will have facilities for producing 110,000 TV sets a month by the end of summer, and additions to factory facilities and personnel for Motorola car radios and home sets also will enable us to considerably increase the output of those products.” Stellner sees no substantial price reductions in TV for some months, said price reduction in components has already been reflected in today’s prices, and set makers have already absorbed 5-10% increase in cabinet costs.

Hallicrafters ad manager Charles Nesbitt, reporting new 16-in. rectangular-tubed table model, in leatherette at \$250, says market is softening gradually. “We’re beginning to tell the men from the boys,” he asserted, referring to Hallicrafters’ 38 distributors. But no serious effects have been felt yet, and Hallicrafters expects to continue present rate of production through summer.

Raytheon president Charles F. Adams Jr. reported in *Wall Street Journal* as saying that if seasonal decline in TV occurs this summer, it will only serve to allow industry to catch up with production of sets and parts. Belmont receiver division is still allocating TVs to dealers, he reported, and receiving tube division has added about 1700 workers and still can’t keep up with demand.

Pacific Cabinet & Radio Co., Los Angeles, plans to change name to Mercury Television Mfg. Co. next month, according to SEC registration statement (Vol. 6:16). Mercury Television & Radio Corp. is Pacific subsidiary.

In the East this week to address New York Society of Security Analysts, Hoffman Radio’s H. L. Hoffman reported again that his company probably won’t make more than 180,000 TVs this year but said it could turn out 300,000 except for scarcity of parts. Radios, he said, are in even shorter supply than TVs. His Los Angeles factory has been getting tubes and components via air freight for some months. He foresees new peaks in TV production and demand next fall-winter, said TV is mass market product which has barely skimmed potential.

Appearance of Hoffman receivers in more Eastern markets (Washington, as well as New York, Chicago) led to this advice from president H. L. Hoffman: Demand is twice supply, so Hoffman is playing it “conservative” in market expansions so as not to spread too thin. Distribution is well established along Coast as well as in Phoenix, Albuquerque, El Paso, Salt Lake City, San Antonio, Houston, Dallas, Tulsa, Oklahoma City, Kansas City, St. Louis. Basic plan is that St. Louis is as far East as it plans to go distributor-wise, though it is handling a few “direct accounts in other major TV markets and, the supply situation allowing, we may expand further this coming fall.”

* * * *

Hytron’s Air King has cut some prices. Line now is: 12½-in. walnut table, \$180 (no change); same in mahogany \$200 (no change); same in console \$230, down \$20; 16-in. rectangular table \$250, down \$30; same in console \$280, down \$20; same in console with doors \$370 (no change); same in console with AM-FM-phono \$400, down \$50; 19-in. console \$370, down \$80. Now producing at rate of 1200 per day, sales mgr. R. D. Payne foresees 200,000 sets this year; 40% of Air King business is for private label.

Air King is disclosed, through its parent Hytron, to be planning steel cabinet table model TV to be brought out in June, and company is said to have orders for 15,000 already. Hytron had excellent first quarter (Vol. 6:15), is now concentrating on very scarce receiver tubes, turning them out rate of 100,000 per day. Company looks forward to full year’s volume of about \$30,000,000 vs. \$16,226,143 in 1949.

Starrett has new 12½-in table, \$160. It now has considerable private-label business, mostly large dept. stores. In recent Philadelphia promotion, Strawbridge & Clothier offered Starrett-made sets at \$40 to \$100 below prices of regular Starrett line (*TV Directory No. 10*). Company is changing from direct-to-dealer sales to distributor setup, reports it’s turning out 1200 sets a day, hopes to do \$15,000,000 TV sales rest of this year.

Telequip has moved to new plant, 2559 W. 21st St., Chicago, which will triple production capacity, according to president Edward E. Arkin. Production of new 19-in. sets was begun this week, to be followed by 14-in. and 16-in. rectangulars. Firm has large commitments on private label models, and Mr. Arkin says he anticipates no “summer slump.”

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Sears Roebuck president Gen. Robert Wood, was referring to confusion due to color TV hearings, uhf, bigger tube sizes, etc., when he told stockholders this week: “TV is still a dangerous item for the retailer because of the continuing technical developments and the resultant price changes. We are handling it very cautiously at the moment.” Gen. Woods’ statement got big play on financial pages, but Sears’ TV-radio executives tell us big mail order house has always bought its private-label Silvertone on a cautious basis. Same officials say TV sales are very good. Company will have new line in summer catalog.

Question of 10% excise on TVs hadn't been reached by House Ways & Means Committee Friday. Situation was clouded at week's end, with some possibility committee will vote levy on TV. Rep. Jere Cooper (D-Tenn.) is understood to be leading proponent of tax as one way to help make up lost revenues from excises already cut (\$967,000,000). Cooper argues equity demands TVs be taxed same as radios. Among others, committee this week cut travel tax from 15% to 10%; home phones, from 15% to 10% (retaining 15% on business calls); long distance, from 25% to 20%; theatres, sports & cabarets, from 20% to 10%.

Factory expansions: Empire Coil Co., New Rochelle, N. Y., has purchased 50,000 sq. ft. plant formerly occupied by U. S. Plywood Corp. for additional operations . . . Capehart-Farnsworth reports \$200,000 addition to Ft. Wayne plant, providing 43,000 sq. ft., will be ready by end of vacation period in July; will permit 100% increased output . . . Trav-Ler will double TV output about July 1 when 30,000 sq. ft. addition to Orleans, Ind. plant is completed . . . Noblitt-Sparks (Arvin) plans new factory for TV receivers in Columbus, Ind., to be ready about July 1 . . . Sentinel building 25,000 sq. ft. addition to plant in Evanston, Ill., expects to double production of TVs, also portable and table radios.

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Big air-freight carrier, Slick Airways Inc., Chicago, tells *Chicago Journal of Commerce* that "TV is providing one of the largest and hottest movements in air freight today." TV parts now account for about 50% of Chicago-bound traffic from East, and sales mgr. M. C. Wilkin said: "The TV people tell us we haven't seen the half of it yet."

Philco has put new base on its 12½-in. table model 1404, now priced at \$230; it supersedes table-only at that price, takes place of previous \$260 console . . . Sightmaster has 19-in. console with FM and Sightmirror at \$399 . . . Pilot has new 16-in. console with FM and full doors, \$400.

Remington Radio Corp., White Plains, N. Y., went into receivership this week after creditors had asked it be adjudged bankrupt (Vol. 6:16). Assets are estimated at \$50,000, liabilities in excess of \$100,000. Federal tax claim of \$9000 has been added to \$7500 alleged due 3 petitioning creditors.

American Television & Radio Co., 300 E. Fourth St., St. Paul, Minn., believes it has a hot item in TV set inverters for use in the more than 350,000 DC homes in U. S. ATR has 3 types of DC-to-AC inverters, with 150, 225 and 350-watt output, selling for \$65 to \$82.50. Units can be attached to standard TV set, will permit it to work in DC areas.

Sylvania on May 1 moves all departments and divisions to new headquarters at 1740 Broadway, New York 19; telephone Judson 6-2424.

Hallicrafters wants in on color hearing, but chances are FCC will give it same brushoff given Emerson, Wells-Gardner, Packard-Bell, et al. Company contends adoption of incompatible system would be "breach of faith" with public, that FCC should lift freeze before present set market is saturated, that public should get color system of highest quality. Testimony on problems likely to be encountered with disc-type sets was also offered. FCC has been strict in its insistence new petitioners be prepared to offer "substantial" scientific data on color.

"Now look here!" may replace traditional "Now hear this!" preface to Navy shipboard commands over public address system. Navy is reported experimenting with closed-circuit TV systems for intra-ship communications.

Financial & Trade Notes: Sylvania's sales and earnings for first 1950 quarter were best it ever enjoyed in any peacetime first quarter, president Don G. Mitchell reported at special stockholders meeting April 27. Sales were \$29,347,911 vs. \$27,108,895 for first 1949 quarter. Earnings were \$1,225,844 (77¢ per share) on 1,456,550 shares of common stock, after deducting \$1 dividend on \$4 cumulative preferred. This compares with \$1,176,815 (74¢) in same 1949 period (when earnings based on average of 1,228,772 shares were reported at 88¢). First quarter orders were nearly 30% in excess of shipments. Demand for receiver and picture tubes, Mr. Mitchell said, is expected to keep production at capacity for some time; second quarter demand will be down seasonally but not as severely as last year.

Emerson board has recommended 2-for-1 split of stock, to be acted upon by stockholders at May 29 meeting. Present 879,805 shares of \$5 par value stock outstanding would be doubled to 1,759,610, leaving 1,240,390 authorized but unissued shares. Second fiscal quarter operations are reported better than expected, will considerably exceed those for 13 weeks ended Feb. 4 (\$1,225,912, or \$1.39 per share on sales of \$15,282,000). Company is aiming for \$65,000,000 sales this year vs. \$40,543,925 in 1949 and \$30,926,842 in 1948. It is now turning out 1700-1800 TVs per day.

Olympic stockholders this week approved 6-for-5 stock split. President A. A. Juviler reported about 30,000 TVs turned out first quarter vs. 51,718 for all 1949. Quarter's net income was \$368,454 (\$1.44 per share) vs. \$79,270 same period last year. Present expansions will lift current 600 per day capacity to 1000, he stated.

Packard-Bell reports sales of \$6,124,911, profit of \$506,792 (\$2.10) for 6 months ended March 31, first half of its fiscal year. They compare with \$2,679,501 sales, \$88,638 earnings for same period year ago. First half earnings were after costs of about \$30,000 incident to moving to new plant in January.

Americans are showing interest in Britain's TV industry, reports April 28 *Wall Street Journal*, which says it's reliably reported American investors have acquired large block of stock in Scophony-Baird from its managing director, Samuel Seeman.

Trav-Ler reported planning public offering of 315,000 shares at \$6.25 per share through Straus & Blosser, Chicago, to be sold from holdings of president Joseph Friedman, now owner of all 640,000 shares outstanding.

Radio & Television Inc. (Brunswick), New York, has new major stockholder and director in Edmund Mudge, Texas oilman, reported to have purchased 100,000 shares recently for \$225,000.

Webster-Chicago first quarter sales were \$3,708,808 vs. \$3,577,779 in same 1949 period. Net earnings were \$364,076 (\$1.26) vs. \$340,878 (\$1.17).

American Phenolic Corp. sales first quarter were \$2,788,759, profit \$175,649 vs. \$2,765,336 sales, \$224,906 profit same 1949 quarter.

F.A.R. Liquidating Corp., formerly Farnsworth, has voted to dissolve; stockholders of F.A.R. will receive one share of IT&T for each 12 shares of F.A.R. common.

Excise tax payments on radios, components, phonographs, etc. (10%) during March totaled \$4,210,125, reports RMA, vs. \$3,373,864 in February, \$3,502,434 in March 1949. Excises on phono records in March ran \$597,527 vs. \$581,778 in February, \$767,887 in March 1949.

Station Accounts: Vol. 1, No. 1 of BAB's newsletter *TV Pitch*, dated April 21, specializing in commercial side of TV, is recommended as "must" reading for sales & program managers of all TV stations. Among other things, it reports Army & Air Force will make appreciable use of TV as paid ad medium during fiscal year 1951; also that Goodall Co. (Palm Beach) has sent men's clothiers cooperative ad plan stressing TV, and Glidden Co. (paints) is seeking TV vehicle, thru Meldrum & Fewsmith . . . Davega Stores with Emerson sponsoring *Answer Yes or No*, panel quiz featuring Moss Hart as m.c., on WNBT, Sun. 10:30-11 . . . American Apothecaries Co. (Salviae) new participant in WJZ-TV *TV Telephone Game*, Wed. thru Sat. 2:30-3 . . . Sunset Appliance Stores with Carrier Air Conditioners sponsoring *Maggi's Private Wire*, with Maggi McNellis, on WCBS-TV, Wed. 11-11:15 . . . WCBS-TV partic. show, *Sewing Can Be Fun*, Mon.-Wed.-Fri. 3:45-4 p.m., starts May 1 with these sponsors: Advance Pattern Co., Arthur Bier Co., Schwarzenbach Huber Co., B. Blumenthal & Co., Philbeck Corp . . . Admiral Corp. May 17 starts sponsoring amateur shows in local movie houses on WBKB, Chicago, Wed. 8:30-9 . . . Fleming-Hall Tobacco Co. (Encore cigarette) breaks spot campaign in major markets in June, thru Raymond Spector Co. . . . Peter Fox Beer sponsoring 58 daytime home games of Chicago White Sox on WGN-TV . . . Among sponsors using or reported planning to use TV: Squirt Co. (grapefruit drink), thru Harrington, Whitney & Hurst, Los Angeles; Carter's Inc. (Arrid), thru Sullivan, Stauffer, Colwell & Bayles (KTSL); California Dairy Advisory Board, thru Brisacher, Wheeler & Staff (KTSL); Ben Hur Products Inc. (coffee), thru Mogge-Privett Inc., Los Angeles; Gold Seal Co. (wax), thru Campbell-Mithun, Minneapolis.

Personal Notes: Phil Hoffman, ex-mgr. WOL, Washington, now gen. mgr. of KOB & KOB-TV, Albuquerque, N. M. . . . Doyle D. Thompson new technical supervisor of WFMY-TV, Greensboro, N. C. . . . CBS Radio Sales names Herbert A. Carlborg mgr. of AM & TV sales development; Thomas Dawson succeeds him as Eastern AM sales mgr., and Fred J. Mahlstedt becomes gen. service mgr. for research, promotion, programs, etc. . . . Phillips Carlin, ex-MBS v.p., now has offices in RKO Bldg., New York, as TV-radio consultant . . . Elected to board of Advertising Council: Frank K. White, MBS president; Joseph Katz, adman; a director-at-large is Frank Stanton, CBS president . . . New officers of Assn. of FCC Consulting Engineers: A. D. Ring, president; George C. Davis, v.p.; James McNary, secy; Frank G. Kear, treas . . . Klaus Landsberg, mgr. of Paramount's KTLA, Hollywood, now a v.p. of Paramount Television Productions . . . Joe Csida, ex-*Billboard* editor who quit last year to join RCA Victor, has returned to *Billboard* as editor . . . Edward E. Benham named asst. chief engineer of KTTV, Los Angeles.

Screen Actors Guild has asked NLRB for election to determine union preference of all movie actors in Southern California, including those working for TV networks, stations, packagers, etc. Move is first in jurisdictional squabble between western union and newly-formed TV Authority, mainly eastern performers. Last week TVA got blessings of parent AAAA to represent all performers in TV, both live and film (Vol. 6:8, 16). SAG also informed all TV networks and stations that it represents motion picture actors, warned against recognizing TVA.

ABC and NBC signed new 18-month contract with NABET technicians April 26, terms not to be disclosed until members ratify agreement. NABET employes staged 2-hour work stoppage April 24, forced NBC-TV to cancel *Judy Splinters* and *Howdy Doody*. ABC wasn't telecasting at time. Both nets had to cancel several radio programs.

Incidental radiation interference, regarded as serious by FCC and industry alike (Vol. 6:14), is getting more attention from industry. Committees of American Standards Assn working with FCC and electronics industry, met in New York April 24-25, are just getting well into problem. RMA is collecting data from members, regarding: (1) Methods of measuring radiation on production line and in the field. (2) Radiation characteristics of various equipment, including TV receivers. (3) Costs and techniques for suppressing radiation. Top committee in matter, called Central Committee on Incidental Radiation Devices, comprises: E. W. Allen, FCC, chairman; W. E. Gilbert, Philco, representing RMA; Dr. J. J. Smith, representing American Standards Assn.

Trade Personals: Max F. Balcom elected chairman of Sylvania Electric Products Inc. board, succeeding late Walter E. Poor; an ex-RMA president, Balcom has been with Sylvania since 1918, since 1937 has been v.p. in charge of radio division, in 1944 was elected treasurer. New Sylvania directors are: Edward J. Poor, who resigned as chairman in 1943; Richard L. Bowditch, president of C. H. Sprague & Son Co.; H. Ward Zimmer, operations v.p. . . . Dr. Donald Sinclair new chief engineer of General Radio Co., Cambridge, Mass . . . Walter Lefebre named acting field sales mgr., Colonial radio & TV (Sylvania) . . . Russell Hobert, new controller & operations mgr. of Admiral-New York . . . Clarence S. Tay, gen. mgr. of Admiral's 4 distributing divisions, elected president and chairman of these divisions; branch mgrs. were elected v.p.'s: T. C. Carey, Chicago; T. J. Hodgens & E. R. Glauber New York; R. O. Habensteit, Milwaukee; E. M. Perkins, Boston . . . Jack Petterson new asst. adv. mgr. of Motorola.

IUE-CIO won first important victory Friday when it won NLRB election at Westinghouse plants over leftist UE, 27,281 to 22,280. However, main Pittsburgh plant has to have runoff, since vote there was 5763 to 5663, with about 300 votes challenged, voided or otherwise not counted. Next NLRB vote in electrical industry is May 25 when GE's 100,000 workers ballot; RCA's 7000 workers at Camden and Pulaski, Va. are due to vote before end of May.

Webster-Chicago, quite taken with CBS color system, has built own color camera chain, will demonstrate it during Radio Parts Show in Chicago May 22-25. Company has made number of color receiver components for CBS.

Havana's CMQ has ordered RCA equipment for Cuba's first TV outlet; president Goar Mestre says he may get it on air before year's end.

RCA has engaged Clark M. Clifford, who recently resigned as aide to President Truman to practice law in Washington, as special counsel.

AM network billings down slightly (except for CBS), TV network billings up substantially—that's essence of March and first 1950 quarter Publishers Information Bureau reports. Trend is same as noted for first 2 months (Vol. 6:14); here's the complete table:

NETWORK RADIO				
	March 1950	March 1949	1st Quarter 1950	1st Quarter 1949
ABC	\$ 3,477,451	\$ 4,238,845	\$10,184,501	\$12,152,424
CBS	6,110,831	5,837,746	17,860,893	17,037,484
MBS	1,410,683	1,775,790	4,490,974	5,329,172
NBC	5,847,374	5,847,557	16,785,941	17,003,602
Total	\$16,846,339	\$17,699,938	\$49,322,309	\$51,522,682
NETWORK TELEVISION				
	March 1950	March 1949	1st Quarter 1950	1st Quarter 1949
ABC	\$ 347,361	\$ 26,352	\$ 784,311	\$ 51,299
CBS	661,986	190,865	1,827,941	430,890
DuMont	*	81,352	*	204,882
NBC	1,177,166	476,800	3,197,562	1,090,548
Total	\$2,186,513	\$775,369	\$5,809,814	\$1,777,619

* Not available.