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URGENCY OF TV DEMAND—CASE HISTORIES: So tremendous is the pent-up demand for TV in non-TV areas that when a small leak occurs in FCC's 3-year-old "dam" -- as it did in Denver this week -- the impact and reaction are truly staggering.

Same pressure of demand, eagerness to get local TV service, is germinating some ingenious techniques -- via the "community antenna" method -- as exemplified in unique application filed with FCC this week.

Police estimated 50,000 Denverites saw World Series during first day alone, on 92 receivers fed closed-circuit signals tapped from transcontinental microwave by promotion-wise Eugene O'Fallon, operator of TV applicant KFEL (MBS). Project got FCC blessing in advance, approval also of network, sponsor and baseball folk.

"TV Comes To Denver," shouted 8-column front-page headline in Denver Post, which ran 4-column pictures and column after column of description. Receivers were in Brown Palace and Cosmopolitan Hotels -- lobbies, dining rooms, balconies, suites. Police blocked off Broadway, were hard put to control crowds which included about 6000 people at a time.

Hallicrafters sets dominated show, with 75 of them supplied by its distributor McCollum-Law Corp., all 17 & 20-in. Four other makes were represented with a few -- Emerson 5, DuMont 3 (two 30-in.), Stromberg-Carlson 5, Motorola 4, no others.

Cost to KFEL was \$1350 to NBC, \$3000 for phone company contract charge plus \$100-per-game hookup charge, and 18¢ a foot for about 7000 ft. of cable. In return, station got \$500 from each hotel, plus \$30 for each set, and 25¢ per foot of cable. Signals were received atop Brown Palace, piped to all locations.

"We're not making any money on this," said Mr. O'Fallon. "We're promoting the station and TV while getting some TV experience." Station has own camera chain which fed programs before and after games. No commercials were sold. So elated is Mr. O'Fallon that he plans other closed-circuit features in future.

Wolfberg theatre failed to get approval from baseball commissioner Frick, on grounds exception couldn't be made to general ban on theatre TV for Series.

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Community antennas are another symptom of the long-frustrated TV demand (Vol. 7:2 et seq), and this week's mail brought FCC the most ambitious such project yet proposed. J.E. Belknap & Associates, 317 S. Main St., Poplar Bluff, Mo., partnership of 5 businessmen, asked permission to install common carrier microwave network to feed signals of St. Louis and Memphis stations to 15-20 towns. Local companies would distribute signals to individual homes by wire.

Proposal is first of its kind, definitely requires FCC approval, inasmuch as radio transmissions are involved. Other existing community antenna installations simply pick TV station signals out of air, send them to homes by wire.

Company would set up receiving-transmitting stations 30-40 miles northeast of Memphis and 30-40 miles west of St. Louis. First would kick signals along to

Kennett, Mo., where they'd be relayed to Poplar Bluff, thence eventually to many other towns. Second would send signals to Mt. Vernon, Ill. for further relay.

Initial service would be provided Poplar Bluff and Kennett. Company would operate its own local distribution system in former. Total population to be served eventually would be 265,000 in these additional towns: Malden, Dexter, Cape Girardeau, Jackson, Sikeston, Caruthersville, all Missouri; Paducah, Ky.; Cairo, Carbon-dale, Marion, Johnston City, W. Frankfort, DuQuoin, Benton, all Illinois.

Frequencies requested are 890-940 mc & 5925-6425 mc, using RCA TTR-1A and BTL-1A equipment, with estimated cost of \$25,005 per link. Classification of station asked is Class II experimental.

Cost of service to local entrepreneurs is proposed as follows: \$25 per home installation up to 500, \$10 each for next 500, nothing additional over 1000. Monthly rate would be \$1.75 per installation up to 500, \$1 each for next 500, 75¢ each for all over 1000. Finally, \$5000 is to be paid when 100 sets are in operation.

Company comprises 29-year-old Belknap, who owns drug store; C.B. Bidewell, hardware store; Wm. L. Cohen, general store; Ernest C. Dunn, hotel; John S. Davis, insurance. Mr. Dunn has principal resources -- worth \$100,000 or more.

Group appears confident of system's future, regardless of advent of TV stations. They believe towns too small to support more than one or 2 stations, whereas system can provide multiple services. They've retained McIntosh & Inglis as Washington consultants, conferred with FCC staff which welcomes test case. Construction would start 90 days after CP, be completed in 90 more, according to application.

Materials may prove tough nut to crack, if FCC does give approval. Just this week, for example, NPA announced turndown of request for 12 tons of steel, 1800 lbs. of copper, by Pennwire TV Co. (C.F. Gardner), which proposed to set up community systems in Lewistown, Burnham and Derry township, Pa., at cost of \$85,000.

BROADCASTERS HAVE NEW CAUSE CELEBRE: If NBC can make its formulas stick, there will be brand new alignments of radio networks -- to say nothing of an entirely new economic modus operandi -- forced by impact of TV on radio as an advertising medium.

If plan sticks, it could even be pattern for future TV station-network relationships and sales operations, though that isn't suggested in project announced by executive v.p. Charles R. Denny Oct. 5 in 13-page statement. Basic proposals:

(1) Addition of 100 or more station affiliates for "more massive coverage" -- these to be "premium" outlets paying and receiving no pay for carrying sponsored network programs as audience and prestige builders.

(2) More programs to be piped to affiliates for local sponsorships on "pay as you sell" basis -- some 10 hours (40 quarter hours) per week of non-option time.

(3) Network advertisers to select any stations they wish, instead of contracting for minimum groups, as now required -- buying such tailor-made networks on one-time, alternate-week or non-consecutive basis as desired.

(4) Downward revision of sponsor rates charged for and paid to about half the present 171 NBC affiliates, upward revision of others -- not necessarily depending on TV competition (though that seems implicit in idea). This is subject to negotiation with individual stations. Over-all network rates would remain about same.

(5) Changes in network option time to free more evening hours to stations for local sponsorships, but to give network more morning-afternoon time to sell -- also a tacit admission of TV inroads on night audience.

Overtone of TV's impact are manifest throughout whole plan, which NBC stated was endorsed by SPAC, its stations planning & advisory committee at meetings this week under chairman Jack Harris (KPRC & KPRC-TV, Houston). SPAC's "basic economic study committee" is also headed by Mr. Harris and includes: Harold Essex, WSJS, Winston-Salem; Harry Bannister, WWJ & WWJ-TV, Detroit; C. Robert Thompson, WBEN & WBEN-TV, Buffalo.

While NBC indicates it's proceeding with some facets of plan at once, whole project is bound to take time, inevitably will react on other networks and particularly on present system of station sales representation -- and probably will highlight NBC's affiliates convention at Boca Raton, Fla., Nov. 28-Dec. 1.

IMPERATIVE NEED OF SELF-POLICING CODE: By all means read FCC Comr. Paul A. Walker's summary of complaints being received by Commission against certain TV-radio program practices. Salient excerpts from his Oct. 2 speech before churchmen's board are published as a Special Report herewith.

Comr. Walker both praises and damns -- but the crescendo of complaints is something the telecasting fraternity simply cannot afford to ignore.

Visual program content & timing is regarded so delicate a matter, in fact, that station manager we know won't carry any dramatizations, network or otherwise, unless he's supplied with synopsis in advance. He congratulated himself this week because he escaped a lulu -- about an unfaithful wife and a pregnant servant girl, with several shots of latter handled with extreme indelicacy. (Show was "Grace" -- on Tintair's Somerset Maugham Theatre on NBC-TV, Mon., Oct. 1, 9:30-10:30.)

Same manager limits commercials, naturally won't accept the 30-minute-long kind (Vol. 7:38), won't allow crime and horror stuff during children's waking hours.

The home isn't a theatre or a night club, and self-policing of TV demands considerably more severe restrictions than stage or movies -- of that there can be no doubt. Hence, no more serious problem faces TV today than the proposed new code of self-regulation on which NARTB-TV standards committee (Vol. 7:25,31,36) reached unanimous accord at Washington meetings Oct. 2-3.

Text of proposed code isn't being made public until full TV membership (68 of the 108 stations, 2 of the 4 networks) acts on it at Oct. 19 meeting in Chicago's Stevens Hotel. All 12 committeemen were present at Washington sessions, at which drafts by 4 subcommittees -- education & culture; news, public events, religion, controversial issues; advertising practices; standards observance -- were gone over and consolidated into one document expected to win at least informal FCC approval.

NARTB-TV gets off to good start with high-minded project like this, merits support of everybody in telecasting. While NBC-TV has published code of own, and CBS-TV is reported preparing one, whole industry may be expected to adhere to all-industry standards, once they have been adopted by station rank and file.

FEVER MOUNTS IN 'PAPER' FREEZE HEARING: Filing of statements in FCC's "paper allocations hearing" reached total of 736 this week -- indicating they'll number well into 4 figures by Nov. 26 deadline (Vol. 7:30). Nevertheless, feeling is universal that procedure is saving many months, if not years, of time in ending freeze.

Perhaps most significant of this week's filings was one from Sen. Johnson, who strongly reiterates his contentions that:

(1) Educational institutions, in his own Colorado at least, and probably in most other States, can't get funds to build and operate stations.

(2) Commercial stations should be required to set aside time for education.

"There has been some intense drum-beating throughout the country," he said, "designed to stampede the Commission into reserving channels for non-commercial educational purposes. In theory, and at first blush, this proposal shines with great lustre. As a practical matter, after close scrutiny, one observes that the brightness covers little ground and the glitter is only skin deep.

"TV is far too valuable as a national resource and much too intricate and delicate a process to be allowed to waste away through idleness, lack of funds and inexperience. I want this medium to be available to the people of Colorado now. I am positive that neither the University of Denver nor any other educational group will be ready during the next 10 years to apply for a license and state that they are 'fit, willing and able' to operate a TV station. What I want to avoid is creating a 'dog in the manger' situation."

So intent is the Senator on realigning FCC's proposed channel allocations to get more vhf into Denver, that he had consultant Grant Wrathall (who owns radio stations out West) present engineering affidavit & maps showing how it can be done.

With Sen. Johnson's powerful opposition, with prime advocate Comr. Hennock presumably leaving FCC, with educational counsel Telford Taylor going to new govt. post (Vol. 7:39) -- Commission may ease up somewhat on its reservation proposal,

perhaps in direction indicated by Chairman Coy: set time limit to reservation.

Educators are putting up stronger showing than many expected, some of their filings indicating intense study, a few actually claiming financial resources now on hand. Thus, it's considered unlikely FCC will drop reservation in toto.

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Lawyers and engineers are now exploring ways and means of smoothing post-freeze hearings to cut delays to bone. Communications Bar Assn. committees have been meeting, making suggestions. Final recommendations won't emerge for some time, but these are among topics considered:

(1) Cutoff date, with applications "frozen" for specific period.

(2) Length of time during which applications will be accepted after final freeze decision. Many lawyers and engineers are disturbed by FCC talk that one month may be enough (Vol. 7:36). In addition to flood of new applications to prepare, they expect 50% or more of existing 445 applications will have to be amended as to financial and legal data, virtually all of them as to technical data.

(3) Disposition of cases heard pre-freeze. There's nothing clear on this yet, but applicants who have been heard feel they have priority over others.

At FCC, there are really no decisions on any of these. FCC has yet to decide just how to go about making final decision. Though there's some talk of doing it piecemeal, one area at a time, such procedure is unlikely. "One big package," when it's all over, looks like the ticket.

As for oral presentations, these will be mighty rare, if not non-existent. Only possibility of these is where FCC is sure it will find itself over legal bar-rel. "Show cause" orders, where Commission proposes to switch channels of existing stations, may precipitate a very few oral hearings. But FCC may choose to avoid these by accepting alternative proposals offered by stations.

But true end of freeze -- stations on air -- is still in mists of future... 1953-54 (Vol. 7:36). One savvy Washington attorney soberly predicts hearings in every one of first 160 markets -- all cities down to 60,000 population -- with final FCC decisions taking up to 18-24 months.

MORE UHF ANSWERS—BY SARKES TARZIAN: That uhf reception problems are well in hand -- amply proved by many manufacturers -- was again emphasized this week when tuner-maker Sarkes Tarzian showed his wares in Bridgeport. And Mr. Tarzian, ever full of enthusiasm for TV, indicated willingness to go into station equipment manufacture in modest way to assist small-town station entrepreneurs like himself.

Builder-operator of WTTV in nation's smallest TV city, Bloomington, Ind. (pop. 28,000), Tarzian is also biggest maker of switch-tuners -- though his output is nowhere near that of giant in field Standard Coil (turret type).

Tarzian showed some 60 engineers from 20-odd companies his answers to uhf and described his approach to problem. To us, after our fifth Bridgeport trip, it appears that his uhf tuners shape up about as well as his successful vhf units and the uhf devices of other manufacturers (Vol. 7:14-23).

Mild-mannered, highly respected Sarkes Tarzian's first pitch is a new vhf tuner, TT16, so designed that uhf tuner can be added by simple plug-in. He urged that set designers build future receivers around tuner in such fashion, with uhf dial and all, that uhf tuner may be added by mere layman.

He decries removing vhf strip and replacing it with uhf -- a la Zenith, Standard Coil, et al -- deploring loss of any vhf channel. Both an all-channel continuous tuner and a single-channel unit are offered. Though principal aim is to get new vhf tuner into sets, company now has uhf tuners for existing sets. For these, vhf & uhf antennas are hooked into the tuner and tuner feeds into sets's antenna terminals. Uhf is tuned on Channel 2 or 3.

If it's self-powered, all-channel unit should retail at \$39, single-channel at \$22.50, Tarzian said. If set's power is used, price is about \$10 less for each.

Engineers seemed satisfied with performance, as demonstrated at Hotel Barnum -- though Giants-Dodgers final playoff game certainly took minds off technicalities

for awhile. As usual, engineers won't rest until they can get their hands on tuners and test them under adverse conditions. But Tarzian isn't sending samples yet, says uhf stations must be more imminent before he'll give others chance to copy.

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As for uhf's potential, he's quite enthusiastic, saying: "I see no reason why it won't give as good service as vhf. We still don't have the right receiving tubes, but we will. Eventually, we'll have vhf & uhf on the same tuner."

Oscillator radiation problem, once a cause celebre at FCC, with overtones of govt. regulation (Vol. 6:23), has been licked with much less fanfare than feat warrants. For example, Tarzian says his present vhf tuners radiate no more than 25 uv/m at 100 ft. on Channels 2-6 or 50 uv/m on Channels 7-13. This compares with RTMA-recommended 50 & 150 uv/m for respective channel groups. His uhf tuners, says Tarzian, radiate well within RTMA limits. He believes that achievement of uhf via strips may prove serious in this respect.

Roundup on uhf tuners and sets has been written for November Radio-Electronics Magazine by Rudy Frank, promotion manager of WELI, in nearby New Haven, whose home has served as unique testing ground for most units announced to date (Vol. 7:15). December issue will contain his description of uhf antennas.

So successful is his WTTV, Bloomington, which has turned the profit corner, that Tarzian says he's willing to show other small-town aspirants "how to do it." "In fact," he says, "though we aren't looking for business, if someone wants us to, we'll equip such stations completely, at about \$150,000, instead of the \$250,000-\$300,000 it would otherwise cost." He means "the works," he says, including 2-kw transmitter about like WTTV's (Channel 10).

FEW TV-RADIO CONSTRUCTION TURNDOWNS: Surprisingly few TV-radio building projects have been rejected by NPA for fourth quarter -- only 6 (3 TV, 3 radio) out of total of 2195 turndowns handed out by Govt. to all industries.

Fifteen broadcast construction projects, on other hand, have been listed to date as approved by NPA (Vol. 7:37-39) -- out of mere 180 approved construction projects of all types announced so far. More approvals are yet to be announced.

And CBS got govt. OK and allocation of fourth quarter materials for its big \$5,330,000 "Television City" studios on Gilmore Stadium site in Los Angeles -- to become 16th broadcast construction approval for this quarter. (NPA erroneously listed CBS project as rejected in tabulation released this weekend.)

Three TV studio projects were turned down for fourth quarter -- no reasons given -- but these may reapply for first quarter 1952. They were DuMont and CBS in New York, scheduled to be built at cost of \$1,150,000 and \$230,000, respectively, and WJBK-TV, Detroit, \$169,200.

The 3 radio station construction bids rejected were: KS00, Sioux Falls, S.D., \$19,000; WJAM, Marion, Ala., \$12,000; KABR, Aberdeen, S.D., \$4564. KS00 has CP for power boost; neither of latter two is on air, both have CPs.

COMR. FRIEDA HENNOCK'S chances for New York Federal judgeship (Vol. 7:39) didn't seem bright this week—but bulk of her support is yet to come. This week, Comrs. Coy, Walker, Jones and Communications Bar Assn. president Wm. Porter appeared in her behalf before closed sessions of Senate Judiciary Committee. Chairman Pat McCarran (D-Nev.) says it's unlikely that hearings, which adjourned Oct. 3 after 2 days' sessions, will resume before Oct. 15. Miss Hennock became ill, didn't attend Oct. 3 session.

Hearings continued closed, will resume same. Sen. McCarran says he doesn't know whether Miss Hennock will testify in her own behalf. "She hasn't conferred with me about it," he said.

Hearings continue to range entire gamut of Miss Hennock's qualifications. One Senator wondered why commissioners and industry representatives "seemed so eager to get her off the Commission." Another, when told of

her single-minded advocacy of educational TV reservation, asked: "Do you think that's a judicial temperament?" There were other even rougher charges.

Opposing Miss Hennock this week were Judges John Mullen and James G. Wallace, of New York City Court of General Sessions. Reportedly due to testify for her are: Justice Agnes Craig, New York City Municipal Court; Jacob Holtzman, New York State Board of Regents; many representatives of women's attorneys' associations; spokesman for Joint Committee on Educational Television. There was speculation that Judiciary Committee wouldn't act this session, due to adjourn by end of month, leaving way for recess appointment, but that possibility didn't appear strong at week's end.

Walter I. Griffith, 73, onetime director of Iowa State College's WOI and ex-president of National Assn. of Educational Broadcasters, died Sept. 29 at home in Ames, Ia.

Personal Notes: Earl I. Sponable, technical director, 20th Century-Fox and pioneer TV technician, to be honored at SMPTE convention in Hollywood Oct. 15-19 with awards of both the Society's Progress Medal and the Samuel L. Warner Memorial Award; he's past president of SMPTE . . . Harry Mason Smith, WLW sales v.p., placed in charge of sales of all Crosley stations (WLW & WINS and TV stations WLWT, WLWD, WLWC) as Crosley promotes John T. Murphy TV operations director and mgr. of WLWT, and Kieran T. Murphy, controller, to vice presidencies . . . Joe Baudino, gen. mgr., Westinghouse Radio Stations, elected v.p. & director; he succeeded Walter E. Benoit July 1, latter having been made gen. mgr. of new Westinghouse Air-Arm Div., Baltimore . . . George Heine-mann, TV operations mgr., succeeds Art Jacobson, NBC-TV program mgr., Chicago . . . Frank U. Fletcher and John H. Midlen have dissolved law partnership, will practice independently, both with offices in Munsey Bldg., Wash- ington, former's phone National 5308, latter's Metropolitan 6006 . . . Horace L. Lohnes, veteran Washington radio at- torney, elected president of George Washington U Alumni Assn. . . . Betty Forsling, ex-TV-radio editor, *Newsweek*, joins ABC-TV as asst. national director of program dept. . . . Robin D. Compton, ex-NBC, ex-chief engineer of old WOIC, Washington (now WTOP-TV), joins Washington consulting engineering staff of George C. Davis . . . Charles J. Keys named director of newsreel dept., WFIL- TV, Philadelphia, Wm. C. Driscoll resigning to become editor of Telenews Productions Inc., N. Y. . . . Gerry Mar-

tin resigns as TV director, Duane Jones Agency, to join Geyer, Newell & Ganger . . . Sam J. Slate, program direc- tor for British Broadcasting Corp. New York office since 1945, appointed director of programs & special events, WCBS, New York CBS Radio key . . . Ole G. Morby, ex- asst. sales mgr., CBS Pacific Network and KNX, named CBS West Coast radio station relations director . . . John Bainbridge, ex-KFMB-TV, San Diego, joins Walter Mc- Creery Inc., Los Angeles . . . Jose diDonato, ex-Petry and recently with Robert W. Orr & Associates, joins Harry B. Cohen Adv. Agency Oct. 10 as TV-radio director, Howard Nussbaum becoming special asst. to Mr. Cohen . . . Richard H. Close shifted from Eastern mgr. of radio spot sales to TV spot sales, Robert J. Leder succeeding him . . . Wilmot Losee, gen. mgr. of Crosley's WINS, New York, resigns to open New York rep office for Ralph Atlass radio stations (WMCA, New York; WIND, Chicago; WLWL, Minneapo- lis; KIOA, Des Moines); his successor at WINS is Harry Foltz, ex-asst. sales mgr., WLW . . . Arnold Wilkes named public service director, WBAL & WBAL-TV, Baltimore, succeeded as program mgr. by Jerre Wyatt . . . Robert Hibbard, operations director of WGN-TV, Chicago, re- called to Army as reserve captain . . . Goar Mestre, presi- dent of CMQ & CMQ-TV, Havana, recipient Oct. 5 of Ex- port Advertising Assn. award of merit . . . John W. Pacey, acting, promoted to ABC director of public affairs . . . Arthur F. Monroe resigns from J. M. Mathes Inc. to join Capehart-Farnsworth, succeeded as agency's public rela- tions-publicity director by Warren Cox.

Station Accounts: Reuben H. Donnelley & Sons Co., handling coupon distribution for 28 products (including Old Dutch Cleanser, Wrisley Soaps, Maxwell House Coffee, Waxtex Paper, Glosstex Starch, Wesson Oil, Felso, Libby's Pineapple Juice, Hilex Bleach, Perk Dog Food, Duncan Hines Cakes, Perfex Super Cleaner), testing TV spots in Chicago, Detroit, Cincinnati, Columbus, thru Ful- ton, Morrissey Co., Chicago . . . Coffee Time Co. (coffee carbonated beverage), whose executive v.p. is Rudy Vallee, plans TV in N. Y. area soon, thru Harry Paul Associates, Boston . . . Greyhound Bus Lines starts campaign of 20- second spots on 66 TV stations in 50 markets, budgeted for \$250,000 for Oct.-thru-Dec., thru Beaumont & Hohman, Chicago . . . Philip Morris & Co. testing for Dunhill ciga- rettes on all 3 Cleveland stations, thru Biow Co., N. Y. . . . United Airlines, sponsoring *Harry Owens Royal Hawaiians* on KTLA, Los Angeles, Fri. 8-8:30 p.m., adds KGO-TV, San Francisco, Sun. 9:30-10 p.m., flying KTLA producer Klaus Landsberg and entire cast to bay city each week in special plane for the repeat performances . . . Arnold Bakers Inc. sponsoring *Arnold Short Story Theater* on WJZ-TV, Wed. 11-11:15 p.m., including two 5-min. capsule dramas produced in Hollywood by Mark Fredericks . . . Swift & Co. buys 5-a-week feature films for 52 weeks on WPIX, New York, 7:15-8:15 p.m., thru J. Walter Thompson . . . Higgins Inc., noted shipbuilder, buys 6:55-7 p.m. weather reports weekdays on WDSU-TV, New Or- leans . . . GE making available to dealers-distributors film spots advertising its TV sets, to be placed locally . . . Among other advertisers reported using or preparing to use TV: Domestic Sewing Machine Co., thru Fuller & Smith & Ross, Cleveland; Catalina Inc. (bathing suits, sweaters), thru David S. Hillman Inc., Los Angeles; Wayne County Produce Co. (apple sauce), thru Rose-Martin Inc., N. Y. (WCBS-TV); Cats Paw Rubber Co. (heels & soles), thru S. A. Levyne Co., Baltimore; Kyron Foundation Inc. (dietary aid), thru Simmonds & Simmonds, Chicago; Clopay Corp. (shades, drapes, curtains), thru Farson, Huff & Northlich, Cincinnati; Standard Milling Co. (Ceresota, Hecker's flour), thru John W. Shaw Adv., Chicago; Somnyl

Pharmaceutical Corp. of America (Nu-Pax sedative), thru Emil Mogul Co., N. Y. (WNBT); Delcin Corp. (Kendrin anal- gesic tablets), thru Victor van der Linde Co., N. Y. (WJZ- TV); Gorton-Pew Fisheries (Gorton's sea foods), thru H. B. Humphery, Alley & Richards Inc., Boston (WXYZ- TV); U. S. Envelope Co. (Self-Seal envelopes), thru S. R. Leon Co., N. Y. (WTVJ); Atlantis Sales Corp. (Good Luck pie mix & filling), thru J. Walter Thompson, N. Y. (WTVJ); Arthur Brown & Bros. (art supplies), thru Huber Hoge & Sons, N. Y. (WPTZ); Thomson Porcelite Paint Co. (paints & enamels), thru Wayne Adv. Agency, Philadelphia (WPTZ); Waring Products Corp., subsidiary of Claude Neon Inc. (Waring blenders & steam irons), thru Hicks & Greist Inc., N. Y.

Network Accounts: Chesterfield assumed sponsorship of Giants-Dodgers playoffs on NBC-TV Oct. 2-3, after CBS-TV had televised first game coast-to-coast as public service . . . Gillette, sponsor of World Series and under contract for Rose Bowl game, has signed to sponsor Army- Navy game from Philadelphia Dec. 1, starting at 2 p.m. EST on NBC-TV; Westinghouse, on same network, will sponsor Notre Dame-USC game from Los Angeles same day, starting at 2 p.m. PST (5 p.m. EST) . . . Ekco Prod- ucts Co. (Ekco kitchenware) starting Oct. 9 sponsors 8- 8:15 portion of *Frank Sinatra Show* on CBS-TV, Tue. 8-9, thru Earle Ludgin & Co., Chicago . . . Hudnut Sales Co. Inc. (cosmetics) starting Oct. 8 sponsors Mon.-Wed.-Fri. 12:45-1 segments of *Frances Langford-Don Ameche Show* on ABC-TV, Mon. thru Fri., noon-1, thru Kenyon & Eck- hardt, N. Y. . . . Minute Maid Corp. (frozen orange juice concentrate) starting Oct. 31 will sponsor Wed. segment of *Gayelord Hauser Show* on ABC-TV, Wed. & Fri. 1-1:15 p.m., thru Ted Bates & Co., N. Y. . . . General Mills (cereal tray & cake mixes) starting Nov. 3 will sponsor *Betty Crocker Star Time* on ABC-TV, Sat. noon-12:30, thru Dancer-Fitzgerald-Sample, N. Y. . . . Philco Corp. starting Oct. 14 shares alt. week sponsorship with Goodyear of *Television Playhouse* on NBC-TV, Sun. 9-10, thru Hutchins Adv. and Young & Rubicam, respectively.

Argentina's first TV station, LR3-TV in Buenos Aires, now testing and due to go into full commercial operation Oct. 17 (Vol. 7:36), will be followed by 2 more in Buenos Aires, 2 in Rosario and one each in Cordoba and Mendoza, according to Argentine reports. Equipment was purchased by Radio Belgrano y Primera Cadena Argentina de Broadcasting, S.A., from IT&T's International Standard Electric Corp., produced by Federal, and installed by W. J. Andrews, an American engineer. LR3-TV has 2 studios in Alvear Palace Hotel (3 cameras each), plus film studio, and antenna is atop Ministerias de Obras Publicas Bldg. It uses 5-kw FTL-19A transmitter operating on Channel 7 into 8-bay antenna providing ERP of 45 kw. STL links transmitter and studio, 3 kilometers apart.

Three TV networks cooperated in unscheduled first coast-to-coast baseball telecast Oct. 1 of first Giants-Dodgers National League pennant playoff game—in hectic last-minute maneuverings. Game was telecast in New York by WOR-TV, was carried by CBS network. It was put on cable by ABC-TV, which has studios adjoining WOR's. NBC gave up its reserved time on the microwave-cable link to permit the telecast—in exchange for CBS' release of its time Oct. 2 and 3 so NBC could carry last 2 playoff games. First game was sponsored locally by Schaefer Beer, but commercials were cut off the network feed. Last 2 games were telecast by WPIX in New York, NBC elsewhere, with Chesterfield as sponsor.

NBC has closed deal for old Vitagraph film studios in Brooklyn, covering block bounded by Locust & Avenue M and East 13th & 14th Streets, at reported price of \$500,000. Negotiations with Warner Bros. were conducted by Joseph V. Heffernan, NBC financial v.p., network taking possession immediately after deal was closed Oct. 3. In one of buildings on site, TV studio 85x185 ft. (15,725 sq. ft.) is being built. NBC also announced plans for new TV studio in Chicago Merchandise Mart headquarters, for which it got NPA approval a few weeks ago (Vol. 7:37).

Oct. 1 sets-in-use, reported since NBC Research's "census" of Sept. 1 (Vol. 7:39): Miami 86,300, up 10,300; Washington 288,650, up 7650; Omaha 89,950, up 7250; Fort Worth-Dallas 135,656, up 5656; Memphis 98,769, up 5569; Greensboro 78,463, up 4563; Utica 53,000, up 3000.

First international TV pickup will be NBC-TV telecast of Oct. 15 welcoming ceremonies for Princess Elizabeth and Duke of Edinburgh at Windsor, Ont., across river from Detroit, program to originate from WWJ-TV's mobile unit.

"Nation's Oldest 8D21 TV Tube Dies in Action at KING-TV, Seattle," headlines RCA press release. Transmitting tube was 9254.8 hours old, "a new longevity record for this type of tube," said obituary.

Comprehensive article on TV boosters, for fringe area reception, is carried in October *Radio & Television News*. Written by Milton S. Kiver, it includes technical description, pictures, prices, list of 26 booster manufacturers.

Financial Miscellany: Sylvania reported considering additional financing in form of \$25,000,000 bonds and \$15,000,000 of convertible issue, proceeds to be used partly to refund present bonds, but it's still only in "talking stage," says *Retailing Daily* . . . Hoffman Radio took no dividend action for Oct. 7, though previously has been paying 25¢ quarterly . . . Blaw-Knox earnings this year placed by "street sources" at \$2.25 a share compared with \$2.27 in 1950, says *Wall Street Journal* . . . Tung-Sol has rearranged common stock dividend dates to Dec. 1, March 1, June 1, Sept. 1 . . . Technicolor Corp. president Dr. Herbert K. Kalmus announces \$2,000,000 expansion program, embracing 60,000,000-ft. more capacity by early 1952 with goal of 600,000,000 ft.

Financial & Trade Notes: One of the keener observers of TV in the financial community, Sidney B. Lurie of Paine, Webber, Jackson & Curtis, doesn't see any handwriting on the wall that motion picture industry is doomed by TV. While he concedes attendance may never again reach 1946's high, he thinks movie industry "has passed the peak of its troubles" and sees strong possibility that "a substantial portion of the lost audience can be regained."

Mr. Lurie makes these points in bulletin titled *The Motion Picture Stocks—A Progress Report*:

(1) Not only did trend of motion picture attendance turn upward this summer, but "the upturn has continued through September despite the return of the top TV shows to the air." Film popularity is on upgrade—having hit rock bottom in first half 1951—because of better pictures today and because public now is spending less of its dollar for "hard goods."

(2) TV's "major immediate impact [on boxoffice] already has been witnessed—and measured. The novelty seems to be wearing off—and the talent voraciousness of TV probably means an average level of program quality which can't compete with a really top-notch motion picture." And, when new-station freeze is over and there are new TV areas: "The prospective gain in attendance in presently served TV areas might provide a cushion which easily absorbs any losses later resulting from new stations in new areas." It's Lurie's belief that movies will inevitably find "positive constructive answer to today's competitive threats . . . whether it be subscription TV, theatre TV, or 3-dimensional screens."

(3) Motion picture industry is working to reduce costs to point where profit can be obtained at current attendance levels—with substantially all cost of each picture "written off" in first year of distribution.

(4) Film export picture is bright. "American pictures today are supreme throughout the world [and] with various countries having eased their exchange restrictions and quotas in the past year, 1951 dollar remittances will be among the highest on record."

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Scott Radio Laboratories Inc., Chicago, and John Meck Industries Inc., Plymouth, Ind., both controlled by John S. Meck, will be merged in plan which Meck stockholders will be asked to ratify Oct. 15, Scott stockholders Oct. 23. Plan is for Scott to absorb Meck by issuance of 1.3 shares of Scott stock for each share of Meck, with John Meck Industries surrendering its holdings of 131,600 shares of Scott. Mr. Meck, president of JMI, has been president of Scott since April 1950.

New RCA board member is Mrs. Douglas Horton, ex-president of Wellesley College, now on NBC board, who as Capt. Mildred McAfee commanded the Waves during World War II. She's first woman member, was elected Oct. 5 to succeed Arthur E. Braun, of Pittsburgh's Mellon Bank, resigned.

Thompson Products Inc., Cleveland, big aircraft parts maker, has acquired Antenna Research Laboratory, Columbus, plans volume production of antennas, including TV; L. W. Reeves, Thompson v.p. who set up its electronics div., has named A. L. Pomeroy acting mgr., antenna div.

Raytheon reports net profit of \$110,000 on sales of \$16,756,000 for quarter ended Aug. 31 vs. \$568,000 on sales of \$17,834,000 in same 1950 period—TV accounting for drop, all other divisions up.

Dividends: RCA, 50¢ payable Nov. 26 to stockholders of record Oct. 19; Zenith Radio, 50¢ payable Oct. 31 to holders Oct. 17; Tung-Sol, pfd., 20¢ payable Nov. 1 to holders Oct. 17; Outlet Co. (WJAR & WJAR-TV), \$1.25 payable Nov. 1 to holders Oct. 22.

FOR 1952—NPA CONSERVATION ORDERS: Conservation...simplification...standardization -- these words are heard more and more around govt. production control agencies.

Constantly discussed are regulations that would tell practically all industries what they can and cannot do with materials doled out to them.

For maximum production from minimum materials by civilian and defense-supporting industries, best information is that NPA is planning series of orders and programs to enforce conservation. Most of these orders won't come until next year -- probably until second quarter. And industry committees will be asked for advice before they are prepared.

Here are examples of restrictions which may be imposed on TV-radio industry -- some are already being considered; others merely have been suggested within NPA:

- (1) Ban on metal cabinets and brass, aluminum and stainless steel trim on TV-radio sets and other electronic equipment.
- (2) Standardization and elimination of many receiving & picture tube types.
- (3) Limitation of number of models each manufacturer may produce. For instance, NPA could standardize on 14, 17 & 20-in. TV sets and limit manufacturers' lines to one console and one table model of each.
- (4) Limitation of amount of aluminum in TV and auto radio antennas.

STATISTICS POINT UP FAVORABLE TRENDS: "Still going good," is word from all levels of the TV trade -- well supported by industry statistics.

Final September week, ending Sept. 28, saw production continue to inch up, while factory inventories took another dive of nearly 50,000. It was ninth straight week of declining inventories.

Week's production was 81,946 TV sets (1681 private label), up from 78,548 the week before (Vol. 7:39), bringing September's 5 statistical weeks' total to 331,379 (subject to later revision by RTMA statisticians).

September output figure compares with August's 146,705, July's 152,306. Thus, third quarter total is 630,390, as against second quarter's 1,134,836, first quarter's 2,199,669 -- for 9-month total of just under 4,000,000.

Will year's output go much beyond 5,000,000 with 3 months to go? Prospects are good -- but it all depends on continued demand for sets and availability of materials to set makers. Right now, inventories are being consumed, and nearly everybody feels confident these will be in reasonable balance to output by end of year.

* * * *

Factory inventory of 462,896 as of Sept. 28 compares with peak of 768,766 last Aug. 3 (Vol. 7:32), and is down from 510,100 end of preceding week (Vol. 7:39). It puts factories at about position they were at beginning of last May, when figure was 474,541. But picture isn't nearly so bleak as then, for distributor inventories then were about 650,000 and dealer inventories were unknown quantity but piling up.

Distributor inventory count by RTMA is always month behind factory figures. It stood at about 680,000 at end of August. New Dun & Bradstreet dealer count, also month behind, was estimated at 800-900,000 as of Sept. 1 compared with the 900,000-1,150,000 estimate of month earlier (Vol. 7:35).

Radio production was 222,257 units (98,045 private) for Sept. 28 week, with inventories 381,556. Week before, the figures were 240,494 & 388,919, respectively. Month's radio production thus was 1,091,042, which, added to August's 563,407 and July's 548,495, brings third quarter total to just under 2,203,000. First quarter radios were 4,135,111, second 3,730,219 -- so 9-month total is just over 10,000,000.

Sept. 28 week's radios were 125,373 home, 20,901 portables, 75,983 auto.

It's apparent TV-radio trade is enjoying same upswing as most other appliances still in supply, judging from optimistic reports in business press. "The lift is off the bottom," said report of business survey committee of National Assn. of Purchasing Agents, but it cautions that's "not indicative of a boom in general business the balance of the year."

Near-term outlook is for higher prices for TV sets, once old stock is gone. New lines are generally priced higher, production is subject to ever-tightening materials controls, probable lower output rate, increasing labor costs. If demand continues high, prices have "nowhere to go but up."

Long-term, there's scant doubt about enormous future prospects for TV -- once freeze is lifted, new stations built, new markets opened up. That's assuming that, by then, civilian and defense economies are brought into promised equilibrium.

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In that connection, it's worth contemplating what GE's Dr. W.R.G. Baker recently listed as 4 principal factors affecting growth of TV after freeze thaws:

(1) Economic: "We will still be in the middle of an expanding economy, with our national gross product reaching a new high of some \$310 billion or more a year, due in part to the heavy Federal military expenditures, to the Govt.'s deficit spending and to a dropping, but still fairly adequate, supply of consumer products, and a high level of disposable income."

(2) Political: "We are, and barring an all-out war, will be in 1952 living in a garrison state, a controlled economy, with definite limitations on the amount of civilian production and with controls on profits, wages and prices."

(3) Production: "If the present pattern of mobilization is followed, there will not be available for manufacture of TV sufficient critical materials for industry to produce more than 5,000,000 sets in 1952. It may even be 4,000,000 or less, if proposed restrictions on critical materials are adhered to rigidly. It might even be fewer sets if nickel is unavailable for receiving tubes."

"It takes a long time for many of the military contracts to build up to any volume, and that is particularly true for complicated military electronic equipment requiring a large amount of engineering. The major drain on the supply of critical basic materials will fall most heavily in 1952 and early 1953."

(4) Scientific: "Improved black-and-white receivers for uhf as well as vhf will be available. Picture tube sizes are still increasing. No compatible color receiver of an all-electronic type will have been developed to the point that it will be in quantity production by the time the freeze is unfrozen."

CUTBACKS BITING NOW—TROUBLE AHEAD: Let's not kid ourselves -- there'll be tough times ahead. TV-radio-appliance production is bound to dip further as inventories of materials are used up, metal rations get tighter and component shortages develop.

Some of the optimistic statements by high govt. officials recently do not appear to be borne out by the facts. It's known that these same men -- in off-the-record remarks -- see plenty trouble ahead in production situation.

While NPA was telling industry groups this week that consumer durable goods may get 10% less copper and aluminum during first-quarter 1952, for example, Defense Mobilizer Charles E. Wilson reported to the President and the public that civilian manufacturers may get enough materials during first quarter to allow them to operate "substantially at fourth-quarter levels" (see Mobilization Notes, p. 11). This is a view we haven't heard from any other production control official.

To satisfy total military and civilian demand for metal in first quarter would require: 205% of total available supply of structural steel; 160% of alloy steel; 170% of stainless steel; 166% of copper wire; 177% of aluminum.

Already these shortages have bitten heavily into appliance output. GE and Westinghouse are eliminating from their lines some small appliances such as waffle irons and sandwich grills, and GE is cutting refrigerator output to 50% of first-quarter level. Shortages of nickel, steel, copper and zinc were blamed for shutdown this week of GE's Hotpoint plant in Milwaukee, which idled 600 workers.

That material shortages are going to hurt this quarter, is indicated already

by widespread claims of brand-name TV manufacturers that distributors are demanding all the sets they can now supply. Bendix, for instance, says some of its models are on allocation to distributors "despite the fact that production lines...are moving on regular schedules based on copper allotments."

"Our own CMP allocations would restrict our fourth-quarter production to a fraction of the 1950 period," declared Magnavox president Frank Freimann this week. "Inventories generally are not large enough to compensate for production curtailments in the offing," he said. "The apparent uncertainty that still prevails in relation to the industry is inconsistent with the govt.-enforced production cutbacks that will prevail in the coming months."

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Another cut in fourth-quarter steel-copper-aluminum was announced Oct. 1 by NPA -- in form of ruling that any unfilled order calling for third-quarter delivery which is not shipped by Oct. 7 must be charged against fourth-quarter CMP allotment. Move was necessary to break log-jam of undelivered orders backed up on mill order boards -- but no matter how you slice it, it's a cut in metals for this quarter.

Fourth-quarter copper crisis has been relieved somewhat by withdrawal of 30,000 tons from govt. stockpile, but there's still strong possibility some users won't get their full fourth-quarter allotments. And stockpile withdrawals must be paid back within year.

Aluminum is now most serious item in fourth-quarter picture -- due to the drought-induced power shortage in Pacific Northwest. Although dry spell apparently is over, much production was lost, and aluminum stockpile is too low to draw on.

Acute aluminum-copper shortage in first and second quarters of 1952 was predicted this week by DPA-NPA chief Manly Fleischmann -- because of rising military "take" of these metals. While govt.-sponsored expansion program should blot out the aluminum shortage by end of next year, he said, "the shortage of copper, like death and taxes, will always be with us."

There's less copper available this year than last, in face of far greater demand, says Frank Hayes, NPA's top copper expert; "and in 1952, and running into 1953, we will be very fortunate if we can maintain our present [copper] production."

Trade Personals: Michael D. Kelly, promoted from asst. to TV sales mgr., Hallicrafters, succeeding Paul H. Eckstein, resigned to form own electronics sales rep firm with offices in Pure Oil Bldg., Chicago . . . John Mahoney, Hallicrafters sales promotion mgr., succeeds Charles J. Nesbitt as adv.-public relations mgr., Mr. Nesbitt joining Critchfield & Co., Chicago ad agency headed by his father . . . Other Hallicrafters executive appointments, mainly promotions, announced this week by Wm. J. Halligan, president: Wm. J. Halligan Jr., communications radio sales mgr., named radio sales mgr.; Wm. S. Wright, works mgr., to operations mgr.; Fred T. Page, ex-Ford, controller; J. C. Matthews, asst., to purchasing director; Rudolph W. Westerfield, director of procurement, to executive staff . . . James C. P. Long, head chief of Navy Dept. material coordination section, joins Washington engineering staff of Sprague Electric Co. as asst. to John P. Sheridan . . . James R. Hill, ex-Herbert H. Horn Co., joins Hoffman Radio in charge of TV parts warranty program, succeeded as gen. service mgr. at Horn by Clarke Latimer . . . Marshall C. Wells named sales promotion mgr., Hoffman Sales Corp., Los Angeles . . . James B. Ferguson named chief engineer, Link Radio, with F. A. Schaner in charge of govt. accounts; Harold Heimark, commercial; J. W. Campbell, engineering coordination . . . Ignatius Volpe, ex-Air King and Jewel Radio, named chief engineer, Steelman Phonograph & Radio . . . George M. Johnson, South-Southeast regional sales mgr., named mgr. of Chicago sales branch, Stewart-Warner TV-radio div. . . Paul P. Pierson named mgr. of new Crosley Distributing Corp. branch in Omaha; Crosley now operates own branches in New York, St. Louis, Atlanta, Albany, Portland, Ore.

SELF-FOCUSING PICTURE TUBES now comprise DuMont's entire output, and similar tubes are in production or planned by other major manufacturers. DuMont, having discontinued manufacture of conventional magnetic focusing types, is producing new zero-voltage "automatic" electrostatic focus tube (Vol. 7:20-21, 33-34) in 17, 20 & 21-in. sizes, and will put it into new receiver line.

GE is manufacturing its own version of the zero-voltage tube, also in 17, 20 & 21-in., but is still turning out magnetic focusing tubes, too. RCA this week announced new low-voltage electrostatic focus 17-in. similar to DuMont's, but with provision for adjusting focus voltage, although "focus is automatically maintained." Sylvania is known to have similar tube in the works, and Rauland has been making low-voltage tubes for some time (Vol. 7:12).

Although new tube is more difficult to manufacture than old types, it makes possible savings in cost of set manufacture, and—more important—in such strategic materials as cobalt, copper and steel. Tube manufacturers variously estimate use of new tubes will save set makers from 75¢ to \$4 per set by eliminating or simplifying focus circuits.

"Ham" radio operators were granted priorities to buy parts and equipment Oct. 4 in NPA Order M-85. Order provides that members of 9 major military and emergency networks can each purchase \$200 worth of priority orders on self-certifying basis. Other amateurs will be limited to \$100 in rated orders. Regulation permits amateurs to pool their quotas "to meet unusual needs." The "ham" priority action was requested by defense agencies, Amateur Radio Relay League and electronic parts, components distributors.

Topics & Trends of TV Trade: A \$2,000,000 promotion—including what is probably biggest giveaway contest in history—is planned by Crosley to push its new line of TVs, radios and appliances. “American Way of Life” essay contest, announced Oct. 3, will feature 5000-6000 merchandise and cash prizes, including national first prize of \$10,000. In addition, Crosley will present \$500,000 to churches and charities selected by contest winners. Primary purpose of huge promotion, said v.p. William A. Bles, is to counteract the “demoralizing” effect of TV-appliance price cutting. Further production cutbacks were predicted by v.p.-gen. mgr. John W. Craig, but he said this will be offset partially by technological advances.

DuMont’s industrial color equipment (Vol. 6:9-10)—field sequential, 18 mc, 180 fields, 12½-in. monitors—will be used to view ramjet engine tests Oct. 9-12 for National Advisory Committee for Aeronautics, Lewis Laboratory, Cleveland. Some 1200 military and aircraft industry visitors are expected to observe demonstrations, to be conducted by DuMont engineer Patrick Gallagher.

RCA Victor’s entry into air-conditioner field, selling units under own brand and made to its specifications by Fedders-Quigan Corp., Buffalo (Vol. 7:39), will come under jurisdiction of distribution v.p. Robert Seidel; RCA distributors will handle, for most part. RCA arrangement with Fedders-Quigan, it’s said, is much same as that of Philco with York Corp.

RTMA reports only fraction of govt. orders, unknown percentage of total, but that fraction is illustrative of overall increase. Second quarter orders totaled \$324,493,087, compared with first quarter’s \$184,216,795. Radar is biggest single group, amounting to \$187,598,079, “communications apparatus” second with \$115,500,969.

Picture tube sales by RTMA members in August totaled 210,043, worth \$4,327,234, up nicely from July’s 89,144, valued at \$1,858,930. Figure for first 8 months is 2,851,222, worth \$72,714,437. Of August sales, 98% were 16-in. and up, 93% rectangular.

Hoffman Radio ups prices of 7 new models, including \$10 more on 17-in. consoles (now \$350 & \$360), \$30 on 17-in. tables (now \$260 & \$270), \$40 on 24-in. consoles (now \$635 & \$650).

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Trade Miscellany: New York dept. store sales in Sept., running 8.5% lower than same month of 1950, showed consistent TV-radio declines, according to monthly *Herald Tribune* survey revealing 11 stores with percentage declines ranging from 13 to 83 . . . Kansas City Electric Assn. sponsoring \$12,000 campaign of 608 spots on 5 local radio stations to promote TV set sales, theme being “The Richest Man Cannot Buy All the Entertainment Your Family Can Have Free—on TV”; dozen distributors and Kansas City Power & Light Co. have pooled to underwrite campaign . . . August TV set sales in Washington area, according to Electric Institute, totaled 3550 vs. 10,216 in August 1950; cumulative for Jan.-thru-Aug. was 28,829 vs. 47,848 . . . Gimbels N. Y. advertising own-brand TVs (reported made by Regal) at \$128 for 17-in. table, \$158 console; \$148 for 20-in. table, \$188 console . . . Zenith shipments during Sept. totaled some \$12,000,000, double August’s, according to trade reports . . . Crosley reported planning to add room air conditioner and a dishwasher to appliance line . . . Magnavox price guarantee, made June 15 to last to Nov. 1, extended to Dec. 15.

GE reached agreement with IUE-CIO Oct. 4 on pact providing 2½% pay boost for 70,000 workers in 55 plants, with minimum increase of 3½¢ an hour, as well as escalator cost-of-living wage adjustment providing 1% wage increase for each 1% rise in living cost index, adjustments to be made March 15 and Sept. 15.

Mobilization Notes: Good level of civilian production can be maintained in first-quarter 1952, said Defense Mobilizer Charles E. Wilson this week in report to the President. He predicted no cutbacks heavy enough to “force many plants to close completely at a time when the military program does not require the plants nor the manpower.” He pledged effort to keep civilian plants operating above “break-even point,” and said “actual production levels [in fourth quarter] will probably be higher than the allotment percentages indicate, and close to levels that prevailed prior to 1950 [because of] inventories of materials on hand, substitution of less critical materials, and many ingenious conservation techniques.”

As for shortages of consumer goods, Wilson said they may be avoided in 1952 if demand stays low. “In the radio and TV market, for example, consumer demand has not been high enough to eliminate some unemployment in the industry. An inventory of 2,000,000 TV sets and 3,000,000 radios is available to help offset the temporary production decreases that will be necessary as military demands upon the electronics industry increase.”

TV-radio production chart, illustrating report, shows estimated future output, using 1949 as base. Production in 1950 (7,400,000 TVs, 14,500,000 radios) was 222% higher than 1949, and 1951 production is shown as about 180% of 1949 (or 6,000,000 TVs, 12,200,000 radios). Chart also forecast 1952 production at 5,000,000 TVs, 9,700,000 radios.

Mobilization program is passing out of “tooling-up” stage into actual production, said report. Third quarter military deliveries were more than \$5 billion, and “by a year from now, the rate should have doubled, reaching \$10-\$11 billion in deliveries per quarter . . .” The defense mobilizer went on:

“In the field of electronics a relatively small number of high-cost complex radar systems account for 60% of the production dollar. Deliveries to date have been relatively low, while the industry expanded its plant and completed its tooling. The delivery rate will triple by next summer. Some of the newly-developed items are already in use. Long-range radar equipment is included in the ‘radar fence’ now protecting our borders; new electronic-controlled weapons are in use by ground, sea and air forces; lighter and more reliable field radio and telephone sets have proved their value in Korea.”

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Personnel changes this week in mobilization and related establishments: W. W. Watts, deputy DPA administrator, has relinquished part-time duties in Washington to return to his job as engineering products v.p., RCA Victor; he will continue as a consultant to DPA . . . J. A. Milling, chief, end equipment branch, NPA Electronics Div., to head DPA Electronics Production Board while chairman Edmund T. Morris Jr. is in Europe . . . Robert E. Williams, on leave from Automatic Electric Co., named director, NPA Communications Equipment Div., succeeding Luther W. Hill who resumes duties as president of Carolina Telephone & Telegraph Co., Tarboro, N. C. . . . Walter C. Skuce, NPA asst. administrator for production controls, who directed CMP program in World War II and developed present CMP machinery, returns to post with Owens-Corning-Fiberglas, his deputy William C. Truppner taking the NPA job on acting basis . . . Gabriel J. Ticoulat, Crown Zellerbach Paper Co. v.p., named DPA deputy administrator for international problems . . . Ex-newsman Jack O. Gorrie, acting NSRB chairman since April, nominated by President Truman for permanent appointment . . . Dr. Robert M. Page, superintendent of radio division III at Naval Research Laboratory, Washington, has returned from 3-month survey of electronics developments in Germany for State Dept.

ANOTHER TURNING POINT IN COLOR struggle may well come next 2 weeks—Oct. 9-13 and Oct. 15-19—when Washington officialdom, including FCC and Congress, inspects RCA color piped from New York. All commissioners were invited to attend any time they choose, and FCC staff is expected second week.

Sen. Johnson, prime color goad on Capitol Hill, is due at 2:15 p.m. showings Oct. 11. Other Senators and Congressmen are scheduled Oct. 11-12.

In New York, thrice daily shows will be thrown open to public for first time. They were heralded by full-page ads in *New York Times* and *Herald-Tribune*, headlined "Now You Can See RCA Color Television." Demonstrations will be in Center Theater only.

Request to transmit color over RCA-NBC Bridgeport uhf station was filed this week, reason being that WNBT plans shortly to begin commercial programming 7 a.m., leaving no time for on-the-air field tests during working day. Pickups in Bridgeport area are also planned.

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From Zurich, Switzerland, came excited report from newsmen, as well as from 20th Century-Fox's president Spyros Skouras. They'd just seen CBS system projected on 9x12-ft. screen with Eidophor system (Vol. 7:29, 38). Cabled *New York Times'* correspondent: "Under laboratory conditions . . . pictures were very vivid, all color perfectly natural, all shadings delicate and of exquisite reality." UP reported: "Newsmen and spectators . . . termed the quality of the pictures excellent and many believed they outdid the best color films so far shown in movie theaters."

"A new era of prosperity" for film industry was predicted by Mr. Skouras, who said 150 U. S. theatres should be color-equipped by April 1952. Thereafter, he said, expansion will be at clip of 150 at a time, mounting to total of 2000 or so.

Transmission was by cable from adjoining room, featured an actress, fruit, flowers. Though picture was 9x12 ft., Eidophor engineers say light output of system allows pictures with area 8 times as great.

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CBS's first football colorcast of California-Pennsylvania game Sept. 29 (Vol. 7:39) apparently didn't create much stir. Stations complained about paucity of color sets, hope to gain public interest as CBS-Columbia pro-

vides more receivers later in season. Complaints from viewers, who couldn't figure out incompatible jumble on their screens, was kept at minimum by slides—transmitted at approximately 5-minute intervals via standard black-& white—informing public what was going on.

Reactions to colorcast football varied enormously. Wrote *New York Times'* Jack Gould: "Colors were very erratic in quality and far from true . . . Different camera angles or different conditions of lighting saw the same color vary badly . . . Toward the end of the game there was an element of fatigue in continued watching, a situation that was not relieved by the patches of red, blue and green that a viewer could still see, every time he looked away from the screen . . . There may be a big difference in watching color TV for 20 minutes and watching it for 160 minutes."

Elmore Bacon, *Cleveland News*: "While color TV is a reality it is still in the novelty class. So don't start throwing away your black-&-white TV sets . . . The green grass background was somewhat too vividly green. The red in the uniforms a violent red. And the green background occasionally took on a red haze. However, in the distant shots the colors identified the two teams more distinctly than black-&-white . . . When bigger and better color broadcasting comes about, it will be fine for many programs. For others the black-&-white will be just as interesting."

Others disagreed. Wrote *Variety's* Joe Cohen: "Color is far superior to black-&-white for football." Harold Brown, *New York Herald Tribune*: "More of the atmosphere . . . made me feel I was right at the game." Mickey Greenman, *Quick*: "The best thing I've seen yet on color TV. The colors were so life-like, I felt I was part of the crowd at the game."

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Repercussions of Lawrence tube demonstrations (Vol. 7:38-39) continue, stirring up lots of queries. Consensus of those who've seen it, including engineers, continues to be: "Not too good yet, but give them some time. They may have something." Paramount Pictures v.p. Paul Raibourn, speaking this week to New York Society of Security Analysts, said company doesn't intend to go into mass production of tube, will leave that up to tube manufacturers it hopes to license. Present intention is to make enough tubes for public demonstration.

Telecasting Notes: First on TV, then movies—that's plan of actress Rosalind Russell for story she owns, *Never Wave at a Wac*, in which she'll appear on CBS-TV *Schlitz Playhouse* Oct. 18 as sort of test. If it clicks, it will be shot by her producer-husband Frederick Brisson as feature film on location at Fort Lee, Va., budgeted at \$750,000, to be released by United Artists . . . Song plugs via TV arc very effective, says Charles Sanford, director of *Show of Shows*. Despite music publishers' squawks that TV doesn't allow for a concentrated song drive, he told *Variety*, "a good visual presentation of a new tune can spark enough interest to hypo sheet music and disk sales [and] doesn't require the saturation previously needed in radio" . . . AFM's Jimmy Petrillo, after conferring with Hollywood Local 47 last week, predicted 70% of TV shows will originate in Hollywood within 2-3 years . . . KNXT will be call letters of CBS-Hollywood's KTSL when new Channel 2 transmitter starts operating atop Mt. Wilson about end of this month . . . Henry Christal, cx-Petry partner, forming own rep firm, radio only, is reported to have commitments from WDAF, WTMJ, WBEN, WHAS, KFJH . . . New WLTV, Atlanta (Vol. 7:39), names Harrington, Richter & Parsons as national rep . . . Top educational and civic leaders comprise TV Community Council formed by

KING-TV, Seattle, headed by Mrs. Raymond B. Allen, wife of U of Washington president, to advise on daily 11:30-noon weekday educational-informational programs aimed primarily at housewives . . . Fort Worth's WBAP-TV celebrated 3 years on air Sept. 28 by holding staff party for 153 employes on 1 p.m. *What's Cooking?* show . . . Miami News (WIOD) editors meet before cameras of WTVJ weekdays 6-6:10 p.m. to discuss day's news in program titled *Meet the News* . . . Successful "how" feature on KTTV, Los Angeles, sponsored by 4 local plant and fertilizer firms, is *Garden Chats with Joe Littlefield* . . . WAGA-TV, Atlanta, raised base hour rate as of Oct. 1 from \$500 to \$650, one-min. from \$80 to \$104 . . . WXEL, Cleveland, raised hour rate Oct. 1 from \$725 to \$800, one-min. from \$125 to \$160.

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Thirteenth application for uhf to be filed with FCC was that of WGBI, Scranton, Pa., CBS outlet owned by McGargue family, seeking Channel 22. Two more vhf applications filed this week brought grand total pending to 445—cowboy actor Gene Autry's KOOL, Phoenix, asking for Channel 10, and KIFI, Idaho Falls, Ida., asking for Channel 3. [For further details about these applications, see *TV Addenda 13-M* herewith; for list of all applications pending, see *TV Factbook No. 13* and Addenda to date.]

Urgent Need for TV Code

Commissioner Walker Sounds a Warning

On Program Excesses by Telecasters and Broadcasters

Excerpts from Address before Board of National Council of Churches of Christ in U. S.; New York, Oct. 2, 1951

Editor's Note: At the very moment an NARTB committee was completing draft of a TV code (see Television Digest, Vol. 7:40), FCC Comr. Paul A. Walker was addressing these severe—and in some instances quite deserved—strictures upon certain telecasting-broadcasting practices. These excerpts are published because we sense a growing undercurrent of reaction against dubious programming, often off-color, more often badly timed; because they reflect the sort of complaints being received by the FCC; and because the venerable Mr. Walker, oldest member of the Commission on which he has sat for 18 years, an elder in the Presbyterian Church, and an ardent TV fan, doesn't often speak out so sharply—but this time felt he had to do so. His remarks emphasize the pressing necessity for standards of self-regulation and for the entire industry's wholehearted cooperation in the NARTB code effort.

“YE shall know the truth, and the truth shall make you free.”

These words of St. John might very well serve as a guide to broadcasters and all those who are interested in the improvement of radio and television service. Unfortunately, there are those who seem to disregard this principle and are more concerned with the financial aspect of broadcasting than they are its cultural and spiritual value.

A recent issue of the *Chicago Daily News* carried an article about a television program over a station in Chicago which featured a game of Russian Roulette. As you know, in this game one bullet is put in a revolver, the chamber is spun, the gun is put to the head and the trigger is pulled. The chances are one to six that the one pulling the trigger will be killed. This particular program was broadcast about 9 o'clock in the evening and among its many viewers were five teen age boys who had a spirit of adventure. One of them shot himself after the third try and died. A writer for the *Chicago Daily News* commented regarding this tragedy:

This is not an isolated incident. It was merely more dramatic and more immediate in its results. It would be good if American youngsters could take care of themselves. Unfortunately, they can't. They need leading. Leading them to Russian Roulette, to crime, to passion, to horror, as shown on so many television shows is the height of irresponsibility.

This unfortunate incident and the comments of the newspaper man about it deserve our most serious thought. It illustrates most dramatically the impact that this new electronic marvel of television can have upon the thinking and behavior of our people, especially our children. Its use for good or evil will to a large extent, I believe, depend upon the character and sense of public responsibility of those who are licensed to operate stations and the constructive efforts and helpful assistance of individuals and groups such as your own.

Radio and TV Do a Good Job

By and large, I think it may be said that radio and television stations do a good job in this country. We have developed a system of broadcasting in the United States which on the whole far surpasses any other in the world. For example, we were recently thrilled by the first nationwide network telecasts which brought the sessions of the Japanese Peace Treaty Conference into the homes of millions of people throughout the land. The construction and splendid performance of this network are a tribute to the genius of American enterprise. The video transmission of

the sessions and the commentaries of experts coming from the meeting rooms constitute a superb achievement in mass communication and education. Many radio stations have demonstrated a high sense of public responsibility and have contributed richly to the well-being of the communities in which they operate. A splendid example of this is the First Radio Parish Church of America, which has been carried by Station WCSH in Portland, Maine, for more than 25 years. Commissioner Sterling recently attended its 25th anniversary and paid high tribute to the station and to Pastor Howard O. Hough who started the church and has faithfully carried it on through the years.

Despite such excellent performances, however, we must honestly recognize that much of what we see and hear on American radio and television has little cultural, educational or spiritual value and some of it is positively harmful.

The correspondence which regularly comes to the Federal Communications Commission is striking evidence of the public reaction against some of this degrading programming. Almost daily we receive substantial quantities of mail from irate citizens who protest the advertising of alcoholic beverages, indecent or profane programs, false or misleading advertising, crime and horror stories, and other types of inferior programs. The other day I received a letter from a distressed woman in Wisconsin pleading for some restraint on TV programs which border on the vulgar and do violence to generally accepted moral standards.

What They Complain About

As I pointed out recently in a speech to the National Education Association, we have many fine radio and television programs but we are still plagued with some that border on cheap burlesque; that dramatize tales of horror that make children scream in their sleep; that contain prolonged disc-jockey shows with repetitious chatter; that dramatize anti-social behavior and make it appear harmless and even respectable.

I think you may be interested in excerpts from some of the letters which have recently been received by the FCC in which complaints have been made regarding radio and television programs. A gentleman from Milwaukee writes: “As a frequent radio listener, it is my conviction that it has become incumbent on your Department to revise that book of 20 years ago ‘Twenty Million Guinea Pigs’ upward to ‘50 million’.

“It seems to me there should be a time limit on commer-

cials. Yet, here today we have reducing compounds, hair oils and . . . baby diapers being sold on 15-minute commercials.

"You don't know who makes the stuff, you have nothing but the come on of a 'money back guarantee' wholly without reputation or integrity to go on."

A lady in New York complains of a "phony selling scheme" which has been carried by a station for weeks in which "high pressure sales talks" are used.

A protest comes from a lady in Arkansas. She raises the question, "Has radio reached the point where filth and foul smelling programs can be presented under the name of entertainment?" If so, she says, "then kill the whole radio system. . . ."

Crime Programs and Juvenile Delinquency

An irate gentleman from Louisiana writes: "Why isn't something done to control the number of crime and horror programs broadcast over all but one of the major networks. Some nights on one network we get as much as three and a half hours straight of crime and horror.

"Everyone talks their heads off telling about the constant increase in juvenile delinquency while some networks are permitted to broadcast three to four straight hours of crime and horror at one time.

"Why doesn't someone in authority do something? Or do the ones who could do something care what happens?"

Another distressed woman writes that "My little 5-year-old granddaughter sits in utter absorption oblivious to everything else around her," listening to all the "gruesome murder stories, people shooting and being shot, beating each other up, screaming and dying, etc., etc. These things cannot help but have a bad effect upon the kids."

A woman in Los Angeles writes: "May I as a conscientious citizen appeal to you in regard to the appalling amount of crime-detective programs presented on the radio. Fortunately, I can control the listening habits of my own impressionable-aged children but I shudder to think of the many, many younger boys and girls, teen-agers and even adults who listen and are unfavorably influenced by these dreadful, immoral, overdone, over-emphasized crime stories. If just half such programs were removed and replaced by a higher type of presentation, one to cultivate and strengthen rather than break down the public thinking, there would still be an abundance for the ardent detective story listener." She concludes her letter by saying: "Please give the children something to build on instead of a picture of crime and insanity after which to pattern their lives."

Not long ago a doctor in a large city wrote regarding the program service of two of the three television stations in that city saying they spent the whole afternoon from 3 to 6 o'clock advertising beer and giving race results.

'Vulgarity and Obscenity'

Recently the Commission received a copy of a resolution adopted by a ministers' association in a large city deploring the vulgarity and obscenity which characterize many of the programs broadcast by radio and television stations. This resolution reads in part:

Through the medium of radio and television, a deluge of burlesque show humor, liquor advertising and barroom vulgarity is forced upon us. Our boys and girls are urged to drink. This is repeated again and again and programs glorify drinking liquor. To us it seems that radio and television are more concerned with revenue and with catering to a minority of people with a love for smut than they are the principle of service.

We believe that the service motive is a sound business principle and that all forms of recreation, including radio and television, should re-create; that is, should be constructive and promote development and growth.

. . . We urge an emphasis upon programs which promote a respect and love for truth, beauty, goodness and the God given sense of humor.

The attitude of some leading citizens with respect to the general quality of radio and television programs is well expressed, I think, by a prominent writer* in these words:

* H. A. Overstreet, in *The Mature Mind*.

Radio remains, and increasingly becomes, a technical triumph. But it would not be an exaggeration to say that nine out of ten of the voices that the listener summons when he turns the dial are the voices of mediocrity—and of immaturity: mediocre actors speaking mediocre lines—or actors who deserve better lines trying to inject meaning into the meaningless; mediocre singers singing mediocre songs; mediocre comedians laboring to make old jokes sound new; mediocre commentators sharing the air with their more penetrating and responsible fellows; mediocre quiz masters asking questions and handing out prizes; mediocre advice-givers responding to deep human perplexities with pat mediocre advice. If, from the point of view of man's maturing, the test we must put to radio is that of its *average* influence or its most frequently exerted influence, the answer is not reassuring.

Opposes Government Censorship

Now there are some who have become sufficiently aroused to urge governmental intervention. They honestly believe that the only way to secure the highest quality program service is through government censorship. I, for one, however, do not subscribe to this school of thought. I do not believe that a few officials in Washington should have the power to tell 150,000,000 people what they may hear and see on radio and television. Congress wisely prohibited censorship and limited the authority of the FCC with respect to program service when it passed the Communications Act of 1934 and established the agency.

While the Commission does exercise authority insofar as the law permits, the improvement of broadcast program service must come primarily as a result of effective leadership by responsible citizens and organizations in the community and nation and broadcast licensees who are responsive to that leadership and influence.

Churches and their leaders have contributed immeasurably to the well-being of this country. The words, "In God We Trust," have a real and profound meaning for most Americans. According to a recent survey more than 80,000,000 of our people are affiliated with one church or another and of this number more than 50,000,000 belong to Christian churches, a substantial portion of which are represented by your organization. I understand that the total membership of your group is about 32,000,000. Religion, therefore, is a vitally important aspect of the American way of life. For this reason, the FCC has consistently looked with favor upon the broadcasting of religious programs and has always considered them as an important element of the public interest. In fact, when stations apply for renewal of their licenses, they are required to state what time they have devoted to religious and cultural programs and how much they propose to devote in the future.

Most Stations Generous with Time

By and large, stations have been generous in providing time for such broadcasts and the files of the Commission show that there has been an over-all increase in the granting of time to churches and other religious groups in the past few years. However, there have been some disturbing examples of stations that have discontinued all religious programs to make way for those which are commercially profitable. Your organization and others similar to it can help to improve this situation. Through surveys and studies of your national and local groups you can continue to keep the general public, the government and broadcast licensees informed of the religious and moral needs of the nation and the radio work that is being done to meet these needs . . .

A Nobel prize winner has recently said that science and religion are the answer to the world's problems. The advances in science are giving us new devices and techniques but we know full well that science alone cannot give us a healthy and happy world. The philosophy and faith which motivate the use of these new scientific tools are crucially important. As Jeremiah has said: "Thus saith the Lord: Let not the wise man glory in his wisdom, neither let the mighty man glory in his might, let not the rich man glory in his riches: but let him that glorieth glory in this, that he understandeth and knoweth me, that I am the Lord which exercises loving kindness, judgment and righteousness, in the earth: for in these things I delight, saith the Lord."

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OF THE
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ARTS AND INDUSTRY

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NEW TV STATIONS WON'T LACK FINANCING: Plentiful flow of capital into new TV station construction and operation is assured, once FCC lifts freeze and starts granting CPs -- possibly sometime next spring (Vol. 7:36-37).

Eager entrepreneurs, now balked by the freeze and frustrated by unavailing efforts to buy existing stations, are literally straining at the leash to get into the field. Here are some of the current trends:

(1) Just about every existing station has had offers to buy -- even those owned by some of the longest-established and best-heeled interests in radio, like the Chicago Tribune (WGN-TV), Kansas City Star (WDAF-TV), Detroit News (WWJ-TV) and Milwaukee Journal (WTMJ-TV).

Purchase offers for all or part interest have sometimes mounted to fabulous figures, but it's apparent few if any of the 108 stations can now be had that way.

(2) Theatre owners, spurred by recent TOA convention report (Vol. 7:39), will be among the most ardent seekers after channels, once these are available, competing against or joining with other local interests in corporate applications. You can expect scores of such applications from now on, possibly as many from theatre people as from the radio and newspaper interests who comprise the bulk of the 446 applications already on file with FCC.

Only 4 stations, as of now, are owned outright by theatrical interests, as listed on page 31 of our TV Factbook No. 13. Same volume, incidentally, plus weekly Addenda to date, provides complete listing of all applications filed thus far.

(3) Even the slick magazine people are showing intense interest in station ownership -- in possibility of getting hands on a medium that not only threatens advertising competition but is also a "natural" for self-promotion and at same time looks like a profitable business per se.

Time-Life-Fortune, Saturday Evening Post, Collier's, et al, have done considerable research into TV's "impact" -- Time-Life also buying network time now and then, besides producing films for TV, while Post is regular network program sponsor. But though Henry Luce offices admit "multiple applications for franchise may be in the cards," only one such publisher has as yet actually moved into station field: Meredith Publishing Co. (Better Homes & Gardens, Successful Farming), which founded WHEN in Syracuse 3 years ago and recently purchased WOW-TV, Omaha (Vol. 7:32,39).

(4) Several Washington radio attorneys have been instructed by clients to "get stations where you can, vhf or uhf, either through application or purchase."

Most such instructions are from radio station owners who missed the boat only a few years ago, when FCC was literally begging for TV franchisers. Eagerness to get into swim now is epitomized by CBS's proposed purchase of WBKB, Chicago, for \$6,000,000 and its v.p. Joseph Ream's recent candid statement to FCC on reasons why networks must own and operate key TV outlets (Vol. 7:36).

(5) Present TV station owners and others hope to expand holdings, evident by the multiple applications and by astute George B. Storer's \$1,050,000 purchase of

San Antonio's KEYL (Vol. 7:30) -- approved this week by FCC, making 4 he now owns. In last few weeks, we've also reported how Taft interests (WKRC, WKRC-TV & Cincinnati Star-Times) bought into WBIR, Knoxville, and how owners of WTCN & WTCN-TV, Minneapolis (Ridder newspapers) bought into WEMP, Milwaukee -- both minority stock purchase deals with frankly avowed idea of bolstering future quests for TV (Vol. 7:38-39).

There will be many more such "junctions of interest", possibly conducing to fewer competitive applications and speedier local grants.

(6) Financing won't be hard to swing for well-positioned local interests who win grants. Aside from its intriguing nature, the earnings potential of TV makes it an attractive investment through usual channels (local bankers).

When Variety reports, as it did recently, that New York's big Chemical Bank & Trust Co. is making production loans for TV films, although that syndication field is mere 108 stations, the much-more-profitable prospect of station operation would seem to be bankable indeed. At this moment, a New York financial group is known to be perfecting plans to finance new stations by way of equipment loans -- a project which, if approved by FCC, may help many small operators pay their way in.

* * * *

Foregoing picture could change -- but as of now it's safe to say that many millions in new capital would flow into telecasting readily if FCC would but open the floodgates. And just as certain is fact that "bargain buys" in existing stations aren't available any more.

There have been only a dozen TV station sales to date -- listed on p. 12.

BACK OF MACY-O'NEIL TV-RADIO MERGER: There's much more than meets the eye in vague statement released Oct. 10 that R.H. Macy & Co. (WOR & WOR-TV) and General Tire & Rubber Co. (Thomas S. Lee Enterprises) will merge their radio and TV interests in one operating company in which General Tire will hold "substantial majority."

Details weren't divulged, and it may take 60 days to file requisite applications with FCC. But these are some of the discernible factors:

(1) Merger will give virtual control of Mutual Broadcasting System to new firm, to be headed by Thomas F. O'Neil, who is also chairman of MBS. Only 35, that astute president of big General Tire's TV-radio subsidiary has long envisioned MBS changed from a mutual operation to a corporate entity operating for a corporate profit, like its competitors. At present, his Thomas S. Lee Enterprises Inc. owns 38% of MBS stock, with Macy's owning 19%, Chicago Tribune (WGN & WGN-TV) 19%, and some 7½% each owned by Gimbels of Philadelphia (WIP), Cleveland Plain Dealer (WHK & WHKC) & CKLW of Windsor-Detroit.

Though MBS bylaws preclude one company from voting more than 49%, there's scant doubt about who's in the driver's seat. O'Neil's group owns WNAC-TV, Boston, and KHJ-TV, Los Angeles; and in radio the Yankee Network of New England (owning WNAC, Boston; WEAN, Providence; WONS, Hartford); and Don Lee Network (owning KHJ, Los Angeles; KFRC, San Francisco; KGB, San Diego).

(2) With 3 TV outlets thus so strategically placed, plus Chicago's WGN-TV, young Mr. O'Neil may have ideas of another TV network after freeze lifts and new outlets come into being. But as one company, merged firms (name not yet indicated) can apply for or buy only 2 more stations of own in view of FCC's 5 limit, whereas separately they could seek 5 each. Macy's once owned what's now WTOP-TV, Washington, sold it at nice profit. O'Neil sold KTSN, Los Angeles, to CBS for \$3,600,000 when he bought Don Lee group, then bought KFI-TV there (now KHJ-TV) for \$2,500,000.

(3) Merger is designed to bolster MBS against inroads of TV and of rival networks, particularly in light of NBC's revolutionary new plan for revising station affiliation and network advertiser relationships (Vol. 7:40) -- albeit merger was cooking for quite awhile before NBC revealed plan last week. One facet of NBC plan is to add some 100 more radio station affiliates on "no pay" basis for sponsored programs that's not unlike present arrangement MBS has with most of its affiliates. This may presage intensified network rivalry in wooing affiliates.

(4) New company may even venture into TV-radio manufacturing, a la CBS, for it's known that O'Neil has been exploring possibilities -- probably encouraged by

big parent manufacturing company, which is headed by his father. It's reasonable guess Macy's and associated stores might like own manufacturing source for private-label TV sets. And that General Tire dealers could become retail outlets for TVs.

(5) Stockholdings of Macy's in new corporation aren't known yet, but they are likely to be much less than half General Tire's by reason of fact latter puts more into pot and WOR-TV has been running deficits since it was founded 2 years ago.

While WOR has always been one of radio's most profitable stations, late-starter WOR-TV (est. Oct. 5, 1949 as last of New York's 7) has only lately been pulling out of the red. Latest Macy's annual report, for fiscal year ending July 28, shows TV-radio and other "non-store" profit of \$585,994. But whereas Moody's Manual shows 1950 fiscal year's deficit in this category was \$283,509, Macy's report says deficit actually was only \$120,989. TV obviously accounts for slide, for profits for pre-TV's fiscal 1949 were \$728,905; 1948, \$968,526; 1947, \$1,045,605; 1946, \$1,132,691; 1945, \$1,323,449 -- nearly all attributable to WOR.

GOVT. ACTS AGAINST TV SPORTS BLACKOUTS: Restrictive agreements limiting telecasting and broadcasting of sports events will be cracked wide open if Justice Dept. wins its "test case" against National Football League.

Legality of National Collegiate Athletic Assn.'s college football TV "experiment" and International Boxing Club's theatre-TV hookup will be in serious doubt if courts uphold govt.'s "monopoly" contention against NFL.

Baseball's major leagues, apparently seeing handwriting on the wall, this week purged themselves by repealing all restrictions on telecasting and broadcasting of member clubs' games.

Prodded by complaints of TV set owners, Govt.'s anti-trust division Oct. 9 filed suit in Philadelphia against NFL and its 12 member clubs, seeking injunction against league rules restricting telecasts and broadcasts.

This means the long talking and investigating phase of Justice Dept.'s probe of sports-TV is over -- a clear-cut decision is now up to the courts. Said govt.'s ace trust-buster asst. attorney general H. Graham Morison:

"We are filing now what we consider our best case. If this is successful, it is likely that action will be taken in the cases of all other sporting events, including college football, professional baseball and boxing, in which telecasts and broadcasts are restricted."

Obviously anticipating Justice Dept. action, baseball's major leagues met in New York day before Govt. filed football suit, wiped from their books rule governing telecasting and broadcasting. With repeal of rule 1-D, major leagues relinquished all authority over telecasts and broadcasts of member clubs' games -- so that such arrangements now are entirely up to the clubs themselves.

Repealed rule provided that no club could permit telecasts or broadcasts of its home games from any station located within the home territory of another major or minor league club while that club is playing a home game -- almost exactly the same as the NFL rule which prompted govt. suit.

Anti-trust probers have also been looking into NCAA's "controlled TV experiment" -- under which assn. has doled out certain of its member colleges' football games to home TV, kept others off TV screens and encouraged exclusive theatre TV and CBS color telecasts.

Federal grand jury probe of alleged monopoly in professional boxing began this week in New York. Probers will probably delve into International Boxing Club's theatre-TV exclusives and home TV-radio blackouts before they're dismissed.

* * * *

Ticket to sports event is a commodity, said Justice Dept. in action against NFL. This is basic premise of monopoly suit: "If any sport sells a ticket, it is offering a commodity on the market. The public should be able to buy what it wants free of any monopoly and free of any restraint. This is not so now." Said Morison:

"We feel that the American people are entitled to have, free of monopoly, the right to see or hear what they want."

Govt. isn't fighting to guarantee telecasters rights to all sports -- it's

hitting only at what it calls "monopolistic restraint." Justice Dept. feels that authority to sell TV-radio rights should belong to each individual team -- not the leagues and associations. Morison's statement shows govt.'s attitude:

"It is hoped that this action will make broadcasts and telecasts of professional football games more readily available to the public by removing restrictions on the right of each football club to determine for itself whether and on what terms it will sell its broadcast and telecast rights. We consider all restrictions of this type, wherever imposed, to be in violation of the anti-trust laws."

NFL has 20 days to file answer in Philadelphia U.S. District Court. Purpose of suit, said Attorney General J. Howard McGrath, is "to clarify the position of broadcasting and telecasting in relation to the sports world; it involves some of the most often complained of and aggravated restrictions on the dissemination of athletic events to the public."

FCC FEARS 'CENSORSHIP' IN BENTON BILLS: Sen. Benton's bills on TV are neither necessary nor desirable, FCC majority told Senate Interstate & Foreign Commerce Committee in letter released by Committee this week.

Commission turned thumbs down on all facets of bills (S.J. Res. 76 and S. 1579) which would: (a) set up 11-member program advisory board to report to Congress and Commission; (b) require FCC to grant 1-year TV licenses; (c) force FCC to "encourage" subscription TV. With Comrs. Coy and Walker dissenting on advisory-board facet of bills, Commission said:

(1) TV licenses are now for one year only and FCC's discretion in setting license period shouldn't be taken away.

(2) Tests of subscription TV have been authorized. It's unnecessary to tell Commission to encourage it, since Communications Act requires FCC to "encourage the larger and more effective use of radio in the public interest."

(3) Advisory board, as contemplated in the Connecticut Senator's bills, involves "dangers of censorship". Amplifying, Commission warned that while FCC is "expressly precluded from exercising any powers of censorship," new board wouldn't be. FCC was also worried lest board encroach upon Commission's functions, despite fact bill calls it "advisory".

Comrs. Coy and Walker were minority on board idea, believing "worthwhile results may flow from the type of study proposed in the bill." But they didn't go all the way with Sen. Benton, since they said:

"Such a group, if completely separated from the Commission...and having no authority with respect to licenses, could conduct such studies more effectively without arousing fears among broadcast licensees that any recommendations they might make constituted compulsion of any kind...It is not believed that the [board's proposed functions] in any way involve censorship." They suggested that board report only to Congress, and that it should have power to hold hearings.

EXEMPTION of many TV-radio station construction projects from NPA building curbs (Vol. 7:31-33, 35-40) may result from current discussions at high govt. levels. NARTB is pushing hard to have broadcast stations reclassified as "industrial facilities"—which would permit broadcasters to write their own priority orders for controlled materials up to 25 tons of steel, 2000 lb. copper and 1000 lb. aluminum quarterly without applying to NPA for construction go-ahead. Broadcast building presently is classified as "commercial" construction, requiring application to NPA for all materials in excess of 2 tons of steel, 200 lb. copper, any aluminum at all, on quarterly basis.

NPA this week reclassified newspaper and other publishing establishments from "commercial" to "industrial" categories—and NARTB now sees good possibility of similar reclassification of TV-radio stations, since top govt. officials gave assurances months ago that broadcasting stations and newspapers would receive equal treatment under NPA construction regulations.

NARTB says it's satisfied that NPA officials have

"leaned over backwards" to give broadcasters a fair break in allocation of building materials for fourth quarter. Score so far is 16 TV-radio projects approved, 6 denied, more approvals to come (Vol. 7:37-40). NARTB says it hasn't received single complaint from broadcasters of unfair treatment by NPA.

Denver's accolades, well-merited, are heaping on KFEL owner Gene O'Fallon, veteran broadcaster who once was strongly anti-TV but who brought World Series to that city via special hookups of receivers into transcontinental relay (Vol. 7:40). "We would like to pin some Colorado columbines [on] O'Fallon and general manager Frank Bishop for the very swell 'production' job they gave Denver in our town's first viewing of TV," wrote *Denver Post's* Jack Carberry Oct. 8. "It was a swell show and it will be nice indeed when Denver and the Rocky Mountain area get TV in the home in 1953 [which] is as soon as anyone can expect it." Newspapers devoted dozens of columns of news and pictures to TV over period of week.

Station Accounts: First early-morning sponsorship of TV news program is claimed by WPTZ, Philadelphia, with sale of 8 a.m. live news-sports strip to Tom Thumb Donut Corp., thru Abner J. Gelula & Associates, Philadelphia; WPTZ says Sept. Telepulse survey gave 8 a.m. news a rating of 2.5 or average of some 22,000 homes . . . New *Kathi Norris Show* on WABD, New York, 11-noon Mon.-thru-Fri., now has these participations: Philadelphia Dairy Products Co. (Dolly Madison ice cream), thru Sheek Adv.; Eastern Div., A & P Tea Co. (Jane Parker bakery products), thru Paris & Peart; Seabrook Farms (frozen foods) & John G. Paton Co. (Golden Blossom Honey), thru Hilton & Riggio; Personal Products Corp. (Co-Ets), thru Young & Rubicam; Louis L. Libby (pre-cooked chicken & onion rings), thru Hicks & Greist; Ulman & Co. (Princess Place Mats), thru Posner-Zabin . . . CBS-TV Spot Sales reports placing these syndicated film features: *Hollywood on the Line*, on WDAF-TV, Kansas City, for Katz Drug Co.; *Strange Adventure*, on KING-TV, Seattle, for Standard Service Tire Co., and on WOW-TV, Omaha, for Max I. Walker Cleaners; *Cases of Eddie Drake*, on KTSL-TV, Los Angeles, for Thrifty Drug Co. (27th station) . . . Pacific Olive Co., Visalia, Cal., plans TV-radio spots Oct.-thru-Feb. to promote California olives, thru Abbott-Kimball Co., Los Angeles . . . Vitamin Corp. of America (Rybutol) now placing its *Lorraine Cugat Show*, kinescoped from live performance on KECA-TV, Los Angeles, on ABC-TV's other 4 stations, thru Milton Weinberg Adv., Los Angeles, and Harry B. Cohen Adv., N. Y. . . . Borden Dairy sponsoring *Ransom Sherman* in weekly Mon. afternoon show on WBKB, Chicago, thru Young & Rubicam . . . Zenith Radio, now buying spot TV-radio, sponsoring *Latin Carnival* on WJZ-TV, New York, Sun. 11-11:30 p.m., cooperatively with Winston Stores, thru Albert Blake Associates . . . Florida Citrus Commission has upped TV-radio ad budget to \$407,000 for TV, \$253,000 for radio, placed through J. Walter Thompson, N. Y. . . . Among other advertisers reported using or preparing to use TV: American Buslines Inc., thru Hanson & Hanson Inc., Chicago; Old Dutch Coffee Co., thru Elliott Nonas Adv., N. Y.; Dennison's Foods (food products), thru Biow, San Francisco; Jenny Inc. (women's apparel), thru Associated Adv. Agency, Cincinnati; Seal Rite Caulking Co. (caulking compounds), thru Davis-Daniels, Detroit; Industrial Tape Corp. (Texcel cellophane tape), thru Kenyon & Eckhardt, N. Y.; Shell Oil Co., thru J. Walter Thompson, San Francisco (KTLA & KRON-TV); Denver & Rio Grande Western Railroad Co., thru Axelsen Adv., Denver (KSL-TV).

Network Accounts: Chevrolet sponsors *Dinah Shore* from Hollywood starting Nov. 27 on NBC-TV, Tue. & Thu. 7:30-7:45, thru Campbell-Ewald Co., Detroit; time is being vacated by Van Camp's *Little Show* . . . Emerson Drug Co. (Bromo-Seltzer) will present special football roundup show between transcontinentals for Gillette-sponsored *Army-Navy* and Westinghouse-sponsored *Notre Dame-USC* games on NBC-TV, Sat., Dec. 1 (Vol. 7:40) . . . National Carbon Co. (Prestone anti-freeze) Oct. 14 starts sponsorship of 12:30-1 portion of *Take Another Look*, filmed football show, on CBS-TV, Sun. 12:30-1:30, thru William Esty . . . Longines-Wittnauer Watch Co. Nov. 22 sponsors *Thanksgiving Day Festival* on CBS-TV, Thu. 5-6, thru Victor A. Bennet . . . Waring Products Corp., subsidiary of Claude Neon Inc. (Waring blenders & steam irons) starting Oct. 19 buys participation in Fri. segment of *Homemakers Exchange* on CBS-TV, Mon.-Fri. 4-4:30, thru Hicks & Greist Inc., N. Y. . . . Hollywood Candy Co. begins weekly sponsorship Oct. 27 of *Hollywood Junior Circus* on ABC-TV, Sat. 10:30-11, thru Ruthrauff & Ryan, Chicago . . . Chesterfield reported readying sponsorship of *net* on NBC-TV, time & date unknown.

Personal Notes: William R. McAndrew, gen. mgr. of NBC's WRC & WNBW, Washington, promoted to director of NBC-TV news & special events, moving to New York Nov. 1; his successor is Gene Juster, program director, with Charles deLozier moving up to asst. gen. mgr. . . . Mark Woods, ex-president of ABC, joins with J. R. Warwick, ex-v.p., Warwick & Legler, to found new ad agency, Woods & Warwick, Chrysler Bldg., N. Y. . . . Noran E. Kersta, ex-NBC-TV operations chief, recently with Wm. H. Weintraub Adv., has established Noran E. Kersta Co., TV consulting-advisory service at 143 Meadow St., Garden City, N. Y., telephone 3-1075 . . . Peter Storer named public service director of WJBK & WJBK-TV, Detroit, controlled by his father George B. Storer . . . Norman H. Sloan, ex-KECA-TV, named coordinator of TV production, ABC Hollywood . . . Don Foley, ex-NBC, joins WCBS as director of advertising-sales promotion, succeeding Robert Patt, now holding similar job with CBS-TV . . . J. A. Hicks, ex-KEOP, El Paso, named film director, KEYL, San Antonio, replacing Robert Dalechau, joining Army . . . Frank Mayer, from RKO-Pathé, named production mgr., Princeton Film Center . . . Albert A. Chesnes named mgr. of Paramount's theatre-TV dept., Jack Hammer named supervisor of theatre-TV film processing . . . Dick Pitts, ex-Council of Motion Picture Organizations, joins Theatre Owners of America as public relations chief . . . Hal Hackett, chief of MCA's TV dept. shifted to TV dept., which has also added Alex March, ex-Wm. Morris. .

Telecasting Notes: Big turnout of both members and non-members of NARTB-TV is assured at final code-formulating meeting in Chicago's Hotel Stevens, Fri., Oct. 19. Intensity of interest in problem of self-control, before either officialdom or the bluenoses step in (Vol. 7:40), is indicated by huge demand for extra reprints of FCC Comr. Walker's recent speech before Federal Council of Churches of Christ in U. S.—a temperate, though critical, appraisal of current faults of telecasters-broadcasters (see Special Report, Oct. 6). Both Comr. Walker and *Television Digest* have had requests for extra copies running into the hundreds . . . Ironically enough, NARTB-TV has thus far been able to persuade only 68 of the 108 stations, only 2 of the 4 networks, to join association—this despite admirable work it has done both on program standards and on excess profits tax relief . . . Another AM joining NBC as result of relationship knitted by TV: WNHC, New Haven, operated by same interests as WNHC-TV; on Oct. 8 New Orleans' WDSU (WDSU-TV) shifted from ABC to NBC . . . WOOD-TV are new call letters of former WLAV-TV, Grand Rapids, effective Oct. 19, in conformity with recently approved purchase of station by Bitner interests (Vol. 7:37); new rep is Katz . . . Dixie Drive-In Theatres president, Harrison Robinson, one of stockholders in new WLTV, Atlanta; holds 12½% . . . Balaban & Katz's WBKB, Chicago, will shortly take over Garrick Theatre, owned by B&K . . . WKY-TV, Oklahoma City, now begins telecast day, weekdays, at 9:30 a.m., moving forward from 1 p.m. as of Oct. 1; Saturday opening is 8:45 a.m. . . . WOR-TV, New York, now signing on at 10 a.m. weekdays with test pattern, followed by *Telex News*, "newspaper of TV," 10:30 a.m.-12:30 p.m. . . . Educational world watching closely results of televised credit courses for shut-in students of high school age titled *The Living Blackboard* and starting Oct. 15 under auspices of N. Y. Board of Education on WPIX, Mon.-Wed.-Fri. 10:45-11 a.m. . . . Successful contribution to education via TV on Newark's WATV is *Junior Town Meeting*, debates between New Jersey High School students, Wed. 8-9 p.m. . . . WTVN, Columbus, has acquired 3 acres at Harmon & Griggs Sts., will ask NPA for authority to construct TV Center, including one 3000-ft. studio.

AFTER GLEANING KUDOS on all quarters this week, RCA color was set for another week of thrice-daily New York-Washington showings—including Oct. 16-19 demonstrations of theatre TV in color (on 9x12-ft. screen) in New York's Colonial Theatre.

Those who have seen test projections of RCA's theatre TV in color, picking up same shows being demonstrated via radio and via coaxial, claim it's just as exciting an advance as the home variety. It's called "compatible with existing equipment," uses 3 kinescopes.

RCA's next move toward getting its color system adopted isn't being revealed. But it's apparent the company is so confident now that it's willing to re-approach FCC alone without necessarily waiting for rest of industry (through National Television System Committee).

When RCA and/or NTSC will again petition FCC is unknown, as is time FCC will wait, after petition, before holding new hearing. Only thing certain is that Commission has cleared deck for freeze—and freeze only—for next few months, and has theatre-TV hearing scheduled to start Feb. 25.

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SENATOR JOHNSON and FCC Comrs. Coy and Walker were among capital VIPs who watched showings this week. Coy couldn't be reached for comment. Walker simply said he saw "an improvement." Sen. Johnson was a little more expansive, saying:

"I've seen many of these demonstrations, and there's been a gradual improvement—all headed toward perfection. It was very good—beyond my expectations." He congratulated and shook hands with RCA chairman Sarnoff, asking several questions about transmissions via closed circuits, microwave and coaxial. Though 10 a.m. showings were switched from time to time between microwave-coaxial, being broadcast, afternoon shows must be closed-circuit under FCC rulings.

Most significant was fact that Sen. Johnson showed up at all, for Congress was in thick of critical legislation and he was leaving next day for South America.

No other members of Senate or House Interstate & Foreign Commerce committees could get to demonstrations this week, though many are expected next week. All other FCC commissioners are also expected next week. FCC staff was urged to attend in memo circulated by chairman Coy early in week, with result they came by dozens. Several contacted indicated they were most favorably impressed.

Even solicitor general Philip Perlman, who lambasted RCA mercilessly during Supreme Court argument (Vol. 7:13), expressed astonishment at quality of pictures.

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REACTION OF PRESS and laymen was almost universally enthusiastic. Even those reporters who've championed CBS conceded RCA has good pictures, though they still talk of tri-color tube sets being too costly and mass production too far off. Several newsmen who have covered various phases of the Washington controversy, and have seen comparative demonstrations, were outspoken in their convictions that the system cannot be held back.

"They've got it now—no doubt about it," one of these was heard to remark.

First purpose of demonstration was to show network transmissions, over both wide-band microwave and narrow-

band coaxial. Both worked perfectly, one just about as good as other. For microwave, signal is simply fed from New York to Washington just as if it were ordinary black-&-white. For coaxial, signal is heterodyned down to 2.4 mc, to fit into 2.7-mc cable, then heterodyned back up in Washington. RCA showed equipment needed for processes; it occupies one rack.

Average man finds it difficult to distinguish between results of the two transmissions, in closeups at least. Slight difference in resolution was sometimes noticed, no change in colors. Though RCA went to great pains to show coaxial transmission, spokesmen pointed out that much of AT&T's facilities is wide-band, most will be.

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LIVELIEST SHOWING was that for press, 10 a.m., Oct. 9. Dr. Elmer Engstrom, RCA Princeton Labs chief, was kept on his toes answering questions. His responses:

(1) More field-testing will go on before FCC is petitioned to reopen color issue. RCA is continuing work with NTSC. System meets all technical criteria laid down by FCC, but there's "subjective" factor—what one likes another may not. Colors can be reduced or intensified by turn of knob on receiver, according to viewer's taste.

(2) It would take 1-2 years to get into mass production of tri-color tubes. "We don't expect to have it in commercial production until we know what is going to happen to color," said Dr. Engstrom—inference being clear that FCC edict is first awaited.

(3) Principal improvements since showings in Washington last December were: better tube, more stable circuits, more flexible equipment (cameras with turrets, etc.), and equipment now in "pre-production stage" at RCA Victor plant instead of in lab.

(4) "Universal set" to get both compatible and CBS color is possible. "It costs more, but it can be done." He reiterated RCA's pitch for dual standards.

(5) "The tri-color tube will perform well with the CBS system." This refutes interview to contrary quoting CBS's Dr. Goldmark, published recently in *Broadcasting Magazine*. But Dr. Engstrom left no doubt about his opinion of CBS system.

(6) Sampling frequency is still 3.58 mc, but will be 3.89 mc (per NTSC recommendations) shortly.

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SHOW ITSELF is very much same as recent New York series (Vol. 7:37), most acts repeated, including Nanette Fabray and troupe in vari-colored costumes; also famed "Operation Lovebird," the trained bird act that provides unusually critical test of fringing, blurring, etc. Added was light opera costume scene that gave further opportunity to show off colors.

Engineers' worst moment came, ironically, at 2:15 p.m. Oct. 11 demonstration for Sen. Johnson. One camera went bad, holding up start 20 minutes. It still didn't work too well during show, causing yellowish cast in some scenes. And, capping this, rain washed out plaid-clad bagpipers marching for remote pickup at Palisades, N. J., carried in other demonstrations. But camera quite effectively showed park, wet greensward, color-clad announcer.

Next week's Washington guests include NPA, FTC, engineers, attorneys, RCA dealers and distributors, advertisers, military—along with other govt. folk, plus FCC and members of Congress.

NEW YORK SHOWINGS in Center Theatre were open to public, invited via full-page coupon ads, and they also elicited excited responses. *Herald Tribune's* Joseph Kaselow interviewed number of spectators, found those who had seen CBS color considered RCA's as good if not slightly better. He also wrote:

"There was virtually unanimous agreement that the direct-view RCA system had one advantage over the CBS revolving-disk color method . . . With the direct-view method a viewer could be far to the side and see the picture without distortion, in contrast to receivers using a magnifier."

Kaselow spotted 2 CBS engineers in crowd, saw questionnaires they filled out. He reported they had nothing good to say about RCA color. They refused to sign questionnaires, walked out. RCA had asked that only lay public attend showings, retaining Opinion Research Corp. to survey reactions.

New York Times reporter also gathered enthusiastic quotes. Housewife: "Wonderful, at least 500% better than I had expected." California visitor: "Give me this, I'd like to have one." Diamond merchant, who said he'd seen all color systems: "Give me this kind, it's great."

Long an advocate of compatibility, *Washington Star* (WMAL-TV) joined those who think time is ripe for comparing systems. Said Oct. 10 editorial:

"There has been no side-by-side test of the two systems as yet—but there should be. The FCC has said that it has not closed the door on color TV development. The door should definitely be kept open, for progress plainly is being made in the general field of electronic, compatible color broadcasting."

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CBS-COLUMBIA COLOR SALES are off to slow start, according to some key dealers, though distributors report more orders than they can fill. In Washington, Philip Keller, manager of George's chain, said: "They came. They looked. They went away. No sales. But I must say we did sell a few CBS black-&-white. Everyone says 'screen's too small.' With that price [\$500] and so few programs, you can't expect much."

"They want a big screen," said Charles Hoge, manager of Campbell Music Co., Washington, "We'd be very much surprised if we sell one. You've got to have programs. People just don't come down to the store and buy sets at 10 in the morning, the only time color is on. Now, a football game might sell one."

Jules Smith, bluntly outspoken manager of big Davega chain in New York, made no bones about his feelings. A few weeks ago (Vol. 7:37), he said: "CBS is out of step." Last week, he heralded CBS-Columbia color sets with full-page ads and said: "You can't stop progress." This week, after displaying sets in 6 of firm's 40-odd stores, he said:

"They're staying away by the thousands. Haven't sold any. Oh, we sold a couple, but that's nothing. With tax, warranty, financing, you're over \$600. The ads didn't pull. People are used to big screens. The price is too high. The color isn't very good. They don't work half the time. The whole thing is premature. RCA has the right idea about color."

But color gave CBS-Columbia an entree to many stores, such as the above, could help it become major black-&-white producer and seller—if it can get enough materials. NPA has refused its request for more metals for color, but company has appealed, will be heard Oct. 23.

CBS-Columbia contended color TV is new industry, thus rates more materials. NPA thought otherwise, suggested company sub-contract color sets among other companies with more materials, if necessary.

CBS COLOR FOOTBALL schedule, on the handful of stations carrying it (Vol. 7:39-40), still hasn't cut much ice. Headline in *Variety* pretty well sums up reaction: "CBS Tint Grid Comes to Chi; But Strictly a Rumor to Public."

Chicago situation was typical. WBKB reports 861 calls during game, mostly asking where color may be seen, where sets may be bought, how home sets can get color in black-&-white. Station carried 5 aural announcements during game, informing public why home screens merely had lines on them. Color sets were displayed by Sears Roebuck, Lyon & Healy, Muntz and servicing firm called Chicago Engineers for TV.

CBS's expanded color schedule will feature color film for first time, 5-5:30 Mon.-Fri. beginning Oct. 15. CBS also announced first commercial—one-shot General Foods promotion of new pie filling, on WCBS-TV only, 4-4:15, Oct. 16. That station's switchboard was said to be swamped with calls during first gridcast, people wanting to know why their sets went into blur during incompatible colorcasts. Color schedule is up to 12¼ hours weekly.

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EIDOPHOR-CBS color theatre-TV equipment will be set up in New York about Dec. 1, says 20th Century-Fox TV chief Earl Sponable. Just back from Zurich (Vol. 7:40), he reports: "The results were very good, in fact I might say exceeded my expectations." His company expects 150 color installations by April.

Unusual experiment in color seems to be going on in Phoenix. *Retailing Daily's* Lester Gilbert reports Oct. 11 that KPHO-TV has been conducting closed-circuit tests with system developed by Color TV Associates Inc., Newport Beach, Cal. He reports it has 1800-rpm disc at camera, 900-rpm disc at receiver, uses 30 frames instead of 48, and pictures can be received on unadapted black-&-white sets. He writes: "Except for the inherent flicker, [it] looked good." Engineers here say outfit "appears to be 15-20 years behind the times," using field-sequential system at low field rate, producing "intolerable" flicker or very dim pictures, or both.

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PARAMOUNT PICTURES issued question-answer release this week on its Lawrence tri-color tube (Vol. 7:38-40), making following claims:

- (1) Tube is good for any color system, as well as for black-&-white.
- (2) It may be inserted in any existing set, receive CBS color with minor circuit changes and adapter.
- (3) New color sets with tube should cost about 15% more than monochrome.
- (4) Quantity production of tube can be expected by first of year, same for color-monochrome sets with tube.
- (5) Present performance of tube is substantially superior to other color tubes in a similar stage of laboratory development.

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XELD-TV's request for 140-mc transmitter, to synchronize Matamoros, Mexico, transmitter with Brownsville, Tex., power system (Vol. 7:38), was turned down by FCC on grounds Commission hasn't authority to make grant to alien-owned station. But Commission pointed out that common carrier may be able to provide needed service.

FCC this week denied Crosley's request to transmit NTSC color signals over WLWT, Cincinnati, during regular programming hours, same as it did RCA-NBC and Philco requests (Vol. 7:38).

Telecasters' excess profits tax relief (Vol. 7:37-38) was written into Senate-House compromise tax bill, is scheduled to pass both houses and go to White House by Oct. 17.

FIRST QUARTER METAL CUTS—FOREWARNING: Biggest cutback yet in metals for TV-radio and other household consumer durables is virtually certain for first-quarter 1952.

These figures are tentative -- and they're rounded-out averages for all types of household "hard goods" -- but, on basis of DPA's announced first-quarter program determinations, it appears now that manufacturers of TV-radio and other home appliances will receive:

Copper -- 29% less than they receive in fourth-quarter 1951.

Steel -- 11.6% less than they receive in fourth-quarter 1951.

Aluminum -- 16% less than they receive in fourth-quarter 1951.

It's practically impossible to predict first-quarter TV-radio production on basis of these average figures, because of these imponderables:

Conservation: how much scarce materials will it save? Components: how readily will they be available? Inventories: how much materials and subassemblies will manufacturers carry over from the fourth quarter? Supplemental allotments and other changes could alter this picture considerably, move percentages up or down.

Copper will be controlling factor in TV-radio production -- as you can see from foregoing figures. Already in fourth quarter, it's most critical material.

All electronics manufacturers will have rough time getting enough metals for first and second-quarter production -- even producers of the components that go into military and "defense-supporting" equipment.

Aluminum is big bottleneck, too -- and in electronics line this will hit hard at manufacturers of capacitors and TV antennas, as well as assemblers of TV and radio sets. Conservation and substitution is now vital necessity in all lines. For example -- it won't be long before virtually all TV antenna makers switch from aluminum to steel or wood for masts. Said DPA-NPA administrator Manly Fleischmann:

"To the extent possible, steel has been provided for the manufacture of consumer durable goods in first-quarter 1952 to compensate, in part, for the reduced amounts of copper and aluminum that are available to these manufacturers."

To meet fourth-quarter aluminum allotments, Govt. is now diverting aluminum that would normally go to stockpile to help make up deficit resulting from power shortage in Pacific Northwest. And NPA Oct. 12 reduced by 15 days -- from 60 to 45 -- permitted inventories on that metal (CMP Reg. 2, as amended).

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TV-radio set shortages in first quarter? Despite cuts, Govt. doesn't think so. Fleischmann told Congressional committee Oct. 12: "The outlook is that production of such civilian items as refrigerators, radios, TV sets and home appliances of all kinds will be reduced, but because generally ample supplies are now on dealers' shelves, the supply should be sufficient to meet normal consumer needs."

NPA Electronics Div. was allotted 75,385 tons of steel, 33,760,000 lbs. of copper, 18,000,000 lbs. of aluminum to dole out for all "Class B" (standard) electronic products and components in first quarter. In addition to civilian items, this allotment must cover the tremendously accelerated production of components and end products for military use.

The so-called "non-controlled" materials -- meaning everything except steel, copper, aluminum -- will also cause plenty of headaches to electronics manufacturers in coming months. Nickel situation (Vol. 7:36-37), for example, is still critical, but DPA authorities are cognizant of problem, and presumably will order spot aid to manufacturers in extreme emergencies.

In making over-all industry allotments, Fleischmann gave this warning: "I want to emphasize that in the case of all 3 materials with which we are dealing -- steel, copper products and aluminum -- there are some uncertainties that will affect

first-quarter supply, and that estimates generally are on the optimistic side. We will have to have a lot of good fortune to realize the estimated supply on the basis of the allotments that have been made."

TRADE BRISK—SALES OUTFRUNNING OUTPUT: Sets selling nicely at all levels...another 48,000 TV units knocked off factory inventories during first week of year's final quarter...production continuing to crawl upward -- there you have essence of TV business picture as it's now unfolding.

RTMA statistical week ended Oct. 5 was week of pre-series and first World Series baseball games, also first week of regular transcontinental network service. That conduced to good demand, particularly in new network cities -- Salt Lake City, San Francisco, Los Angeles, San Diego, where sales are reported very brisk.

Generally satisfactory business, is report from just about all other TV areas, too. It could be that the trade has leveled off to "normalcy", though the industry isn't old enough yet really to fix on norms.

Oct. 5 week's production report showed 87,919 TVs made (2918 private label) as against 81,946 preceding week, highest 5-day output since mid-May. And factory inventory dropped to 414,625 from preceding week's 462,896, lowest since April.

Radio output for week was 230,385 (102,226 private), not much change from week before. Radio inventory figure of 388,463 compared with 381,566 week preceding. Week's radios were 132,900 home receivers, 21,426 portables, 76,059 auto.

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Having produced some 4,000,000 TVs first 3 quarters (Vol. 7:40), industry won't make more than 1,000,000-1,250,000 this fourth quarter in view of materials shortages and govt. controls. That was opinion of RTMA president Glen McDaniel, who spoke Oct. 12 before New Orleans meeting of Assn. of Electrical Leagues.

"Material shortages," said he, "are becoming more acute as deliveries of defense orders increase. Govt. allocations of several critical metals have been sharply reduced for the fourth quarter and may be cut again for the first quarter of 1952. Thus, it would appear that the radio-TV manufacturers will be unable to increase their civilian production greatly during the next few months regardless of the extent of consumer demands."

With industry now back at 80,000-a-week rate of production, against low of 8200 this summer, and with retail sales reported running 2½-3 times factory output, Mr. McDaniel said "a rather sudden change from an oversupply to a shortage of the more popular models of both TV & radio sets could occur in the near future, possibly even before the end of the year." He went on:

"From the long-range point of view, there is every reason for the industry to be optimistic. We are on the threshold of a tremendous expansion of TV broadcasting which obviously will be accompanied by a proportionate increase in set sales...

"No one in the industry should have any apprehensions about the adverse effects of uhf and color on present sales of monochrome sets. Technical progress always has been a characteristic of our industry, and the ability of radio-TV manufacturers to adapt themselves quickly to changing circumstances has been responsible not only for their survival but for their success.

"Neither uhf nor color telecasting will be so widespread in the immediate future as to threaten obsolescence of any black-&-white receivers. The integration of these new services into the present system no doubt will be gradual and orderly, with little or no dislocation to the present audience of nearly 14,000,000 sets."

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Note: We queried heads of top 20-odd TV manufacturing concerns, asking their opinions about shortages and market prospects generally for rest of this year and early next. Most have answered, and with only one exception thus far all seem to agree that demand will continue high and shortages will hit by mid-winter at least. We'll recapitulate their replies later, meanwhile culling from one this confident statement that pretty well epitomizes what several others wrote, too:

"We have no fears at all about next year's demand...If it were not for material shortages, I would expect that next year would be one of the largest..."

Topics & Trends of TV Trade: Biggest picture tube maker RCA admitted this week it was accelerating production of all-glass TV kinescopes, but denied unequivocally trade rumor that it was abandoning the metal-coned variety. Rumor apparently grew out of growing shortages of the particular type of stainless steel RCA uses.

Tube dept. v.p. Richard T. Orth said company "will continue in the foreseeable future its policy of producing both metal and glass types." He added: In view of the uncertainty surrounding the availability of steel, we are contemplating an appreciable acceleration in the production of all-glass kinescopes to insure sufficient supply of tubes for TV receiver manufacturers. We will continue to produce metal tubes in ample quantities to meet the requirements of the replacement market."

RCA recently turned to production, for own sets, of 17 & 21-in. rectangulars exclusively, but still makes the 10, 12, 16 & 19-in. required for replacements.

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Trade Miscellany: Wage increase of 7¢ an hour, retroactive to June 18, granted to UEW-CIO workers in Philco's Philadelphia and Sandusky TV-radio plants—this in addition to previously granted 2¢ an hour . . . GE now shipping radio apparatus from new plant in Utica, N. Y. . . Hallicrafters, major "ham" equipment producer, offering equipment and cash awards to novice-class radio amateurs making contact with all States and earning regular licenses between Sept. 8, 1951 & Sept. 7, 1952 . . . Motorola to distribute henceforth through own wholly-owned subsidiary in New York area . . . Primer on trademark "do's and dont's", by RCA attorney Abraham S. Greenberg, is carried in October *Electronics* . . . Admirable TV Supply Corp., New York, ordered in consent judgment to change name as of Nov. 1, Supreme Court Judge Koch upholding complaint of Admiral Corp. . . . Sylvania leases 23,000-sq. ft. plant in Waldoboro, Mass., will employ 200.

RTMA's new full-time service manager is E. W. Merriam, ex-DuMont service chief and ex-chairman of RTMA service committee. He reports Oct. 15, having agreed to take position on temporary basis. Among his projects will be promotion of training courses for service technicians in trade and vocational schools, coordination of industry activities to improve servicing and eliminate servicing abuses. He faces touchy task of spreading oil on troubled waters—following vitriolic attacks on RTMA policy this week by several servicemen's organizations for alleged failure to answer their complaints on such subjects as chassis design, corrective servicing notes, service data, warranties, shortage of servicing personnel.

FCC action against CBS—for labeling its TV sets CBS-Columbia—is unwarranted, Commission advised American TV Inc. (U. A. Sanabria) in letter this week. Sanabria had complained to FCC, as he had to Federal Trade Commission (Vol. 7:39), that CBS gives itself free advertising with every network identification. Commission said such allegations of unfair competition should be thrashed out in private litigation or before FTC.

Canadian RTMA reports 964 TVs sold for \$503,098 during August, up from July low of 323 (Vol. 7:37), bringing 8-month cumulative sales to 21,357 valued at \$11,678,062 and over-all cumulative (from start of count) as of Aug. 31 to 59,180 valued at \$27,954,645. Factory inventories at month's end totaled 16,205.

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Degree of B.S. in Television will be offered by U of Southern California, courses to start with spring semester Feb. 7. New Dept. of Telecommunications is being set up, TV studio built with \$100,000 gift from oilman Allan Hancock, chairman of university's trustees.

Trade Personals: Frank M. Folsom, RCA president, returned Oct. 10 from flying trip to Italy, where he had an audience with the Pope; Spain, where he conferred with Generalissimo Franco; and Israel, where he surveyed prospects for recording plant . . . Paul H. Leslie, Detroit mgr., named TV sales mgr., GE receiver dept., Syracuse, succeeding David Davis, promoted to New York district mgr., with Joseph A. Kerr named New Jersey district mgr. headquartering in Newark . . . R. S. Holmes now director of RCA Laboratories Div. contract research lab, with George M. K. Baker transferred to his office as asst. . . . Morton M. Schwartz, ex-Tele-tone, joins Olympic Radio as asst. to Al Friedman, gen. sales mgr. . . . Myron Blackman, ex-Kaye-Halbert, appointed gen. sales mgr., National Electronics Mfg. Co., Los Angeles, maker of Natalie Kalmus and Cinema TV sets, succeeding Jack Richmond, who continues with National and other firms as consultant designer . . . Richard Bambery transferred from advertising to asst. to Paul Dye, in charge of Admiral distribution . . . S. S. Schneider promoted to mgr., engineering dept., Canadian Westinghouse electronics div. . . . James Valladares resigns as plant mgr., Philharmonic Radio, New Brunswick, N. J. . . . Philip S. Beach, ex-Pacific Outdoor Adv., named to newly created post of adv. director, Hoffman Radio . . . Samuel Gross, president, and Sol Gross, secy-treas., have resigned from Emerson-New Jersey Inc., Newark; Irving Sarlin, sales mgr., becomes gen. mgr. . . . Trevor H. Clark, ex-Federal and RCA Labs, named director of military research & development div., Southwest Research Institute, San Antonio . . . Frank B. Rogers Jr., ex-Ampro, named sales v.p., Reeves Soundcraft Corp. . . . Maj. Gen. Douglas A. L. Wade, Royal Corps of Signals, has arrived in Washington to be telecommunications attaché at British Embassy . . . Louis Selsor, ex-DuMont, named jobber sales mgr., National Video Corp. . . . L. E. Septer named sales mgr. for tuner and tube divisions, Sarkes Tarzian Inc. . . . Otto H. Schade, RCA tube dept., gets SMPTE David Sarnoff Gold Medal Award for developing method of rating film and TV systems in objective mathematical terms . . . Henry F. Argento, Raytheon sales mgr., named asst. v.p. and appointed asst. mgr., power tube div.

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With William Boss shifted from Rochester to Camden to be assistant to RCA consumer products v.p. Joseph B. Elliott in handling of field contacts, RCA Victor home instrument dept. sales v.p. A. B. Mills announced these new field salesmen and territories: Donald E. Roark, Albany & Hartford; Jack K. Sauter, Buffalo, Rochester, Syracuse & Binghamton; Philip E. Cunningham, Nashville, Chattanooga, Knoxville & Birmingham; Robert F. Cage, Detroit, Saginaw, Lansing & Grand Rapids; Daniel Gentile Jr., Kansas City, Des Moines, Sioux Falls & Denver; Bruce S. Durant, Indianapolis, Milwaukee & Peoria.

Dr. Allen V. Astin, govt. career scientist associated with development of proximity fuses in World War II, has been appointed acting director, Bureau of Standards, succeeding Dr. Edward Condon, resigned to becoming research director, Corning Glass. Dr. Astin as associate director of Bureau was responsible for electronics along with other developments.

A. D. Plamondon Jr., president of Indiana Steel Products Co., and chairman of RTMA small business survey committee, was elected chairman of Air Force Small Business Survey Committee, RTMA president Glen McDaniel named secretary, at Oct. 9 meeting at Wright-Patterson Air Base, Dayton.

Dr. Anton Frederik Philips, 77, founder of Europe's big Philips radio and lamp concern at Eindhoven, Holland, died there Oct. 7.

Financial & Trade Notes: Third quarter reports will soon start issuing, are expected to show considerable declines in TV-radio companies' sales and earnings because of (1) sharply reduced TV output and sales during that period, (2) defense orders not yet rolling. But contrary to expectations, major set manufacturers will report they were in the black that quarter, thus should show respectable profits for year as whole.

"I think," said one very competent Wall Street observer, "they will have at least as good, if not better, year in 1952 when govt. work will start contributing to shipments. The big boom, however, is still 2 to 3 years off." He was thinking, primarily, of anticipated opening of new markets when freeze ends and more stations get on the air (Vol. 7:36-37). Even now, though, as United Business Service reported Oct. 8, "the appeal of TV shares lies chiefly in the prospect of expanding present ownership of sets more than twofold."

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Among officers' and directors' stock transactions reported by SEC for August: Dee S. Lenfesty sold 1200 Arvin, holds 1500; Victor Mucher bought 500 Clarostat (July), holds 13,100, wife holds 2200; Frank L. Driver bought 400 Driver Harris, holds 38,080; Richard E. Laux sold 1500 General Instrument, holds 100; Philip F. LaFollette bought 50 Hazeltine, holds 800; Adolphe A. Juviler sold 2800 Olympic, holds 85,640; Percy L. Schoenen sold 700 Olympic, holds 23,306; Barney Balaban sold options for 10,000 shares of Paramount, holds 30,000; R. L. Heberling gave 155 Philco as gift, holds 23,832 common, 300 pfd.; John S. Timmons sold 3000 Philco, holds 10,000; William Gammell Jr. sold 1100 Raytheon, holds 14,470; Robert H. Bishop sold 209 Sylvania, holds 450; Don G. Mitchell sold 100 Sylvania, holds 3074.

These sales of stock by Philco officials were reported to N. Y. Stock Exchange this week: Fred W. Rombach, v.p., and James T. Buckley, chairman, sold 2162 & 2000 shares, respectively.

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Dr. Allen B. DuMont predicted his firm's sales for 1952, including defense orders as well as TV receiver, tube and transmitter equipment, will run at least 25% ahead of best previous year in firm's history (1950 gross sales were \$76,362,665, up from \$45,362,089 in 1949). He spoke Oct. 9 before Robert Morris Associates, an association of bank credit men meeting in New York. He also said industry's biggest problem is still the FCC freeze on new station construction, reiterated his oft-expressed conviction that all-electronic and not "mechanical" color will prevail, forecast TV output this year will be about 5,000,000.

Sylvania stockholders vote Nov. 19 on issuance of 200,000 shares of new convertible preferred stock and an increase in the authorized common stock to satisfy conversion rights. Also planned, when market conditions are favorable, is sale of about \$25,000,000 of 20-year sinking fund debentures. Company will use \$17,200,000 of proceeds from preferred stock sale to retire all outstanding 3¼% debentures, its entire funded debt now outstanding, and other new money will be used for expansion program, including \$18,000,000 in plant.

General Instrument Corp. reports net loss of \$625,603 for 6 months ended Aug. 31, compared with net income of \$487,167 for corresponding 1950 period—attributed to lack of demand for end product, govt. materials controls, transition to defense production, vacation shutdowns.

Trav-Ler reports net profit of \$318,486 on sales of \$11,389,744 for year ended June 30. Company reported net of \$2,309,275 on sales of \$13,892,485 for calendar 1950, first full year its stock was publicly held (Vol. 7:12).

Mobilization Notes: More than 300 out of about 1000 manufacturers of electronic "Class B" (standard) products and components have failed to file CMP applications for first quarter 1952 allotments of steel, copper and aluminum. Deadline date for filing was Oct. 1, and NPA Electronics Div. this week sent telegrams to all who haven't filed. It's probable that applications arriving after Oct. 17 will be held up until all earlier applications have been processed and allotments issued, some NPA staffers say.

DPA-NPA chief Manly Fleischmann warned this week that manufacturers will face serious difficulties in obtaining steel, copper and aluminum if they fail to file applications immediately. "Mills are not required to accept authorized controlled materials orders unless they are placed within the prescribed lead times," he said. "In the case of steel, these vary from 45-120 days, according to type of project. A would-be purchaser, who files his application for an allotment too late to receive his authorization in time to meet these deadlines, is just out of luck."

Electronics Div. officials say CMP-4B applications for first quarter are worst yet with regard to errors and omissions. Average application, they say, takes from one to 2½ hours to interpret and tabulate, because of lack of sufficient information.

Nippon Television National Network Corp. has been formed in Japan, capitalized at 2 billion yen and backed by leading banking, newspaper, movie and industrial interests, to set up system of stations that Japanese Radio Regulatory Commission this week agreed should operate on American 525-line standards. Tokyo transmitter, first of proposed chain of 22, is expected to be ready by spring of 1952, initial TV receivers of U. S. standard make to be imported tariff-free as "educational media." Project is culmination of survey just completed in Japan by Maj. Henry F. Holthusen, New York attorney; William S. Halstead, Crosby Laboratories engineer; and Dr. Walter Duschinsky, studio planner—operating as Communications Consultants, 25 Vanderbilt Ave., New York. U. S. equipment for the TV and a system of telecommunications stations will be ordered. Project will be first private broadcasting for Japan, permitted under law passed during MacArthur regime in 1950; formerly, govt. operated broadcasting as private monopoly.

Denver got World Series on theatre TV after all. Baseball commissioner Ford Frick Oct. 6 reversed earlier decision (Vol. 7:40), wired John Wolfberg permission to pick up series on his Broadway Theatre big-screen equipment from same closed circuit serving some 90 receivers at Brown Palace and Cosmopolitan Hotels. Hookup was made in time to catch third inning of third game Oct. 6, and theatre filled up rapidly as news spread. No admission was charged for Oct. 6 game or remaining 3 games, also carried by Wolfberg on same super-exclusive theatre basis. World Series ate heavily into audiences of TV-equipped theatres in 5 cities presenting big-screen showings of Navy-Princeton football game Oct. 6 under arrangement with National Collegiate Athletic Assn. None of theatres reported better than fair business, managers blaming poor attendance on availability of series free on home TV sets.

Didn't the Russians invent TV, as blandly claimed by a Soviet diplomat as he departed these shores several years ago carrying "sample" of an American-made receiver? Now comes claim they've "discovered" art of mass production of TV sets, reported in AP dispatch from Budapest. It quotes newspaper *Szabad Nep* as stating Russian-made sets are far superior to those of the West, giving "clear, sharp and perfect picture." But Hungarians, AP adds, have to be content with "promise" that TV will reach their Sovietized paradise "in the near future."

FCC APPROVAL of \$1,050,000 sale of KEYL, San Antonio, to Geo. B. Storer's Fort Industry Co. (Vol. 7:30) was last of an even dozen sale deals effected since early 1949—all authorized by FCC—and leaves only Chicago's WBKB still now pending. Storer interests now have 4 TV outlets, having founded WJBK-TV, Detroit; WSPD-TV, Toledo; WAGA-TV, Atlanta. Limit is 5, so it's presumed Storer will drop all but one of his still pending applications for new TV outlets—in Cincinnati, Wheeling, Miami, where he has radio stations.

Other TV station deals to now, exclusive of projected ABC merger with United Paramount Theatres Inc., as part of which deal CBS proposes to acquire latter's WBKB, Chicago, for \$6,000,000 (Vol. 7:21):

WLTV, Atlanta (formerly WSB-TV), sold to Broadcasting Inc., local group, for \$525,000 in swap of channels with CP holder WCON-TV (Vol. 7:32-34, 38-39).

WOW-TV, Omaha, sold with WOW to Meredith Publishing Co. interests for \$2,525,000, purchaser acquiring surplus account of \$720,000 (Vol. 7:32, 39).

KHJ-TV, Los Angeles (formerly KFI-TV), sold to General Tire (O'Neil) for \$2,500,000 (Vol. 7:23, 32, 36).

WOOD-TV, Grand Rapids (changing from WLAV-TV as of Oct. 19), sold for \$1,382,086 to Harry Bitner interests (Vol. 7:19, 38).

KTSL, Los Angeles (to be changed to KNXT), sold to CBS for considerations totaling \$3,600,000 (Vol. 6:52).

KFMB-TV, San Diego, sold with KFMB to John A. Kennedy interests for \$925,000 plus other considerations (Vol. 6:46 & 7:17).

WTOP-TV, Washington (formerly WOIC), sold 55% to *Washington Post*, 45% CBS for \$1,400,000 (Vol. 6:25).

KPRC-TV, Houston (formerly KLEE-TV), sold to *Houston Post* for \$740,000 (Vol. 6:13, 21).

WFAA-TV, Dallas (formerly KBTW), sold to *Dallas News* for \$575,000 (Vol. 6:4, 11).

KING-TV, Seattle (formerly KRSC-TV), sold to Mrs. A. Scott Bullitt for \$375,000 (Vol. 5:20); 25% interest sold to Hearst Radio for \$375,000 (Vol. 7:26).

KPHO-TV, Phoenix, went into hands of present owners in several stock transfer deals after three 25% stockholders in grantee corporation (Texas oilmen W. L. Pickens, R. L. Wheelock & H. H. Coffield) decided not to purchase stock (Vol. 5:26 & 6:6, 20). New stockholders provided funds for construction.

Power increase from .5 kw to 5 kw was granted New Haven's WNHC-TV this week when FCC waived its "Fifth Report" (Vol. 7:30-33). Commission had previously said it wouldn't permit community stations, such as WNHC-TV, to go to 5 kw—considering such move a violation of freeze policy. Station convinced Commission that no one would lose by grant, since it already had 5-kw transmitter installed and no other station would suffer interference. Grant leaves only 2 community stations: WDEL-TV, Wilmington, and WGAL-TV, Lancaster. If they say "me too," presumably they'll have to show similar set of circumstances. On other hand, they may prefer to retain present powers, go all the way—100-200 kw ERP—after end of freeze. Commission also finally granted DuMont's WABD, New York, permission to use 5-kw transmitter on Empire State Bldg., radiate 16.7-kw ERP.

Among least expensive TV station proposals to date is that of KIFI, Idaho Falls, Ida. In application filed last week (Vol. 7:40), station said total construction cost would be \$83,061, with much equipment to be built under direction of engineering consultant Grant Wrathall, part-owner. Breakdown: transmitter (1-kw output, 3-kw ERP) \$11,500, antenna system \$10,000, studio equipment \$55,761, modulation monitors \$2300, legal and engineering fees, \$3500.

Everyone is "experting" Comr. Frieda Hennock's chances of getting Senate confirmation to New York Federal bench (Vol. 7:40), but little of the speculation appears authoritative. Four witnesses testified for her Oct. 11, more on Oct. 13. After Oct. 13 closed session of Judiciary Committee, hearings hadn't officially concluded, presumably could resume later. However, there were some doubts about any action at all before Congress session ends, judging from attitude of some members. Recess appointment is possible but not certain. Drew Pearson Oct. 4 column reported some charges he said were leveled at Miss Hennock during hearings. Column was published in New York, not by *Washington Post* which did, however, carry his Oct. 9 column reporting that former Secretary of War Robert Patterson had withdrawn his support after hearing nature of testimony. Witnesses for her during Oct. 11 session included Justice Agnes Craig, Bronx Municipal Court; Jacob L. Holtzmann, attorney and member of New York Board of Regents; Justice Doris I. Byrne, New York Court of Special Sessions; David Schenker, New York attorney.

Date for hearing on Paramount Pictures (anti-trust violations, etc.) and ABC-United Paramount merger (Vol. 7:32, 35) has finally been set for Jan. 15, to be held before FCC examiner yet unnamed. Comment around Commission is that FCC could spend "years" on case if it chose. Says one attorney: "It would take 12 lawyers and 20 accountants a year to study Justice Dept.'s files alone." ABC is particularly anxious to get final decision quickly, needing added expansion capital and fearing it will soon have to go "house-hunting" without infusion of UPT capital. Its leases with NBC—in New York, San Francisco, Los Angeles—expire March 31, 1952. Permission to intervene in case, filed by Fanchon & Marco theatre chain (Los Angeles, St. Louis), was denied by motions commissioner George Sterling—but chain isn't foreclosed from testifying. This week, F&M petitioned FCC to override Sterling.

FCC granted 90-day test of Telemeter, coin-operated subscription TV system proposed by Paramount Pictures (Vol. 7:34, 37), gave company strict orders not to create impression Commission has approved system—same as it did for tests of Zenith's Phonevision, Skiatron's Subscriber-Vision (Vol. 6:6, 47). Tests will be as Paramount proposed: over Los Angeles' KTLA, midnight-9 a.m., using 6 receivers, no public participation. Skiatron is stepping up activity lately, sending director Rear Adm. Timothy O'Brien to Hollywood, presumably to seek films for home tests. He says that Subscriber-Vision, currently punch-card operated, can also use coinbox.

TV station owner Edward Lamb (WTVN, Columbus, and WICU, Erie) this week bought WHOO and WHOO-FM, Orlando, Fla., from Martin Anderson, publisher of *Orlando Sentinel-Star*. Price was \$200,000. It's Mr. Lamb's second AM outlet, other being WTOD, Toledo. ABC outlet operates with 5-kw night and 10-kw day on 990 kc. Lamb takes over WHOO's TV application. This week, also, Grant Ashbacker sold his WKBZ, Muskegon, Mich., for \$179,000 to Arch Shawd, ex-WJR, Detroit, and WTOL, Toledo. It's also an ABC outlet, operates with 1-kw on 850 kc. Both deals were handled by Blackburn & Hamilton.

Total TV applications rose to 446, of which 14 are uhf, with filing this week by Tel-A-Ray Enterprises Inc., Henderson, Ky., for uhf Channel No. 50. Firm is made up of group of local business men. [For further details, see *TV Addenda 13-N herewith*; for listing of all applicants to date, see *TV Factbook No. 13* and Addenda to date.]

Electromagnetic radiation bill (S. 537) was finally passed by Congress this week, Senate concurring in House amendments (Vol. 7:38). Bill gives President control over all radiating devices which enemy could use for navigation.

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CBS COLOR SHELVED 'FOR THE DURATION': Looks like you can forget about color TV -- for an unpredictable period.

CBS system goes into mothballs, that's definite. Compatible system developments may also have to be shelved -- next week will tell.

Shocker came at 3 p.m. Friday, Oct. 19, when CBS president Frank Stanton released statement that, at request of mobilization director Charles E. Wilson, CBS would immediately stop all color set production and programming "in the national interest...for the duration of the emergency."

At about same time, Mr. Wilson's office released letter to Stanton, which asked such suspension "in order to conserve critical materials." Press release from his Washington office also stated he would call all TV manufacturers to meeting sometime next week "for the purpose of discussing the desirability of suspending all further development of color TV in order to free highly skilled electronic engineers for important military projects."

[For texts of Wilson letter and Stanton statement, see p. 5.]

Story broke after N.Y. Stock Exchange had closed, so there was little activity in CBS Friday when "A" closed at 28½, "B" at 28¼, off ¼ & ½ respectively in a generally weak market. They opened at 27½ & 27¾ Saturday, closed at 27½ & 27¼.

* * * *

Questions, speculation, cross-allegations -- erupted all over the country, among manufacturers and telecasters especially, when the news broke. "Who done it?" was the common refrain -- and efforts to plumb the facts met some blank walls.

CBS spokesmen were absolutely mum, and FCC officially said "no comment" until it has "more information". One staunch CBS adherent at FCC said: "I see the fine hand of General Sarnoff in this one." But Sarnoff, fresh from the triumphs of RCA's New York-Washington demonstrations (Vol. 7:41), and its remarkable showings of large-screen theatre TV in color this week, said he was nonplussed -- probably would have nothing to say until manufacturers' meeting with Wilson.

Some industry topkicks, while inclined to gloat over what they said was end of CBS's color campaign, were mad as hornets over idea that all color development, even the compatible kind of NTSC & RCA, might have to be frozen.

Several boiled, off the record, and only the ever-blunt Dr. Allen B. DuMont asserted, "Damn right you can quote me." Said he:

"It's a hell of a note. I think they should make CBS make those sets. They would lose their shirts, as I always said they would."

Other industry men spoke in same vein, indicating intensity of feeling that prevails. Said one of foremost: "How much critical materials could this save? CBS wouldn't make enough color sets to put in your eye. Why? Nobody is buying them or would buy them. Who will buy one of those things for 6 or 7 hundred bucks?" (He was referring to fact that CBS's 10-in. magnified receiver, listed at \$499.95, actually comes to very nearly \$700 with taxes, warranty, installation, service contract.)

"As for saving engineers for military projects," said this spokesman, who is

in no way connected with RCA, but is an enthusiast for NTSC's current color work, "you aren't going to save much by calling them off color. I imagine there are altogether, throughout the industry, 2-300 engineers working on color. If you want to save engineers, take them off new picture tube development, uhf and such stuff.

"But what would you do with them? I don't think there's enough military work to keep them going. But I don't know whether you can tell Wilson that. He says there's a shortage of engineers. The whole thing depends on whether it's materials or engineers that he's worried about. We'll know next week."

* * * *

There you have the thinking of industry leadership -- for from start just about whole electronics and industrial fraternity has been lined up against CBS and FCC in their effort to put over non-compatible color.

Everyone in trade reached, within short time available before going to press, seemed convinced Wilson's request was CBS-inspired -- "a way off the hook" and "a chance to wave the flag" in the process, as one put it.

It's really curious how each camp uses same argument to detect "machinations" of the other. CBS proponents have said CBS sets don't use much materials that couldn't be diverted from black-&-white. Opposition says lack of demand for the CBS sets means they wouldn't use much material anyhow.

Fact is that CBS's request to NPA for extra materials to manufacture color receivers had been rejected -- and CBS had appealed rejection to NPA appeals board and was scheduled for hearing Oct. 23 (Vol. 7:41).

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Move was really at high level. NPA Electronics Div. was caught flatfooted. DPA administrator Manly Fleischmann had been out of town for last week, got back and lunched with Wilson day of announcement. It's known, definitely, that Fleischmann had a "request" before him for several weeks. No one at DPA will say where request originated, but they'll say they think they know.

Speculation is that pitch may have been from Paley to Symington to Wilson, inasmuch as former 2 are social cronies and Paley spends several days each week in Washington on his job as chairman of President's Materials Policy Commission (Vol. 7:2,4), a post obtained for him by NSRB (now RFC) Chairman Symington.

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Here are some of the many questions being raised:

(1) Stanton says color is off for "duration of the emergency." And Wilson asked for suspension "until such time as critical materials are in sufficient supply to warrant production." Which comes first? Will CBS resume color if materials noose loosens, though emergency persists?

(2) What will FCC do about it, if anything? Would it consider a petition for compatible standards while DPA-induced color "freeze" is on?

(3) Will CBS be permitted to continue laboratory development, as Stanton says it intends to, if rest of industry's color engineers are "frozen" off color?

(4) Would Wilson extend engineering freeze to uhf, picture tubes, black-&-white redesign and refinement -- or even to station construction, theatre TV, etc.? DPA officials say color action isn't unique, pointing out, for example, that Govt. has limited number of cars with automatic transmissions.

(5) Is Wilson merely "suggesting" or is he "ordering"? If latter, why was same letter not sent to NTSC members, to RCA, to those other firms which, like CBS, have also been advertising availability of color units?

* * * *

Reasons Wilson gave for action -- materials and engineering shortages -- were ignored by FCC when it rendered color decision about year ago in time much more uncertain militarily than the present (Vol. 6:35). Then, the defense agencies were predicting even more dire impact of Korean War demands on electronics industry.

Materials situation was cited by Supreme Court Justice Frankfurter, too (Special Color Report, May 28, 1951), and rejected by CBS when it asked for and got DPA's assurance Govt. didn't intend to interfere with color production (Vol. 7:1).

Whether all color TV development will stop, is probably biggest question pending. Manufacturers who were accused of ganging up against color per se for fear it might hurt their black-&-white business, now are straining to go ahead with RCA and/or NTSC compatible system, and everybody thought it was only a matter of several months before the compatibility proponents would ask FCC to reopen "door ajar".

Some manufacturers also say much color work is "straight down the line" on military projects, closely allied with certain defense plans.

President Richard Hodgson, of Chromatic TV Labs (Paramount Pictures), after hearing news, announced that Lawrence tri-color tube uses no more critical materials than black-&-white tubes, could be put into sets requiring no additional materials. But he admits that it may make little sense to put tube into sets now, inasmuch as there's no more colorcasting and a compatible system may eventually be adopted.

* * * *

Distributors and dealers seem relieved to have color "incubus" off their necks. Now they can tell customers color is out the window for duration -- though lately they've indicated, as one told us, that "color is the least of our troubles so far as sales resistance is concerned."

The few color sets out -- CBS declines to divulge number -- may have served as store traffic builders, but they certainly didn't sell color sets. One big Washington dealer, who displayed color set, was so miffed by Friday's happenings that he asserted: "I'm telling them to take their whole line back. The only reason I took it was because I expected the color set to bring people into the store." He has not sold one color set, he said, nor taken one order.

CBS-Columbia Inc. has been doing good job of building up distribution organization on strength of new name and color promotion. It may wind up with net gain yet -- in developing market for its black-&-white sets. Sales manager Richard Payne said dealer interest in line has increased "hundred-fold" since old Air King days.

Company has straightforward selling job to do now, competing against some 100 other brands. Price-wise, it faces usual handicaps of any small producer facing big and long-entrenched mass producers. It has advantage of CBS name and TV-radio network facilities, can probably still hold onto substantial private-label market in which its precursor Air King once mainly operated (Sears Roebuck, et al).

* * * *

Few think incompatible color will ever be resurrected, not least of these being CBS's own affiliates who have shown conspicuous lack of enthusiasm for system -- and only handful of whom have carried its network colorcasts, now halted.

Whether work on compatible color is stopped or not, every black-&-white set sold becomes so much added weight that an incompatible system would have to lift.

And FCC's greatest hope, new stations in new markets, which some thought might be pressured into color, directly or indirectly, can scarcely be expected now to hop into color when the station freeze is lifted.

THEATRE TV CLIMAXES RCA COLOR SERIES: Before Friday's big color explosion (see p. 1), RCA engineers were elatedly winding up 2 weeks of highly successful color showings, including impressive theatre-TV demonstrations in New York. Next move was to be field-testing of those NTSC-recommended specifications not already in their system -- including 3.89-mc color carrier (in lieu of 3.58), asymmetrical sampling, etc.

Rest of industry has been gearing for Nov. 2 full NTSC meeting in New York to agree on the few remaining system factors to be field tested.

This week's RCA showings were much like last week's, with virtually everyone conceding compatible system is "almost here," if not already "ripe" for standardization. FCC commissioners who attended this week -- Jones, Hyde, Sterling, Webster -- are naturally shy of commitments. But their off-the-record comments make it quite clear they're impressed with what they've seen but are by no means prepared to "buy" the system on basis of one demonstration they've witnessed. Said one:

"They've made progress -- extremely interesting progress. But there are a lot of questions to be answered. One showing like this isn't like a hearing with 10,000 pages of testimony and 200-odd exhibits. This isn't the kind of situation

you can make a judgment on. If they have satisfactory answers to the criteria in our color decision -- that's the thing."

Another remarked: "I was particularly interested in the questions asked when I was there -- cost of sets, convertibility of black-&-white sets, etc. RCA seemed to have a little trouble with them." Others reserved comment, as did chairman Coy last week, or couldn't be reached. All but Hennock have now seen system.

"If you had seen pictures like these during the hearing," we asked one commissioner, "do you think your decision would have been different?" He laughed, said: "Well, the decision would have been less obvious."

Many Washington consulting engineers and radio attorneys attended, left more satisfied than ever that compatibility is basic, and that FCC must eventually accept compatible system. Perhaps best-informed comments were those of engineer Stuart Bailey, who served on famed Condon color committee (Vol. 6:28,30):

"It's a definite improvement. The apparent contrast isn't quite as good as CBS's. But that's probably an interim thing. Registration is better than ever before. It's perfectly satisfactory color."

"Charges of complexity against the RCA system never worried me. Black-&-white is too complex -- but it works. Those things shake down; they always do."

We asked whether Condon Report might have been different had committee seen current RCA pictures. "I don't think so," he said. "If you read it again, and look at the table we prepared, I think you'll find this is the sort of thing we anticipated. But I think CBS has made an important contribution to color. If they hadn't forced the issue, we probably wouldn't be as far along as we are."

* * * *

RCA's theatre-TV showings all week in New York's Colonial Theatre were also tremendous hit with theatre men, press and public. Many said the pictures were even better than those on receivers.

Theatre men appeared truly excited. Typical quotes:

Nathan Halpern, president of Theatre Network TV Inc.: "Very important progress. I think it's acceptable right now. Of course, there's no equipment for sale yet, presumably because there are some problems to work out yet."

Dana Atchley, technical TV chief, United Paramount Theatres: "All of us are extremely enthusiastic. That goes for Mr. Goldenson [president] and Mr. O'Brien [executive v.p.]. We're particularly impressed with compatibility for theatre TV as well as home TV. It's important to be able to install black-&-white now, knowing that you can continue using it when color comes. Certainly, we shouldn't wait until color is available. We'll shortly have 24 [UPT] theatres equipped."

Richard Hodgson, president, Chromatic TV Labs (Paramount Pictures): "Very good. Maybe we should have more bandwidth, but this is acceptable right now."

Bernard Lust, Lust chain (Washington, D.C.): "If they could build one now, I'd take it. Of course, there are a few imperfections, but the average moviegoer wouldn't even see them. It's very much like Technicolor, much better than other color film processes."

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Most of press reacted much as did theatre men. Variety reported: "Colors... were solid and true, indicating the new tint system can well be that extra fillip needed to get big-screen video over the hump." New York Times: "Theatre men, accustomed to Technicolor and other motion picture color systems, felt that RCA color still had a long way to go before its quality would equal that of existing color systems. All things considered, however, this initial demonstration was judged a marked success." Herald Tribune: "The large-screen color was of high fidelity, but not so sharp as standard motion picture reproduction. However, the colors were softer and easier to look at than movie color."

Our own feeling was that more resolution and brightness would be welcome. Most engineers had same reaction, and RCA v.p. W.W. Watts did remark that "perhaps more bandwidth may prove desirable." Bell Labs' veteran Pierre Mertz suggested that more resolution may make up for less light to some extent -- although RCA's Dr. David Epstein said achievement of greater light output isn't much of a problem.

Equipment uses 3 kinescopes, 7-in., with 60 kv (compared with 80 kv for monochrome). Projector is on floor of theatre, about 30 ft. from screen, giving 9x12-ft. picture.

Basic equipment is very similar to gear RCA used for color theatre TV with simultaneous system in 1947, employs 3 Schmidt optical systems. Projector was developed for RCA labs' auditorium, thus accounting for picture size and length of throw. RCA said equipment would be developed for 18x24-ft. picture, 40-80 ft. throw.

Program was same show, thrice-daily, going to audiences in New York and Washington viewing home-type sets (Vol. 7:41).

Dr. Epstein, who directed the development, was mildly riled because some people considered pictures somewhat under Technicolor quality.

"I'll take on Technicolor any day of the week," said he. "Our system just has more inherent fidelity than Technicolor. And I can prove it." He also pointed out that same studio show was being picked up direct in New York and going over coaxial and microwave to Washington, thus making it difficult to control studio lights, etc. to best advantage for each type of showing.

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Biggest question in most people's minds is much-publicized Eidophor-CBS theatre TV (Vol. 7:41), due to be demonstrated in New York in month or 2. Most engineers say they're reserving judgment until showings, are particularly concerned about servicing and maintenance of Eidophor.

Pictures should be good, they say, since system employs field-sequential standards superior to those of CBS: 525 lines vs. 405, 180 fields vs. 144, 12 mc vs. 6 mc. These are basically the standards used by DuMont in its industrial color (Vol. 6:10). Trouble, engineers say, is how to get system between cities, since there are no 12-mc networking facilities.

Since no FCC approval is required for closed-circuit theatre TV, way is clear for use of any color system -- assuming Govt. doesn't ask industry to call off projects. But chances are color theatre TV will still be purely experimental when FCC's theatre-TV hearing begins Feb. 25, and there's no knowing whether Commission will permit industry to choose own standards -- as industry would like to do.

STANTON'S PRESS STATEMENT

IN THE national interest, CBS and its manufacturing units will comply immediately with ODM's request to suspend manufacture of color television equipment for the duration of the emergency. CBS television will also suspend its regular schedule of color broadcasts in view of the fact that there will not be a sufficient number of color receivers in the hands of the public to warrant such a broadcast service.

We look forward to the day when we may resume our color production and make this electronic achievement available to the American people. Within the limitations which may be imposed by the Defense Mobilization effort, we intend to continue experimental and developmental work during the period of manufacturing suspension, with particular attention to the development of a tri-color tube in connection with the CBS color television system, which received full commercial authorization by the Federal Communication Commission.

Development of a tri-color tube of CBS design is proceeding rapidly and we expect that such a tube can be demonstrated shortly and will allow simplicity and economy in manufacture.

The CBS laboratories will also concentrate on the development of a simple adapter which may be attached to ordinary black-& white television sets and which will enable those sets to receive color television signals in black and white. Such an adapter made generally available to the public at a reasonable price should remove any significant objection to the CBS color television system on the grounds of incompatibility with present black and white standards.

CBS-Columbia Inc., our manufacturing subsidiary, will continue to manufacture black-&-white television sets and electronic equipment for the defense program.

WILSON'S LETTER TO STANTON

AS YOU know the defense mobilization program in which we are now engaged requires the use of vast quantities of scarce materials in the production of military items and essential industrial expansion. In order to meet the production schedules which have been established it is necessary for us to overcome many bottlenecks and to conserve critical materials for those emergency programs.

We are making strenuous efforts to expand our sources of raw materials. Eventually we should be able to carry forward the military program and at the same time maintain our normal civilian production. In the interim, we are calling upon American industry to minimize the use of scarce materials and to stretch supplies through the use of substitutes. Through this program we believe that the civilian economy will be kept reasonably well supplied with essential goods. We must, however, request industry to suspend plans for mass production of new products which are not absolutely essential and which would require the use of critical materials. After careful study, I have reluctantly concluded that the mass production of color television sets presents such a case.

I am, therefore, requesting the Columbia Broadcasting System to suspend its plans for the manufacture of color television receivers in order to conserve critical materials until such time as these materials are in sufficient supply to warrant production. Your cooperation in this matter would be of great benefit to the defense effort.

TELECASTERS ADOPT SELF-CONTROL CODE: Determined to head off govt. action, America's telecasters this week voted themselves a strict self-censorship code.

Representatives of 65 TV stations & 2 networks, meeting in Chicago Oct. 19, approved Program Standards Code substantially as prepared by committee under Robert Swezey, WDSU-TV (Vol. 7:25,31,36). There were no dissenting votes, 3 abstentions. Code must still be ratified by NARTB-TV board at next meeting, scheduled Dec. 3.

Many telecasters found code tougher than they'd anticipated -- only 2 said it wasn't tough enough. Much of it is borrowed from motion picture code and old radio code, runs gamut of most-complained-about programming excesses and shortcomings -- all the way from "indecent exposure" to length of commercials.

Copies are available from NARTB, 1771 N St. N.W., Washington 6, D.C.

"This code obviously was written for the American people and not for people who own and operate TV stations," said NARTB president Harold Fellows at the Chicago meeting. Copies will be circulated this week to FCC and to Sen. Johnson's powerful Interstate & Foreign Commerce Committee, now considering the Benton Bill to set up 11-man TV-radio "program advisory board" (Vol. 7:22,33,36,41).

Code contains many flat prohibitions -- against profanity, obscenity, the glorification of criminals, religious and racial bias, etc. But when it comes to advertising practices, tone becomes decidedly more placatory.

Commercial time standards are merely "suggested [as] a guide to determination of good telecast advertising practice," with notation that they may be revised "from time to time." Sample suggested lengths of advertising messages: 15-minute news programs, 2¼ minutes; other programs (Class A time), 2½ minutes in 15-minute programs, 3 in 30, 6 in 60; all other hours, 3 minutes in 15, 4¼ in 30, 7 in 60. There's no reference to such practices as double-spotting at station breaks, etc.

"NARTB TV Seal of Approval" goes to stations subscribing to code. It will be on slide or film, for display by stations in same way movie producers use MPAA's "Johnston Office" self-censorship seal. It's suggested seal might be used in background of station identification slide.

TV's "Johnston Office" will be 6-man TV Code Review Board, to be named by NARTB-TV board, with NARTB chairman Justin Miller ex-officio member. First board will serve until 1952 convention; thereafter members will serve for year.

Board's duties, as outlined in the code: (1) Review all TV programming. (2) "Receive, screen and clear" complaints about programming. (3) Define & interpret code. (4) Keep FCC, Congress and other govt. agencies informed of code's operation. (5) Inform code subscribers of complaints & commendations. (6) Make recommendations or prefer charges to TV board concerning violations. (7) Recommend amendments.

'NITCHING THEIR WAGONS TO NEW STAR': Whither Hollywood? Will film industry "meet and conquer the threat of TV" -- or is it to be a knock-down-and-drag-out between home and theatre entertainment -- or are the two media destined to merge?

"Movietime U.S.A.," glittering current bootstrap promotion campaign of film industry, is producing results -- no doubt about that. While they aren't exactly tearing down the doors (except on occasional theatre-TV nights), customers are returning to the movie palaces. And film folk like to stress this point:

Despite return of big TV shows, both film rentals and theatre business have continued summer's upswing through September. They give these reasons: (1) "Movies are better than ever." (2) TV's novelty is wearing off.

But can Hollywood continue to battle TV as a competitor -- or will film and telecasting industries eventually discover they're interdependent? Theatre owners already are laying plans to blend with TV through station ownership, theatre TV, etc. (Vol. 7:39). Movie producers, too, know they have important decisions to make.

Old films in studio vaults -- once written off as virtually worthless -- have taken on new luster. Libraries of 5 leading film producers alone are said to be worth some \$280,000,000 for TV use (Vol. 7:18). But the major studios are still withholding them to protect theatre owners.

Public's appetite for the Hollywood product -- on home TV sets -- is unques-

tioned. With hundreds of new stations after freeze, it will increase many fold. A.C. Nielson survey showed every night 1,000,000 TV sets in New York area are tuned to at least one feature film -- with figure rising to 1,500,000 on Friday nights and 1,600,000 Tuesdays. Only films included were those made for theatre release.

Possible forerunner of trend is testimony by Republic Pictures president Herbert J. Yates that his studio has been considering giving up production of films for theatres, devoting entire output to TV features. Statement came out in course of hearing on cowboy star Roy Rogers' precedent-setting suit which succeeded in preventing Republic from selling or leasing his old films to TV (Vol. 7:26-27,30).

Setback to movie companies seeking revenue through release of old films to TV was administered Oct. 18 by Los Angeles Federal court with Judge Hall's grant to Roy Rogers of permanent injunction to keep Republic from offering his films to TV.

Rogers' contract didn't mention TV specifically, but reserved actor's right to control association of his name with sale or advertising of any commercial product. Court ruled this applied to TV programs -- both sponsored and sustaining -- since sustaining programs in effect advertise network or station presenting them.

Decision opens way for other stars with contracts similar to Rogers' to prevent studios from releasing their pictures to TV.

* * * *

Hollywood is at the crossroads, and we think Variety's Oct. 10 sizeup of situation particularly worth reading:

"The next 6 months are expected to be the period of decision for the motion picture industry. Level of the box-office between now and next April is seen as the tell-tale on whether the film biz, as now constituted, can live side-by-side with TV or whether the senior entertainment medium is slated for wholesale merger with its junior competitor.

"In any case, of course, the gap between films and TV is recognized as bound to close somewhat. With video already manufacturing and chewing up miles of film footage every week, with theatres installing large-screen tele as fast as they can get sets, with Paramount and 20th-Fox in heavy TV investments, and United Paramount hankering to merge with American Broadcasting Co., there can be little doubt that the contact between the 2 media is already getting fairly close-knit.

"If the b.o., however, should fail during the coming winter to sustain the gains it has made in recent months, a wholesale realignment of film thinking vis-a-vis tele can be expected. In efforts to bolster profits and/or hedge themselves against further income losses, the majors can be expected to start looking for ways to jump into video with both feet.

"Instead of the tentative eyeing of tele that's now going on, the big producing, distributing and exhibiting firms will undoubtedly be actively on the prowl for quick ways of hitching their wagons to the new star. For the producers that means selling of old -- and not-so-old -- product to TV..."

AZCARRAGA PLANS DOZEN TV STATIONS: Uninhibited by any freeze, content to let U.S. worry about uhf and color and all that, Mexico is proceeding with plans for new TV stations -- and we're now advised that no less an enterpriser than Emilio Azcarraga, country's top TV-radio and movie tycoon has projects for 4 new border stations and 6 others. These would be in addition to the one he already operates in Mexico City (XEW-TV, Channel 2) and second he plans there (XEQ-TV, Channel 9) -- both to function from giant new 25,000,000-peso, 26-studio TV-Radio Center due to be ready Dec. 1.

XEQ-TV still awaits govt. go-ahead for installation at Cortez Pass, some 15,000 ft. above Mexico City. Altitude is so great that DuMont was required to guarantee satisfactory operation of transmitter in such rarified atmosphere. Idea is to throw signal not only over Mexico City but also over vastly wider radius (100 mi. or more) than can normally be attained by TV. (Salt Lake City's KDYL-TV, incidentally, is planning station on Mt. Nelson, 9300 ft. above sea level, 3660 above average terrain, claimed as highest in U.S., expected to give 90-mi. radius with 50-kw ERP.)

Now experimenting on Channel 9 is home-built station operated by Guillermo Gonzales Camarena at XEGC, Saguyo; he was chief engineer for Azcarraga's radio net-

work, and Azcarraga reports: "There is absolutely no difference, so far as quality of image and sound is concerned, between the transmissions of his station and ours."

Azcarraga has applied for border stations at Tijuana, close to San Diego; Jaurez, opposite El Paso; Nuevo Laredo, opposite Laredo, Tex.; Reynosa, about 50 mi. west of Matamoros (opposite Brownsville, Tex.) where Mexico City publisher Romulo O'Farrill's XELD-TV recently went into operation on Channel 7 (Vol. 7:31,36). Senor O'Farrill also owns Mexico City's other existing TV -- XHTV on Channel 4.

Six more outlets are planned at Monterrey, Guadalajara, Tampico, Guanajuato, Veracruz, Turreon. Most of the stations, reports Azcarraga, will be managed by an organization formed by his companies with owners of leading local radio stations. Network plans await Cortez Pass station and, presumably, microwave relays therefrom.

* * * *

Note: Foregoing stations would comprise majority of the "20 or 22" which Mexico's director-general of telecommunications, Miguel Pereyra, while in Washington in early August, told us were in the works, would be built within year. New table of vhf channel allocations to Mexico, considerably revised from one previously set up in FCC table, will be released shortly by State Dept. It gives Mexico more channels, is understood to affect proposed U.S. allocations only in that (a) San Diego loses educational Channel No. 3, which goes to Mexicali, and (b) several changes in channel numbers, though not number or distribution of channels, will be required in proposed U.S. table of allocations (see TV Factbook No. 13).

For news about other Latin American TV station plans, see below.

MORE TV ACTIVITY in Latin America, spurred no doubt by availability of U. S. equipment while freeze persists here:

Dr. Assis Chateaubriand, Brazil's big chain newspaper publisher and radio operator, who already has established TV outlets in Rio de Janeiro and Sao Paulo (see *TV Factbook No. 13*), has ordered RCA equipment for another station in Belo Horizonte, to operate on Channel 4 and be ready in early 1952. Plans are also afoot for Porto Alegre.

Sao Paulo's second station, licensed to Radio Televisao Paulista, is nearing completion and due on air on Channel 5 by Jan. 1. It's also reported that Jao Baptista do Armaral, radio station owner and publisher of *Sao Paulo Recorde*, is planning to build both in that city and in Rio.

This week was inaugural time for Argentine's first, LR3-TV, Buenos Aires, operating on Channel 7, said to be forerunner of 2 more in Buenos Aires, 2 in Rosario, one each in Cordoba and Mendoza (Vol. 7:36, 40).

Uruguay's Servicio Oficial de Difusion Radio Electrica (SODRE), official regulatory agency, has asked "immediate" bids for construction of nation's first TV station in Montevideo, reports Dept. of Commerce's *Foreign Commerce Weekly*. No standards were specified, but gov.-appointed committee has recommended U. S. standard 6-mc channels, using No. 2 to 6, with line and field standards to be adopted after tests.

FCC can't censor, chairman Wayne Coy told Knights of Columbus in Oct. 17 letter to its Supreme Council secretary. Latter had forwarded resolution, passed at annual meeting Aug. 21-23, demanding that "proper authorities . . . take the necessary action to see that all TV shows are presented in such a way that they will not offend any person." Said Coy: "The law places the responsibility upon the station licensees . . . They are limited in the exercise of their judgment by requirements of law which prohibit the broadcast of obscene, indecent or profane language and information relating to lotteries." He suggested organization "consult with the station operators."

FCC Commissioner George Sterling speaks Oct. 31 to New York Section of Armed Forces Communications Assn., plans to discuss TV in general—freeze, uhf, color, etc.

Personal Notes: Telford Taylor, onetime FCC gen. counsel, recently in private practice, who as an Army brigadier general prosecuted Nuremberg trials, confirmed by Senate this week as administrator, Small Defense Plants Administration . . . James Miles, ex-director of Purdue U's WBAA, named executive director, National Assn. of Educational Broadcasters, newly-established full-time job, with headquarters at U of Illinois . . . Edward Cheyfitz, aide to Eric Johnston, has resigned from Motion Picture Assn. Washington staff, his TV duties to be handled by Taylor Mills of N. Y. office; he plans to open law office in Washington . . . Clarence L. Doty, ex-mgr., WJZ & WJZ-TV, named gen. mgr., Bories Organization Inc., TV-radio packaging-merchandising firm for grocery-drug trades . . . Robert Dressler transfers from TV research for Paramount Pictures to director of research-development of its 50% subsidiary Chromatic Television Laboratories Inc. . . . George Shupert resigns as v.p., Paramount TV Productions, off to Los Angeles Oct. 20 to make plans . . . George W. Harvey, sales mgr., WGN-TV, Chicago, Nov. 5 becomes mgr. of WFLA, Tampa . . . Charles C. Duncan promoted to operating staff mgr., AT&T Long Lines Dept. . . . David J. Jacobson, ex-Young & Rubicam, named CBS-TV director of public relations . . . George B. Storer Jr. transfers from WAGA-TV, Atlanta, to Fort Industry Co.'s newly acquired KEYL, San Antonio (Vol. 7:41) in early November, manager W. D. (Dub) Rogers Jr. going on semi-active status . . . Roger LaReau named commercial mgr., WTVN, Columbus . . . Maury Baker, ex-ABC, named TV-radio chief of BBDO, San Francisco . . . Sidney Nadler, ex-film director, WOR-TV, joins WXEL, Cleveland, as asst. film director . . . Wm. E. Lane, ex-WWJ-TV, joins Video Films, Detroit, in charge of sales . . . Ed Gruskin, recently in Europe for ECA, joins Official Films Inc., N. Y.

TV service in congested area is analyzed by FCC chief engineer Edward Allen in *A Service Study in the Lake Erie Region*, (TRR Report 5.3.2), available from Technical Research Div., Room 1629, Temporary T Bldg., 14th St. & Constitution Ave., Washington.

Walter W. Carruthers, 38, Don Lee engineering v.p., died Oct. 15 after brief illness; surviving are widow and son.

Network Accounts: Gillette shares Oct. 26 sponsorship of Joe Louis-Rocky Marciano fight on its *Cavalcade of Sports* with Admiral, Crosley, GE, Motorola, Philco, RCA & Sylvania on coast-to-coast NBC-TV, Fri. 10-conclusion . . . Lucky Strike starting Nov. 4 presents *Jack Benny* 6 times from Hollywood on CBS-TV, Sun. 7:30-8 during time regularly occupied by *This Is Show Business*; other dates are Dec. 16, Jan. 27, Mar. 9, Apr. 20, June 1 . . . G. F. Heublein & Bros. Inc. (A-1 Sauce & Mustard) Oct. 3 started sponsoring 12:15-12:30 segment alt. Wed. of *Ruth Lyons' 50 Club* on NBC-TV, Mon.-thru-Fri. noon-12:30, thru Scheidler, Beck & Werner, N. Y. . . . General Foods (Swans Down Instant Cake Mix, Minute Rice) starting Jan. 6 will sponsor *Claudia* on NBC-TV, Sun. 6:30-7, thru Young & Rubicam . . . Carter Products Inc. (Nair, Arrid, Rise) starting Nov. 3 sponsors *City Hospital* on ABC-TV, alt. Sat. 12:30-1, thru Ted Bates & Co. and Sullivan, Stauffer, Colwell & Bayles, N. Y. . . . Waring Products Corp. (Waring blender) starts Fri. participation in *Homemakers' Exchange* Oct. 19 on CBS-TV, Mon.-thru-Fri., 4-4:30, thru Hicks & Greist, N. Y.

Station Accounts: Local political time being sold by TV outlets on ever-increasing scale, auguring huge demand about this time 1952—with national headquarters of major parties planning various aids to State and local candidates; in hot Philadelphia mayoralty race, candidates and spokesmen are buying Class A time . . . WNAC-TV, Boston, reports these among accounts participating in daily 1-1:30 p.m. *Shopping Vues*: Abon Mfg. Co. (glove clips, handbag holders), thru J. J. Coppo Co., N. Y.; Grocery Store Products Co. (Cream of Rice cereal), thru Ted Bates & Co., N. Y.; Metropolitan Ice Co. (frozen food delivery), thru Harry M. Frost Co., Boston; New York & New England Apple Institute Inc., thru Charles W. Hoyt Co., N. Y.; Von Schrader Mfg. Co. (Powderene rug cleaner), thru Reincke, Meyer & Finn, Chicago . . . Food firms using Donald Duck brand name, under Walt Disney licenses, are now engaged in TV-radio-newspaper promotions, thru Russell M. Seeds Co.; among licensees are Atlantic Syrup Refining Co., Philadelphia (chocolate syrup), and Cinderella Foods, Dawson, Ga. (peanut butter) . . . A. C. Gilbert Co. (toy trains) buys 8 *Boys Railroad Club* films on WABD, New York, Fri. 6:45-7, thru Charles W. Hoyt Co., N. Y. . . . Delta Tool Div., Rockwell Mfg. Co. (power tools) buys Sat. 1:15-1:30 *Delta Tool Show*, film, on WTMJ-TV, Milwaukee, thru Marsteller, Gebhardt & Reed, Chicago; other new WTMJ-TV national accounts: Hills Bros. (coffee), thru N. W. Ayer, N. Y.; Blum's of San Francisco (candy), thru BBDO, Minneapolis; Fearn Labs. Inc. (soup mixes), thru Howard H. Monk, Rockford, Ill.; R. Gerber & Co. (corn popping oil), thru Newby & Peron, Chicago . . . Hotpoint Inc. sponsoring *Today's Teens* on WENR-TV, Chicago, panel of 4 teenagers discussing modern problems, thru Maxon Inc. . . . Crosley planning another TV spot drive Nov. 12-Dec. 7, thru Benton & Bowles, N. Y. . . . GE sponsoring films of U of Georgia Sat. grid games Sun. afternoons on WLTV, Georgia Tech games same afternoon on WSB-TV . . . Among other advertisers reported using or preparing to use TV: Sau-Sea Foods (Sau-Sea shrimp cocktail), thru William von Zehle & Co., N. Y.; Top Secret Hosiery Sales Co., thru Pearl Randolph Stanton, San Francisco; Arrestine Sales Agency Inc. (tablets to stop smoking), thru Sparrow Adv., Birmingham, Ala.; Southwestern Bell Telephone Co., thru Gardner Adv., St. Louis (KSD-TV); Caruso Brands Inc. (Caruso foods & macaroni products), thru Birmingham, Castleman & Pierce Inc., N. Y.; Fenton Art Glass Co. (Fenton glassware), thru John Falkner Arndt & Co., Philadelphia; Monogram of California (Add-A-Mite home calculator), thru Sidney Garfield & Associates.

SEVEN TV MANUFACTURERS are joining with Gillette to sponsor Joe Louis-Rocky Marciano heavyweight bout coast-to-coast on NBC-TV, Oct. 26—and together they're paying what may be a record for rights to any prizefight. Gillette, regular TV-radio sponsor of Friday night fights, is paying \$230,000, of which \$50,000 will be for time charges, \$180,000 to International Boxing Club for TV-radio rights. On top of this, set manufacturers will pay \$70,000—or \$10,000 each—making grand total of \$250,000 to IBC and \$300,000 for entire telecast, including time charges.

Set makers sponsoring bout are Admiral, Crosley, GE, Motorola, Philco, RCA, Sylvania—all except GE among the 8 which joined to snag July 18 Joe Walcott-Ezzard Charles title bout away from theatre TV, paying \$100,000 for TV-radio rights (Vol. 7:28-29). Plugs for TV manufacturers Oct. 26 will be institutional in character, as they were on July 18 telecast. Deal is one-shot action, no permanent organization of TV manufacturers having been set up to sponsor sports events.

Same day sponsorship was announced, Oct. 17, RCA consumer products v.p. J. B. Elliott told Philadelphia bankers convention that theatre TV and home TV "can and should" function as complementary media. Added Elliott: "I should like to end, once and for all, the rumor that home TV interests are currently building up a war chest to do battle with theatre TV."

Amplification Dept.: "Your Newsletter of Oct. 6 [Vol. 7:40] gave a good picture of the Denver excitement over the World Series presentation on TV," writes John R. Howland, director of products research, Stewart-Warner Corp., "and yet, according to a New York banker with whom I had supper last night and who was in Denver at the time, your story was an understatement. Not only was the World Series on TV the only topic of conversation in Denver, on the street or anywhere during those days, but the theatre showing was accomplished under the auspices of Max Brooks, executive v.p. of the Central Bank & Trust Co. of Denver, who gave away admission tickets to applicants in the order of their requests so as to avoid Commissioner Frick's ban on the sale of tickets for theatre exhibition. Mr. Bromfield, of the Corn Exchange Bank of New York, quotes Mr. Brooks as saying that after the play on Sunday had been rained out and those who had tickets had the privilege of exchanging them for the following day, the lines formed at 2 a.m. and hundreds of people were sleeping in line when the distribution of tickets was begun Monday morning." Editor's Note: Bank reportedly picked up \$5000 check for cable charges in return for exclusive distribution of tickets.

Cost figures filed by WKY-TV, Oklahoma City, in brief protesting FCC's proposal to shift it from Channel 4 to 7, show: (1) Investment in facilities is \$506,242. (2) Loss in 1949-50 was \$269,647. (3) Total cost of shift would be \$167,480; depreciated book value of present transmitter is \$56,500, presumably partially salvageable; cost of antenna, which has "doubtful" salvage value, was \$28,500. Brief includes statements from 41 dealers and servicemen who say it would cost public hundreds of thousands of dollars to adapt or replace receiving antennas. Station proposes alternative allocation to FCC plan, leaving WKY-TV on Channel 4.

RCA has stepped up power of its 20-kw transmitter and amplifier (TT-20BL & TT-20AL) to 25 kw, redesignating them TT-25BL & TT-25AL—for Channels 2-6. Power remains 20 kw for Channels 7-13.

Army is cancelling all advertising contracts, including TV-radio (thru Grant Adv., Chicago), following Congress' removal of entire \$3,100,000 recruiting ad appropriation.

CRYSTAL-GAZING THE NEAR FUTURE OF TV: RCA consumer products v.p. Joseph B. Elliott sparked the most lively conversation piece in the industry several weeks ago when he flatly predicted shortages of "quality receivers" by mid-December (Vol. 7:39). So we addressed identical letters to a cross section of TV set manufacturers, asking them:

"What's your thinking on this score, and on TV market prospects generally for the rest of this year and early next?"

Thoughts of most seemed to run in same direction: demand will soon outrun foreseeable supply, material shortages inevitably in offing.

Of the 14 responding, all but 3 gave us permission to quote them by name, and we've digested their responses herewith. But the 3 anonymous respondents are particularly worth noting, because each in own way dissents from majority.

One is a private label manufacturer, who opined that the materials situation will ease up during first 1952 quarter "and therefore production may be greater than is anticipated at this time." Another, a highly reputed medium-sized manufacturer who said his firm's inventories were all absorbed by Sept. 15, saw no shortage until fall of 1952; thinks the industry "ought to get sensible" and plan in terms of 4-5,000,000 sets next year "so they will make as much on this volume of business as they would with 50% more and dumping the extra 50% at a loss."

The third, also medium-sized, pooh-poohed shortage problems, asserted he's "a bit allergic on the subject of material shortages." His reply ran so far counter to others that his quotes are worth special note. All replies were written before DPA administrator Manly Fleischmann's lugubrious report last week on metal supplies (Vol. 7:41). For essential quotes from most of the replies, see opposite page.

TV MARKET UP, INVENTORY CUT IN HALF: "Biz better. Table models short. Conservation measures evident in shipments received this a.m. per long-standing plans."

Foregoing verbatim message from major distributor for one of top receiver manufacturers, in good market, just about epitomizes trend of TV trade as a whole. And the trend of business generally would seem to apply to TV-radio particularly, as nicely summed in Oct. 19 United States News:

"Sales volume, in fact, has never been so high except during scare-buying waves...hard goods are selling better than in any year except 1950 and early 1951."

And National Industrial Conference report this week says liquidation of inventory could be basic fact of fourth quarter -- third quarter having been marked by leveling off. Its sizeup of commodity market in general certainly applies to TV.

* * * *

This week's RTMA figures on production and inventory are all to good, too: TV output for week ending Oct. 12 was 99,877 (1990 private label), up some 12,000 from preceding week (Vol. 7:41) -- and best week since 122,489 of last April 20.

Factory inventory same date fell to 389,894, down about 25,000 from week before -- down, too, to just about half peak inventory figure of 768,766 recorded as of last Aug. 3 (Vol. 7:32). In other words, factory inventory has been reduced some 380,000 in 11 weeks to approximately the figure of mid-April (Vol. 7:16).

Oct. 1 distributor and dealer inventory estimates (always month late) won't be known until early November -- former from RTMA, latter from Dun & Bradstreet -- so it's somewhat too early to gauge flow in those pipelines. However, the recently reported figures for end of August were quite gratifying (Vol. 7:40), and reports from wholesalers and retailers have been consistently good the last 6 weeks.

Radio output fell to 205,014 units (73,929 private label) from 230,385 the preceding week, factory inventory also going down slightly to 362,688 from 388,463. Radios were: 147,574 home receivers, 27,238 portables, 30,202 auto.

What They Say About Demand, Supply and Shortages

(See story on opposite page)

ADMIRAL CORP. (Ross D. Siragusa, president)—“The first of the year will see a shortage of TV sets of the better known brands. As far as prospects for next year are concerned, all I can say is that it pretty much depends on what happens in Korea and in Europe. If the Govt. continues to restrict the use of materials, obviously we are going to feel the effects of it in proportion to the amount of restrictions . . . ”

BENDIX RADIO, div. of Bendix Aviation Corp. (R. W. Fordyce, gen. sales mgr.)—“My estimate is that there will be a shortage of good quality low-end merchandise before the end of this year. I do not believe there will be an over-all shortage of medium and higher priced merchandise this year, but I feel that inventories will be brought well in balance at year end. The pinch from a material standpoint will very probably be felt the first quarter of 1952, and will no doubt accelerate from that point on. I have the feeling that during the coming year the market will be able to absorb the merchandise which the industry will be able to produce, and that we will not see a repetition of the price-cutting and dumping which occurred this summer.”

CROSLEY DIV., Avco Mfg. Corp. (John W. Craig, v.p. & gen. mgr.)—“There is no question but what the wolf is finally at the door on the materials problem . . . Every indication is that the first [1952] quarter cuts, particularly in copper, aluminum and nickel, will be more severe than for the fourth quarter. I feel that steel will also be cut to some degree in the first quarter as compared to the fourth quarter, although not so drastically as has been the case in the reductions in copper and aluminum. All of this spells less materials and less unit production of TV receivers; however, the industry has done a good job to date in the conservation of materials, and I think much more can be accomplished, particularly in the conservation of copper and aluminum.

“I think we must be realistic about the 1952 market for, as you know, for all practical purposes there will be few if any new stations on the air for the calendar year 1952 due to the freeze situation. [Yet] there is still more than ample inventory in the pipe-lines [and] it is our considered opinion that manufacturers will be able substantially to supply the demand for the remainder of this year and into 1952 insofar as we can predict today from the over-all materials available for the succeeding quarters in 1952. It is my further opinion that prices will increase as we progress in the next few months for, as you know, wage rates are ‘tied to the moon’, and also unit volume has been reduced due to material shortages, which means higher burden costs.”

EMERSON RADIO & PHONOGRAPH CORP. (Benjamin Abrams, president)—“It is my opinion that the demand for TV receivers will exceed the supply no later than December . . . It appears that right now, sales at the consumer level are considerably in excess of production. Likewise, I find that in the case of Emerson, it is also true that sales by distributors to dealers are approximately 100% in excess of our factory’s current production. [But] the real shortage can only take place after . . . inventories are disposed of.

“Based upon allocations of material, the manufacturer is not likely to materially increase his production for the

rest of this year over the current production rates. It is also well to note that indicated allocations for the first quarter of 1952 will be smaller than the fourth quarter [and] the real shortage panic [should] be felt and fully appreciated right after the first of the year.”

GENERAL ELECTRIC CO. (A. A. Brandt, gen. sales mgr., receiver dept., Electronics Div.)—“Long anticipated shortages for manufacturers are now a reality at a time when the industry traditionally moves into peak production. [And] there appears to be no reason to expect an early change in the materials and controls situation, certainly not before the second or third quarter of 1952. It is expected, therefore, that curtailed production coupled with increasing demand will result in an actual shortage of TV at the consumer level either late in 1951 or early in 1952.”

MAGNAVOX CO. (Frank Freimann, president)—Though absent when our letter was received, Mr. Freimann was quoted in reports from Dallas to effect that production first quarter 1952 will be “considerably less than half” first quarter 1951 and that there will definitely be shortage of sets by Christmas. He described certain markets as “run-away,” notably San Francisco, and stated: “There’s no question but what prices will have to rise, not only because of supply and demand but because of the continued upward pressure of material and labor costs.”

MOTOROLA INC. (Robert W. Galvin, executive v.p.)—“There is a shortage of Motorola TV receivers now. Although we are manufacturing at the maximum rate permitted by govt. regulations, we are still required to allocate each set. It is anticipated that this condition will continue through the first quarter of 1952. Depending on future govt. regulations and the expanding market for TV, a more serious shortage could develop in the last half of 1952.”

PACKARD-BELL CO. (Robert S. Bell, executive v.p.)—“The NPA [has] allotted materials which, in their estimation, will allow the industry to produce 1,000,000 TV and 2,000,000 radio sets during the fourth quarter, which is, of course, the peak sales period. This should result in the clearing of almost all inventory on the market, plus the sale of current production. The result should be a shortage of at least some lines, if not all, by Dec. 1.

“We are sold out through Dec. 31, which is as far ahead as we take orders. The first quarter of 1952 should see substantial sales [and] I find it hard to believe that the production of less than 1,000,000 TV sets [in first quarter] will satisfy the demand, although it should not create any actual acute shortage. [It appears] that there will be a rather good balance between supply and demand so far as keeping the business profitable for dealers, distributors and manufacturers during the first quarter of 1952 [and] there will be a continuing large demand for TV even without new stations. We just don’t believe in the bogey of saturation any more than the automotive industry has during these past 30 years.”

SENTINEL RADIO CORP. (Ernest Alschuler, president)—“Unless there is a complete change in the present quite apparent pattern of increasing volume of sales and a decreasing ability to manufacture, our thinking here is that the filled pipe-lines will be emptied somewhat after the first of the year. We continue to be confident that the

demand for TV will be more than healthy, but it is unfortunate that a way cannot be found to more moderately gear production with demand."

STROMBERG-CARLSON (S. R. Curtis, v.p. & gen. mgr.)—"It is my thinking [that] by the end of 1951 the overstock of TV sets hanging over the market will have been pretty well disposed of at all levels, the manufacturer, distributor and dealer. [And] I believe that the present CMP regulations [will] continue to hold a ceiling on the amount of production possible, and that by the first of the year, most manufacturers will be pressing production to the ceiling.

"Furthermore, I gather [that] the amount of raw materials to be allocated for the first quarter will be even less [than during fourth quarter]. If these assumptions prove to be correct, then the market after the first of the year should be reasonably firm, and I believe the production will tend again to the use of larger and larger tubes, since the unit output will be restricted, and since the differential in tube prices has become less and less."

SYLVANIA ELECTRIC PRODUCTS INC. (A. L. Chapman, v.p., Radio & TV Div.)—"I believe there will be a shortage of TV receivers in the first quarter of 1952 due to the shortages of materials, and also due to demands for plant capacities for military equipment . . . We have no fears at all about next year's demand, because it is evident that at long last the FCC should be very close to the time when the freeze should be lifted and UHF stations are going to take TV into the byways of the nation. If it were not for material shortages, I would expect that next year would be one of the largest in TV volume."

TELE KING CORP. (Louis I. Pokrass, chairman)—"There definitely will be shortages of materials which will curtail

production of TV receivers during 1952, which shortages will really start the latter part of this year and will steadily increase—becoming worse by the end of 1951."

NAME WITHHELD ON REQUEST—"Like most manufacturers in our industry, we opened the production valves wide during the first quarter of 1951 and built to the limit of our capacity in the belief that we could not receive materials later this year. Of course, we know that there's no evidence of real shortages in our industry at this moment. Our production is now being stepped up again, and we have no difficulty procuring all items needed.

"We are being advised again that there will be severe shortages of materials and some components early in 1952. Just last week two receiving tube manufacturers told me that the real bottleneck would be the shortage of nickel which would definitely limit the quantity of circuit tubes that can be covered in the first quarter. In my files there are letters and memoranda dated just about a year ago which cover the subject of a nickel shortage that was developing in the tube industry and which was going to not only slow us down but probably stop us in 1951 . . .

"Personally, I do not believe that the shortage of materials will be a handicap to manufacturers next year. I think the industry will be able to manufacture as many sets as it can sell. Material shortages will probably develop, but I think that our industry is extremely resourceful and that it will be successful in developing the substitutes and designing changes necessary to get around any 'real' material shortages that develop.

"We are not stocking up any materials in anticipation of shortages . . . We are gambling on the side of enough materials to support our sales program. If we lose this gamble, there will be a severe shortage of our merchandise, which to me is a much 'higher class problem' than having a surplus of merchandise . . ."

Topics & Trends of TV Trade: Not much doubt about parts shortages—in minds of GE electronics executives, at least. Syracuse plant laid off 2000 employes Oct. 18, shut down TV plant for week, blaming shortages of "certain components." Released workers were told to report back Oct. 24, and it was indicated that during shutdown company will begin converting some of its TV plant space to military production. During early phases of recent trade slump, GE workers generally fared better than most other TV-radio plant personnel because company continued relatively high production while others trimmed output.

* * * *

New, lower price ceilings for TV-radio are being explored, OPS officials told representatives of set manufacturing industry at Washington meeting Oct. 18. A special price control order for TV-radio industry was suggested by OPS to put ceilings "at a more realistic price level," since sets currently are selling well below levels established by OPS' general ceiling price regulation (GCPR). Industry spokesmen said set manufacturers currently are operating on small profit margins as result of trade slump. Possible price ceilings on warranties also were discussed. Subcommittee of 5 will be named to look into possibilities of tailored pricing order for TV-radio.

Members of OPS TV-radio manufacturers industry committee: C. P. Baxter, asst. gen. mgr., RCA-Victor home instrument dept.; A. B. Chambers, DuMont; Arthur L. Chapman, TV-radio v.p., Sylvania; Richard A. Graver, v.p., Admiral; W. J. Halligan, president, Hallicrafters; Larry F. Hardy, president, Philco TV-radio div.; Gerald Light, adv. mgr., Emerson; Glenn W. Thompson, president, Arvin; I. W. Wyckoff, secy.-treas., Pilot.

Trade Miscellany: Crosley starts construction of new \$5,500,000 plant for defense production on 73-acre tract on Glendale-Milford Road, Cincinnati, to provide 360,000 sq. ft., employ 1500-2000, be partially ready by June 1952 . . . Because DuMont's W2XCD, in Passaic, N. J. (now WABD), began regularly scheduled telecasts in 1930, and firm's first receiver was turned out there in 1938, that city has adopted slogan "Passaic, Birthplace of Television"—and Chamber of Commerce plans dinner Nov. 14 honoring Dr. Allen B. DuMont . . . Olympic Radio's 3-week jurisdictional strike ended with return of about 450 IBEW (AFL) workers Oct. 15, issue with IUE to be resolved under NLRB election to be set . . . Argentina's new TV station in Buenos Aires (see p. 8), supported if not controlled by Peron regime, signaled order by Ministry of Economy issuing certificates of necessity for 30,000 TV sets, expected mainly from U. S.

Merchandising Notes: Trade-in sales account for 40-60% of current Los Angeles retail TV business, Oct. 19 *Retailing Daily* reports—unnamed executive of "largest volume chain" quoted as saying private and off-brand promotional sets still represent 75% of his total sales . . . RTMA has published county-by-county figures on estimated 2,744,831 TVs shipped to dealers during first 8 months of 1951, available on request . . . Report on Muntz TV Inc. by O. B. Motter & Associates, N. Y., notes these TV unit sales: April 11,589, May 7491, June 6890, July 6574, August 11,046, Sept. (estimated) 10,000—total of 53,590 valued at \$14,926,300, as against 41,434 valued at \$10,786,600 for same 6 months of 1950 . . . Muntz reported now turning out 24-in. console to list at \$360 plus tax . . . Arvin 8½-in. table model offered by *Chicago Sun-Times* free to anyone procuring twelve 6-month subscriptions.

Mobilization Notes: Tougher policy on tax amortization benefits for plant expansion was announced by DPA chief Manly Fleischmann Oct. 18 as 60-day "moratorium" ended (Vol. 7:33). Principal changes, designed to cut down number of govt.-aided expansion projects:

(1) After Nov. 1, no company can begin expansion without DPA approval. Formerly, firms could postpone application until 6 months after they had started building.

(2) Ten-band priority system will be set up to govern processing of applications, with machine tools getting top place on list. Most electronic plants would fall under priority No. 5, "military end items and supporting projects urgently needed by the armed services."

During "moratorium," DPA actually handed out more authorizations for fast tax write-off than any comparable period—including certificates of necessity for some \$20,000,000 in expansion of electronic and related companies. In addition to those listed in Vol. 7:33, DPA okayed these projects since moratorium began Aug. 18 (amortization at 75% of project cost except where otherwise noted):

Crosley, Evendale, Ohio, fire control units, \$4,697,500; Corning Glass Works, Danville, Ky., glass bulbs for electronic tubes & lamps, \$3,605,750 (50%), and lead glass tubing & rod for tubes & lamps, \$2,228,450 (50%); Emerson, Jersey City, fuzes, \$1,960,160; Allen-Bradley Co., Milwaukee, resistors, \$1,316,088; Sonotone Corp., Elmsford, N. Y., military items, \$347,553.

Certificates granted in cases where expansion had already begun before Sept. 23, were listed by DPA without dollar value, which will be established later. The following cases came under that heading, and are listed with dollar value applied for, rather than amount granted—which is often considerably less:

Brown & Sharpe Mfg. Co., Greystone, R. I., military items, \$1,442,258; Sylvania, electrical products at Warren, Pa., \$822,610, and tubes at Emporium, Pa., \$314,000; Motorola, Phoenix, research, \$528,840; Raytheon, electronic tubes at Newton, Mass., \$427,428, and magnetron tubes at Waltham, Mass., \$353,581; Jeffers Electronics Inc., DuBois, Pa., capacitors & choke coils, \$371,154; Hycon Mfg. Co., Pasadena, Cal., electronic equipment, \$306,152; RCA, Lancaster, tubes, \$127,000; Raymond Rosen Engr. Products Inc., Philadelphia, electronic equipment, \$76,417; Resistoflex Corp., Belleville, N. J., aircraft electronic equipment, \$69,617 (80%); Federal Enterprises Inc., Chicago, transmitter & receiver assembly cases, \$25,725; Lear Inc., Los Angeles, control systems, \$10,616.

* * * *

Two new defense electronics groups were set up this week by Defense Dept. Research & Development Board under chairman Donald A. Quarles of RDB's electronics committee. Most important move is establishment of clearing house to collect and disseminate information on reliability of electronic equipment, headed by M. Barry Carlton of RDB secretariat and Dr. Albert F. Murray, RDB TV-radio consultant. Represented will be Munitions Board, Joint Chiefs of Staff, the 3 armed services.

Also formed was group on transistors (Vol. 7:39), composed of top men in the field, to assist electronics committee "to establish sound policies for the development and functional application of transistors by the armed services." Transistor group's membership: Dr. J. W. McRae, Bell Labs, chairman; E. Finley Carter, Sylvania; Dr. E. W. Engstrom, RCA; Dr. I. A. Getting, Raytheon; Dr. A. G. Hill, MIT; G. F. Metcalf, GE; Col. Cary J. King, Office of Chief Signal Officer; Col. George F. Moynahan, office of Army asst. chief of staff; James M. Bridges, Ordnance; Charles L. Stee, Navy Bureau of Ships; H. V. Noble, Wright Air Development Center, Dayton; Dr. E. W. Samson, Air Force Cambridge Research Center.

Financial & Trade Notes: Despite lower income from theatres, Monogram Pictures reports over-all revenue from film rentals went up because of income from TV—and president Steve Broidy said company is organizing unit to produce films expressly for TV. Monogram showed consolidated net profit of \$1,061,648 (\$1.40 a share) on gross of \$9,311,900 for fiscal year ended June 30, compared with loss of \$668,342 on \$9,225,800 in fiscal 1950.

No evidence of "recession" in United Paramount Theatres Inc. report for 9 months ended Sept. 30, showing consolidated net earnings of \$9,537,000 (including \$3,483,000 of capital gains) or equivalent of \$2.93 a share. This compares with \$7,963,000 (including \$1,456,000 capital gains) or \$2.44 a share for same 1950 period. For third quarter, earnings were \$4,688,000 (\$1.44 a share), including \$2,297,000 capital gains, vs. \$2,528,000 (78¢ a share), of which \$414,000 were capital gains, same quarter last year. "Firming of theatre attendance" due to improved product and more spending on recreation and entertainment, was reported by president Leonard Golden-son. He also informed stockholders that FCC has set Jan. 15 date for hearing before examiner on UPT proposal to merge ABC (Vol. 7:32, 35, 41).

Indicative of tax-hit balance sheets of most firms in electronics fields, GE third quarter report shows net earnings of \$15,610,819 compared with \$35,474,467 in third quarter 1950. Provision for Federal taxes, including \$13,000,000 for excess profits tax, was \$59,000,000 compared with \$38,500,000 same 1950 quarter. For 9 months of this year, net earnings were \$85,936,435, compared with \$112,919,454 preceding year—after provision of \$201,000,000 for Federal taxes vs. \$98,000,000. Sales for 9 months were up to \$1,694,084,373 from \$1,354,483,215.

Short interest in TV-radio and related stocks on New York Stock Exchange showed these changes between Sept. 14 & Oct. 15, NYSE reported this week: Admiral, 33,492 shares on Sept. 14 to 26,035 Oct. 15; Avco, 23,280 to 20,480; GE, 11,995 to 9526; Magnavox, 13,190 to 13,213; Motorola, 15,603 to 15,565; Philco, 15,547 to 10,236; RCA, 34,860 to 37,204; United Paramount Theatres, 8815 to 8080; Westinghouse, 4497 to 6417; Zenith, 21,336 to 23,990.

Trade Personals: Leonard F. Cramer, for 16 years with DuMont, until recently executive v.p. of manufacturing operations, Nov. 15 joins Crosley div., Avco, as asst. gen. mgr. under John W. Craig . . . Rear Adm. Stanley F. Patten, USN ret., elected v.p. of Allen B. DuMont Laboratories Inc.; since 1947 he has been asst. to Dr. DuMont, lately was director of mobilization planning . . . Martin L. Scher, ex-Motorola-New York, named national sales mgr., Emerson . . . Arthur Richenthal, N. Y. attorney, named secretary, Standard Coil Products Co. . . Jonathan A. Brown, ex-Sprague Electric, named director of research & statistics dept., N. Y. Stock Exchange . . . D. S. Beldon, radio sales mgr., named national account sales mgr., GE receiver dept., with D. E. Weston Jr. upped to radio sales mgr. and R. V. Buivid named asst. . . E. G. Shower, ex-Bell Labs, named chief engineer of new germanium div., Radio Receptor Co., Brooklyn, in charge of development and production of germanium devices . . . Stanley C. Skoog named mgr. of GE's Illinois Cabinet Works, Rockford, Ill., making company's TV-radio cabinets . . . Edwin L. Liberg named supervisor of custom engineering, Audio & Video Products Corp. . . M. A. Polak, ex-Andrea, Fada & Air King, named sales chief of Tele King Distributors Inc. of New York, succeeding Duke Wellington, now with Tele King . . . RCA tube dept. promotes 4 field salesmen to new posts as district managers: W. H. Garrett, Central district; Victor Williams, Southeastern; C. A. Brokaw, Western; W. H. Allen, Eastern.

Telecasting Notes: Screen Actors Guild warns 69 producers of TV films that it won't permit their products to be shown in theatres, unless the actors receive additional pay; it served notice it will cancel its contract with any producer releasing TV films for theatre exhibition . . . NBC-TV's new 7-9 a.m. show starting sometime this winter will have Dave Garroway as m.c., probably use same format as old *Garroway at Large* show . . . Transmitter of CBS's KTSB, Hollywood, starts from new Mt. Wilson site Oct. 28, with 25-kw ERP on Channel 2 radiated from 2837 ft. above average terrain; call letters change same day to KNXT . . . Mexico City's XEW-TV (Azcaraga) has increased operating schedule from 25 to 35 hours per week, expects as of Dec. 1 to go to 60 hours . . . Major TV advertisers in Cuba, reports *Tide*, are Frigidaire, Canada Dry, Colgate, Phillips Milk of Magnesia and 9 top TV set manufacturers . . . BMI, now licensor of 2800 radio and TV stations, reports net profit of \$135,257 after taxes on gross revenue of \$4,700,000 for fiscal year ended Sept. 30; Carl Haverlin reelected president . . . New York State WCTU resolves this week against beer sponsorship rights to next year's telecasts of major political conventions . . . DuMont's WABD, New York, moves to Empire State Bldg. Oct. 26, having received FCC permission to employ full 16.7-kw transmitter (16.7-kw ERP) . . . NARTB-TV membership went up to 69 stations this week, Baltimore's WBAL-TV joining up in time to vote on program code (see p. 6); DuMont and NBC are only network members.

*WABD
DuMont
&
WBAL
=*

GE Advanced Electronics Center at Cornell U, announced this week as joint GE-Cornell project, will be established on Ithaca campus "to carry out advanced study and development in the field of electronics and at the same time provide scientists and engineers with teaching and educational opportunities of a type never previously achieved." During present emergency, projects may include development of control systems for guided missiles, electronics counter-measures, infra-red systems. Four-man management team will be headed by Brig. Gen. Tom C. Rives (ret.) of GE's engineering dept. H. R. Oldfield Jr., GE electronics dept. govt. sales mgr., will be resident manager. Dr. Charles R. Burrows, Cornell electrical engineering school director, will be associate principal scientist, and name of principal scientist will be announced later. Center will employ 80 first year, half of them scientists. Modernized lab is due for completion in February.

RTMA Transmitter Division, at one-day general membership meeting in Washington's Wardman Park Hotel Nov. 1, will hold panel discussion on "What I See for the Electronics Industry in the Year 1952" with these participants: Fred R. Lack, Western Electric, for industry; E. T. Morris Jr., director, NPA Electronics Div.; Col. C. A. Poutre, director, Munitions Board Office of Electronic Programs; Curtis B. Plummer, chief, FCC Broadcast Bureau. Dinner will be addressed by Adm. John R. Redman, director, communications-electronics, Joint Chiefs of Staff.

McFarland Bill to change some FCC procedures (Vol. 7:39) again proved too much for House Interstate & Foreign Commerce Committee to wade through. This week, it gave up its consideration of Senate-passed bill—after whole month's discussion—said it would make bill first order of business when Congress reconvenes.

More Oct. 1 sets-in-use reported since NBC Research's "census" of Sept. 1 (Vol. 7:39): Cleveland 510,922, up 16,922; St. Louis 317,000, up 11,000; Kansas City 143,558, up 10,558; Norfolk 81,556, up 6256; Boston 786,790, up 20,790; Tulsa 89,263, up 11,763; Baltimore 324,993, up 10,993; Johnstown 112,300, up 5300; New Orleans 63,548, up 2348; Milwaukee 266,965, up 8965; Providence 165,000, up 3000.

Whether Comr. Hennock will remain on FCC, now that Senate Judiciary Committee has failed to act on her appointment to New York Federal judgeship, was subject of much conjecture in Washington circles this week. She remained away from office, would make no comment. Though she informed committee Chairman McCarran she has no desire for recess appointment, and President Truman told press conference Oct. 18 that he doesn't intend to withdraw appointment, chances of getting judgeship now look very slim. Reason for Miss Hennock's rejection of recess appointment, presumably, is that she would run risk of winding up with neither position. She would have to resign commissionership, which runs until 1955, then face probability Senate would fail to confirm her when it returns next session. Hence most guessing now is that she will stay at FCC.

Ambitious community antenna proposal of J. E. Belknap & Associates—microwave facilities to feed numerous Illinois and Missouri towns (Vol. 7:40)—brought quick adverse reaction from KSD-TV, St. Louis. Station, one of those whose signals would be used, protested to FCC that Belknap: (1) Could select programs "without regard to the efforts of [KSD-TV] to maintain a balanced program structure." (2) Might "appropriate literary and artistic property without authorization and for profit." (3) Raises questions of "an unauthorized rebroadcast contrary to law." Station wants a hearing "or similar administrative procedure" on subject. It's first station to object to FCC about community antenna idea. Some have even encouraged the service with free plugs.

Actors in motion pictures made by TV networks must be in separate collective bargaining units from live TV actors, NLRB ruled Oct. 16 in dispute between Screen Actors Guild and TV Authority over rights to representation of actors in CBS's filmed *Amos 'n Andy* show. TVA had argued that actors in filmed show should be included in same bargaining unit as actors in live CBS shows, SAG insisting on separate units for films made by networks. NLRB on Oct. 16 also called for representation election within 30 days for all entertainers in live TV programs originating in New York, Chicago and Los Angeles, as well as election among *Amos 'n Andy* cast.

Supreme Court will hear transit FM argument, having decided this week to accept appeal from U. S. Court of Appeals (District of Columbia) ruling that transit FM deprives people of liberty, is therefore unconstitutional (Vol. 7:22). Court of Appeals ruled only on commercials; opponents of transit FM want whole service banned, including music. Proponents say that lower court decision jeopardizes broadcasting commercials in general. Argument should come this fall or winter, decision next spring.

Telecasters won excess profits tax relief Oct. 19 when House reversed its surprising rejection of compromise tax bill, passed slightly revised measure, sent it to White House. Section applying to telecasters is substantially same as original Senate measure (Vol. 7:37-38), permits firms with combined TV-radio station operations to drop TV losses and TV assets in figuring EPT credits.

Two uhf applications filed with FCC this week were from WOKY, Milwaukee, asking for Channel No. 19, and WVVW, Fairmount, W. Va., seeking No. 35. Total on file is now 448, of which 16 are uhf. [For further details, see *TV Addenda 13-0* herewith; for listing of all applicants to date, see *TV Factbook No. 13* and Addenda to date.]

Despite reducing radio time sales (Vol. 7:39), NBC's over-all sales for 1951 are expected to be considerably higher than 1949's \$72,867,000 and 1950's \$92,373,000, which represented 18.3% & 15.8%, respectively, of RCA's consolidated income—the increase due entirely to TV.

MARTIN CODEL'S

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NETWORK TV BILLINGS SURGE PAST RADIO: Gross time billings of the 4 TV networks went ahead of those of the 4 radio networks for first time in September -- hitting record total of \$11,920,131 as against radio's \$11,860,646.

There you have another eloquent facet of "fabulous upswing in TV billings" reported statistically in these columns each month, last analyzed in our Vol. 7:36.

If you will study the breakdowns supplied by Publishers Information Bureau (see p. 14), particularly in relation to previous months' figures, you'll observe complete substantiation of our predictions that network TV billings would soon overtake network radio.

If this is true of network TV, it's reasonable to assume it will eventually be true of TV spot and local -- what with their ready saleability and TV's vastly higher station time rates -- albeit fact remains there are merely 108 TV stations in operation as against very nearly 2400 authorized AM and 680 FM stations.

Significant in PIB figures, too, is fact NBC's forecast that its September TV revenues would nearly double its radio (Vol. 7:36) very likely came to fruition. Though figures for NBC's 5 prosperous owned-&-managed stations aren't available, its network figures are \$5,380,538 for TV vs. \$3,713,235 for radio -- TV ahead by 45%.

September total network TV ran well over threefold that for September 1950, or \$11,920,131 vs. \$3,502,682. September radio was \$11,860,646 vs. \$13,930,996.

All save DuMont TV billings were up from preceding month, all save Mutual AM billings were down from preceding month.

For first 9 months of this year, network TV totaled \$85,379,619, compared with \$30,930,165 for same period last year. Network radio was \$130,904,666, nearly \$5,000,000 under same 9 months of 1950.

Final tote on all TV -- time billings of the 4 networks and 108 stations -- will stand at \$250,000,000 or more for year when over-all figures are made known by FCC in early 1952. That's still our prediction (Vol. 7:32,36).

TOWARD FREEZE-END; BORDER REALLOCATION: FCC is gradually clearing underbrush with idea of getting directly at heart of end-of-freeze problems the minute the last comment is filed in "paper" hearing on Nov. 26 -- now that it has assurance that defense effort doesn't affect freeze in any way (see p. 3).

Actual final decision before first quarter of next year is still unlikely, and sizeable number of stations actually on air before well into 1953 is still seen as virtual impossibility. Nevertheless, Commission is trying to do everything it can to anticipate Nov. 26 without prejudging filings yet to come. To date, there are 1220 papers in the docket.

Several exploratory FCC sessions have already been held -- no decisions made -- with commissioners beginning to line up their philosophies for "Der Tag".

"Flexibility" is word often heard at Commission, lending support to belief rock-bottom co-channel separation may be reduced from 180 miles to 165 or so -- in

"exceptional" cases. At same time, there's every reason to believe that FCC intends to maintain high average separation.

A common misconception about separations, it's pointed out at FCC, is that proposed 180-mi. minimum is the "norm". If you take FCC's proposal and draw circles based on it you'll find average separation is nearer 220 miles. Commission may try to maintain this average, or close to it, even if minimum is lowered.

That oral presentations will be mighty rare -- as everyone expected and most hoped -- was made clear by FCC this week when it issued first order on first such request. It told Cornell U (Vol. 7:38) that it had no problems that Commission couldn't decide on basis of written comments. Presumption is that most, if not all, such requests will get same treatment.

* * * *

Nettlesome Mexican border allocation has finally been nailed down, to the intense relief of Commission, with State Dept.'s announcement this week that executive agreement has been reached. After literally years of dickering, FCC feels U.S. wound up with best deal it could hope to make.

Allocations to cities affected should now read as follows (vhf only being involved): U.S.: Flagstaff, 9,13; Phoenix, 3,5,8*,10; Tucson, 4,6*,9,13; San Diego, 8,10; El Paso, 4,7*,9,13; Laredo, 8,13. Mexico: Mexicali, 3; Nogales, 2,7,11; Hermosillo, 6,8,10,12; Ciudad Juarez, 2,5,11; Monterrey, 2,6,10; Nuevo Laredo, 3,11; Reynosa, 9,12. [Note: pp. 54-60 of TV Factbook 13 should be corrected accordingly.]

In U.S., San Diego loses one channel, Tucson gains one. In Mexico, Mexicali and Monterrey lose one each, while Hermosillo and Reynosa gain one each. (For plans for additional Mexican border station construction, see Vol. 7:42.)

Agreement on powers stipulates that Mexico will not exceed U.S. proposed maximum: 100 kw for Channels 2-6, 200 kw for Channels 7-13. Also agreed upon was plan to assign stations so as to permit use of offset carrier.

CURBS ON STATION ALTERATIONS EASED: Many more TV-radio station alteration projects and considerable new radio station building will be exempt from govt. construction controls as result of this week's NPA action reclassifying TV-radio broadcasting facilities into the "industrial" category.

Broadcasters may now "self-authorize" orders -- write their own priority tickets -- for controlled materials up to 25 tons of steel, 2000 lbs. of copper and 1000 lbs. of aluminum per quarter, without application to NPA. Broadcasting facilities formerly were classed as "commercial", and as such were entitled only to self-authorization up to 2 tons of steel, 200 lbs. copper per quarter, and no aluminum.

Change will probably be most helpful to broadcasters planning relatively small remodeling and alteration jobs, as well as some builders of modest new radio stations. Some broadcasters whose fourth-quarter applications were turned down by NPA (Vol. 7:31-41) may now go ahead and build -- if their requirements don't exceed the new self-authorization limits.

Even new TV stations can be built under self-authorization procedure, if the construction can be stretched over 12-month period (builder self-authorizing up to his full quota for 4 quarters), using existing structures to provide studio space.

This week's action was victory for NARTB, which for many months had pushed for the move. Similar reclassification of newspaper and publishing industry 2 weeks ago (Vol. 7:41) set precedent for change in status of broadcasting.

Final batch of fourth-quarter construction approvals and denials, released by NPA at week's end, listed no TV-radio station approvals, one denial -- to KVNC, Winslow, Ariz., CP-holder which had applied to build AM station costing \$37,700. (Despite rejection, station can be built during fourth quarter, since it is known to require less material than it is now permitted to self-authorize.)

Also denied was application by Tele Service Co., Wilkes-Barre, Pa., to build community antenna system -- second such project rejected by NPA (Vol. 7:40).

TV-radio broadcasters fared well under construction controls during fourth quarter. Final score: 16 projects approved, 7 denied. First-quarter applications are now being processed.

GRAND CLIMAX OF THE COLOR FIASCO: No "freeze of the freeze" on station construction ...No change in black-&-white receiver production...No stoppage of either uhf, color or theatre-TV developmental work.

But no "mass production" of color sets.

That's the upshot of 1½-hour meeting of defense mobilizer Charles E. Wilson, DPA-NPA administrator Manly Fleischmann, and a representative group of TV manufacturers in Washington Oct. 25. To put whole striking development in simplest terms:

CBS had asked for materials to build 250,000 color sets in 1952. Wilson said: "Can't spare the copper." So CBS decided it couldn't get anywhere using its small quota of black-&-white materials for color. And since no one else was making color sets, there was no sense in trying to make them or to continue colorcasting.

Mr. Wilson freely admitted he was misinformed in his idea that color was tying up too many engineers, interfering with military projects -- and so he readily dropped hasty proposal to curtail all color developmental work (Vol. 7:42).

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Industry was delighted, of course, and manufacturers emerged from meeting singing Wilson's praises, lauding his "statesmanship". Wilson himself was pleased as punch as he left session early -- "to put out another fire somewhere," as he told group. And CBS president Frank Stanton told us:

"I'll take Charley Wilson at his word anytime. I'm satisfied that the final decision was fairly arrived at."

Most of CBS's competitors still think whole thing was maneuvered by CBS to get it off the hook -- if not through direct approach, then by putting Wilson in position where he could do little else.

"CBS asked for the moon," as one put it, "knowing it would never get materials for 250,000 sets, and used the denial as an excuse to quit." On the other hand, Stanton said: "People in the industry will tell you we couldn't sell 250,000 sets but, by God, I intended to try. I wanted the chance."

Sen. Johnson is plenty suspicious, but won't say whom he suspects. "I don't think the action was warranted at all," he said. "It looks like a phoney to me. I don't know what's back of it, but it looks phoney."

We asked if he plans to take any action. "No", he replied, "you can't do anything when they spring the national defense angle on you. You just have to click your heels and salute -- so I'll just click my heels and salute like the rest."

Role FCC Chairman Coy played in move is unknown. Wilson conferred with him, but Coy will say nothing about it. Rest of commissioners didn't have slightest inkling of what was in the wind.

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Amplifying reasons for color ban, Fleischmann stated at press conference: (1) Policy is to discourage production of radically new products which tend to consume more materials. (2) Mass production of a new product consumes engineers at far greater rate than does pre-production development of new products.

Competition has manufacturers constantly improving and refining, Fleischmann said, giving obvious accolade to electronics folk.

Net effect is that CBS color in the home is done for, for the duration at the very least -- probably permanently, in opinion of most of the industry.

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Meeting was cordiality itself. Reporters should have been permitted, since no one was under wraps and everyone spoke freely afterwards.

Wilson started out by outlining defense aims, said electronics procurement was coming along nicely except for some reports of delays in aircraft gear.

Then Wilson said action was his alone. "If there are any hidden motives involved in this, I want to hear about them." What startled him, he said, was request for "additional" materials for 250,000 sets -- "and motors" -- with all that meant in critical materials, particularly copper. He just couldn't see this additional drain of materials, hence his action of preceding Friday (Vol. 7:42).

But Wilson's thought of stopping color development, to save engineering man-

power, was changed, he said, because "within the last 48 hours I've had entirely new information." What he had learned, and what was reiterated by manufacturers during meeting, was that color was taking very small fraction of engineering talent and that military was benefitting directly and indirectly from color work.

Industry men spoke up, one by one, told Wilson major engineering effort was on defense work -- up to 80-90% in some cases -- that color was taking only 5-7%.

All pledged dropping plans, if any, for mass production of color sets; all stood ready to provide more engineers for defense output as needed -- and if the defense contracts warranted, not now apparent since many plants still have men and capacity to spare. All urged continuance of color development.

Same general tone characterized statements of Philco's William Balderston, Dr. Allen B. DuMont, GE's Dr. W.R.G. Baker, Motorola's Paul Galvin, Emerson's Ben Abrams, RCA's David Sarnoff, Admiral's Richard Graver, Westinghouse's Tod Sloan, Crosley's Louis Clement, Hallicrafters' R.J. Sherwood. [For complete list of those from industry attending, see p. 7.]

Some expected Dr. DuMont to tee off, since he had sent Wilson hot wire of protest last week. But Dr. DuMont simply made these points:

(1) Opposed restrictions on experimentation on general principle. (2) Saw no mass production of color in prospect anyhow; CBS-Columbia plant (Air King) had never made more than 50,000 sets annually, so how could it possibly "leap into" production of 250,000? (3) Color experimentation is related to military work.

Gen. Sarnoff wanted assurances field tests could continue, said RCA would not go into production of color sets "until standards are approved." He added, amid laughter, that RCA wouldn't use "phonograph motors" in its color sets.

Mr. Abrams said he was 100% behind restriction, but suggested "limited production" of color sets "if CBS will promise to continue some color broadcasting."

CBS president Frank Stanton said: "We entered this in greatest good faith, expecting to mass produce -- but from what's been said here by all other members this morning I can see that I may have been going up a blind alley anyway."

Webster-Chicago's purchasing chief H.A. Gumz said action was severe blow to his company, which had spent heavily tooling up for color (making disc assemblies).

Paramount president Barney Balaban was quite satisfied that his company can still make modest number of Lawrence tubes. He said it uses no "quartz and no plastics like other tubes," would give good black-&-white picture. After meeting, both he and subsidiary Chromatic TV Labs president Richard Hodgson declared they expect no interruption at all in their plans to make tubes at plant in Stamford, Conn., since they did not expect to make any "great numbers".

They may even put color on Paramount Pictures' KTLA, Los Angeles, Balaban said, and place a few sets around town -- "all in the spirit of Mr. Wilson's statement" -- and have offered to buy CBS's color cameras, etc. but haven't yet had reply.

The outfit that got lost in color shuffle, Color TV Inc., San Francisco, was represented by president Arthur Matthews, who told Wilson that CTI has no men on color now, and expressed hope small fellows like himself will be helped with govt. orders. People at meeting assumed CTI was counting itself completely out of color.

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Obviously, CBS's request for materials precipitated action. Many people wonder whether Wilson would have moved if other manufacturers, with sizeable black-&-white allotments, had decided to divert portion to color.

Here's how Wilson put it, as we caught him leaving meeting:

"Nobody's hurt. I couldn't give these materials to color when many small manufacturers are really desperate for materials. This action doesn't affect anything else -- like uhf, theatre TV, etc. It's the first such thing I've uncovered.

"They told me color development doesn't affect their defense work -- and that's all I want to know."

Stanton explained development of color ban as follows, when reached after meeting: He had met with DPA-NPA administrator Manly Fleischmann Oct. 2 to discuss

CBS's request for more materials, then with Wilson Oct. 9, again Oct. 12. "Wilson told me I didn't have a Chinaman's chance of getting the copper." At 12:40 Oct. 19, after a cabinet meeting, Wilson told him final decision. "I then decided what to do, and issued the statement which was released at 3:00 p.m.

"We asked for enough materials to make 250,000 sets in 1952," he continued. "We were going to come out with a \$149 'slave'. I felt there just wasn't any sense to try to continue if we couldn't make a dent in the market. If there were new markets, or no television at all, it would be all right to start gradually. But new markets are still a long way off.

"What happens now? Who knows? Wilson indicated the situation will stand one or 2 years. A compatible system may come before the FCC again before then. I've always preferred a compatible system, if it worked, said so during the hearing. But I wanted to get going before incompatibility beat us to death. I'm completely in the dark about the compatible system's status. There are so many factors that it's impossible to guess what will happen.

"We'll make color tubes, continue development. I've seen color pictures on our tube just as good as those on anybody's tube. We'll show it. We'll continue industrial work, theatre TV, etc."

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Though CBS's appeal for color materials is out, CBS-Columbia's president David Cogan is still looking for more black-&-white materials from appeal, hearing date of which was postponed from Oct. 23 to Oct. 30. Says Mr. Cogan:

"We didn't even have enough materials for black-&-white. They gave us an allocation good for only 1/3 of what we made last year. The reason our base period was low was because we were changing models at the time and our production was low.

"A color set takes over twice the materials of a black-&-white set. We couldn't produce much of either. We had made about 500 color sets and were just finishing our pilot run, ready for regular production.

"We want to continue experimentation. What would Wilson have us do with our engineers? Fire them? I wish Mr. Wilson would tell us where to get some military contracts. We're trying to get them.

"We got pretty badly shellacked in this. We had many very costly commitments. We had lumber cut to size. We had components on the way. We have lucite discs -- what can you do with lucite discs?"

* * * *

So now industry goes back to the laboratories to perfect compatible system for submission to FCC. The more cautious members still don't count CBS completely out of picture. They conjecture, for example, that CBS might get back in the running with a good tri-color tube. Others consider possibility far-fetched, believing incompatibility has long had the Goldmark system licked.

Attitude at FCC is one of bewilderment. According to New York Times, Commission officials "conceded the possibility that Mr. Wilson's action...might nullify the long, bitter controversy."

There's heightened FCC interest in compatible system, at any rate. People there are trying to learn more about it. They say no one points out that system RCA now uses is different from one it asked Commission to adopt last year. FCC folk say: "Notice how they don't call it 'dot-sequential' any more; it's 'color-subcarrier'."

RCA insists it's same system, with minor changes which have been described. Research v.p. Dr. Elmer Engstrom says it's still dot-sequential, still uses mixed-highs; he asserts first color sets demonstrated would operate on today's signals with slight circuit changes to "recognize" the oscillating color sequence.

Other NSTC members also say system is basically same. One estimates it's 85% RCA, 15% others -- principally Hazeltine. And reason for different terminology, they say, is better understanding of system.

Behind skepticism at the Commission is probably one or both of two reasons: (1) Attempt to show that RCA advocated adoption of a system which is already passe;

(2) Preparation to look at system with new eyes "because it's different". This could be with view to "face saving".

There'll be plenty of color activity in any event. Besides work on compatible system aimed at eventual request for adoption by FCC, there will be activity in industrial, theatre-TV, military color fields.

And competition in tri-color tubes will get fiercer. Even this week, RCA showed off 5 types while CBS and Paramount reported progress. And you can be sure that such companies as GE, Philco, DuMont, Sylvania and Rauland aren't asleep.

Look for the inevitable patent litigation, too. From appearance of monumental October issue of Proceedings of IRE, RCA claims patents on all sorts of tri-color tube approaches -- including what looks like Lawrence tube.

That issue of the Proceedings may prove landmark in color TV. It contains papers by best-informed color TV scientists in the country, prefaced by a truly distinguished piece of work by Electronics editor Donald Fink -- a crystal clear comparison of field-sequential and compatible systems in language laymen can understand.

THE COLOR DENOUEMENT--AN EDITORIAL: We've never made any bones, probably have been more outspoken than most, about our complete lack of faith -- economic and technical -- in the color TV system adopted by the FCC. We felt it was doomed from the start, if only because it was incompatible with millions of sets already in use. It carried within it the seeds of failure, regardless of Mr. Wilson's action.

We were willing to accept, moreover, the judgment -- now confirmed -- of the industry's top scientists and electronic industrialists whose knowledge, experience and vision told them that a superior system was being developed -- one that would get twice as much out of the limited radio spectrum, with none of the defects of the field-sequential system.

Our readers know we've depended not merely on our own predilections but on the best intelligence in the industry -- factory heads, engineers and laboratory scientists, distributors, retailers, telecasters -- for the facts and synthesis of opinions presented in these columns during the long years of the color imbroglio. Many of CBS's own affiliates were among our best sources of news and opinion.

Aside from a few (very few) CBS and FCC sources, our outspoken reports have met with singularly little adverse criticism. We have repeatedly offered our columns to CBS for statements, have bent over backwards to give its color publicity a fair break. And as for FCC, as our subscribers know, we have assiduously reported its proceedings, reasoning, etc., and of course issued any number of Special Reports & Supplements with full texts of orders, court judgments, speeches, etc.

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Now the denouement of a grand fiasco. The public's mind, and the trade's, may have been set at rest by Mr. Wilson's edict, so far as the confusion over color for the home is concerned. But stripped of all claims & counter-claims, the simple fact is that the public, like the industry, just wouldn't "buy" incompatible color merely because CBS had it "now" and FCC ordered it "in a hurry".

"Excessive conservatism" is the charitable expression editor Donald Fink uses to characterize FCC's action, in his paper in current Proceedings of the IRE. Whether FCC can live down its incredible decision, or becomes just another liability of the harrassed Truman Administration, time will tell. But it's a fact that, from the start, its majority fiat offended the scientific and common sense of the whole electronics fraternity; and the recriminations at both top and staff levels made clear that it evokes fear rather than admiration with its enormous powers.

If any proof were needed, the incredible and abortive "brackets standards" proposal is on the record -- the precious scheme, you'll remember, virtually giving manufacturers (whom it does not regulate) an ultimatum to "make one overcoat that could fit my little daughter as well as myself" in a matter of weeks, in words of Judge Rifkind's Court of Appeals argument. FCC demanding a physical impossibility -- or else; or else it would adopt the CBS system forthwith, which it did.

That was sheer ignorance of the scientific and industrial process. But beyond that, beyond even the compatibility issue, the decision came while Korea was

ablaze, and admittedly without any consultation with the defense authorities. It came in the face of much-publicized warnings from the military of just such demands on industry as Mr. Wilson finally pointed up.

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The hell-in-a-hack quest for color, in our opinion, was the gravest mistake in the history of the broadcasting business, of electronics and of Federal radio regulation. When color does come, which is inevitable, it must come scientifically, economically and gradually. As for the prospect, we think Mr. Fink's appraisal of the long-and-short of the CBS and the RCA-NTSC systems makes sense:

Mr. Fink sees CBS's principal advantage in its present simpler receivers. For the compatible system, he cites one principal technical question remaining to be answered by field tests, which happily will go on -- the effects of "severe conditions of multipath transmission." He concludes:

"Whatever the future trends in cost, at present the color-subcarrier system is demonstrably more complicated than the field-sequential system. In return for this additional complication, higher quality of transmission is achieved. To this long-term advantage must be added the overwhelming short-term advantage of compatibility. The eventual decision between the color systems, if made on rational grounds, will depend on the relative importance attached to the quality and cost factors. In a few months, sufficient data should be at hand to permit rational conclusions to be reached by engineers, by FCC, and by the master of both, the public."

PRESS PUZZLED over color ban, agreed at least on one fact: CBS color is down, if not out, and field is wide open for compatible system. Beyond that, speculation took all kinds of turns.

Most serious question was raised by *New York Times* Jack Gould and *Wall Street Journal* editorial. Said Gould: "But where Mr. Wilson's 'request' to CBS transcends purely TV matters is in its apparent assumption that the Govt. shall determine the end product which private industry [can produce] for civilian use." Said *Wall Street Journal*: "To decree what a manufacturer may or may not make with the materials allocated to him seems to us to be carrying govt. control of business pretty far."

Gould saw action as "a decided break" for compatible system. "If the suspension of color TV lasts a year or two, common sense will require an examination of all the latest improvements." And he gives CBS this due: "Without their energy, color TV undoubtedly would have been delayed many more years. Whatever the final outcome . . . they have made a genuine contribution."

Seeking reason for action, *Wall Street Journal* reporter said some officials reasoned this way: Industry hasn't squawked much about cutbacks, because sales were slack. But they thought consumers might grab at color sets. "The manufacturers' business would perk up. The cutbacks would become more onerous." Other comments:

Time Magazine: "Since color sets use the same materials as black-&-white sets, which are not affected by the order, Washington observers found it hard to follow Mobilizer Wilson's reasoning. A later announcement seemed to make it clear that the order was aimed at men rather than metals . . . CBS President Frank Stanton, already plagued by costs, technical problems and the public's standoffish attitude toward color, seemed relieved to get off the hook."

Newsweek: "CBS was able to climb off the expensive limb it had been sitting on while transmitting colorcasts that few people could see and making sets that few people wanted."

Billboard: "Wilson's deep-freeze call for Columbia color sets production is figured to have shaken CBS's last chance to gain a foothold before RCA gets a chance to seek a favorable nod from the FCC . . ."

Variety: "CBS, whether intentionally or not, might

have sounded the death knell for its own color TV system, via its decision last week to abandon all further color activity for the duration of the national emergency. That's the consensus of trade reaction . . . Industryites point out that [CBS] is also shelving the chief advantage it held [over RCA and others]—that of gaining a toehold on the public . . . before other systems are ready."

Color Miscellany: CBS's total investment in its color system said to run well over \$5,000,000 . . . CBS may "convert" to black-&-white the major hour-long shows previously scheduled to start in color Nov. 11, 1:30-2:30. Top showmen on tap included Max Gordon, Leland Hayward, S. Hurok, Richard Kraukeur, Arthur Lesser, Herman Levin, Otto Preminger, John Shubert—even Metropolitan Opera presentations . . . FCC granted RCA-NBC authority this week to experiment with color over Bridgeport uhf station, extended Philco's authorization for colorcasts over WPTZ . . . "The Bright Side of Color's Ban" headlines *Billboard* story telling how Hollywood is relieved to know its vaults of black-&-white film won't deteriorate in value quickly . . . Paramount joins color theatre-TV act by announcing that its delayed system, employing either a special "lenticular" film or an old type of film employing subtractive dye process, will be demonstrated in a few months . . . Mexican broadcaster Guillermo Gonzales Camarena, ex-chief engineer for Emilio Azcaraga, last week demonstrated color at U of Mexico.

Attending color session Oct. 25 with defense mobilizer Charles E. Wilson and DPA-NPA administrator Manly Fleischmann were: Curtis B. Plummer & Edward Allen, FCC; Richard A. Graver, Admiral; Barney Balaban, Richard Hodgson, Louis A. Movins & Paul Porter, Paramount Pictures; Arthur Matthews & C. J. Burnside, Color Television Inc.; Frank Stanton, CBS; Louis Clement, Crosley; Dr. Allen B. DuMont & W. A. Roberts, DuMont; Benjamin Abrams, Emerson; Fred Gluck, Fada; Dr. W. R. G. Baker & Robert M. Estes, GE; W. A. MacDonald, Hazeltine; John A. Rankin, Magnavox; W. L. Viergever, John Meck Industries; Paul Galvin, Motorola; William Balderston, Philco; David Sarnoff & Frank M. Folsom, RCA; J. Friedman, Trav-Ler; H. A. Gumz, Webster-Chicago; Robert S. Alexander, Wells-Gardner; R. J. Sherwood & Ernest Kohler, Hallicrafters; F. M. Sloan, Westinghouse.

Telecasting Notes: Paramount Pictures, whose KTLA, Los Angeles, is leader in use of feature films on TV (but not Paramount's) expanding its subsidiary Paramount Television Productions' activities from merely syndicating kine-recordings to production, distribution & merchandising of films for TV; Burt Balaban, son of president Barney Balaban, named program-production mgr., John Howell sales mgr., under Paul Raibourn . . . United World Films, wholly owned subsidiary of Universal Pictures, also going into TV picture production, will use Universal lot, but not contract players, for low-cost films designed (a) to win its foothold in TV, (b) to help defray overhead, (c) to build new talent . . . United Press-Movietone News is name of new collaborative service started by those 2 organizations, providing TV stations daily news films along with news bulletins on events covered; UP managing editor Phil Newsom is in charge . . . Milton Blink, of United Television Programs Inc., formed last year to syndicate TV films, tells *Billboard* firm grossed \$750,000 first 9 months, will do \$1,000,000 this year, sees film rental prices coming down after freeze is lifted; firm was formed by Mr. Blink & Gerald King (Standard Radio), Edward Petry and Richard Dorso (see *TV Factbook No. 13*) . . . Congress' own recording studio (Robert Coar) gets \$100,000 appropriation to buy cameras and equipment, so members can film strips to send to home stations just as they now make recordings . . . Lutheran Church, Missouri Synod, which sponsors *Lutheran Hour* on MBS, underwriting 26 film dramas being shot by Family Films, Hollywood, at reported \$20,000 each, planning to place them on TV . . . G. Ralph Branton, who recently bought into Monogram Pictures, assumes charge of its TV film unit (Vol. 7:42) . . . Reeves Soundcraft reports quick, inexpensive method of putting magnetic sound tracks on 16mm or 35mm films; method also enables old sound tracks to be erased and new ones substituted . . . NLRB this week held against "arbitrary segment" of production employes of Baltimore's WBAL-TV seeking to organize as IBEW-AFL union, calling unit "inappropriate" . . . Iowa dairy industry reported up in arms over 20-second spots for Jelke's Good Luck Margarine carried on Iowa State College's WOI-TV . . . Toscanini and *NBC Symphony Orchestra* will be simulcast, first concert of season, on NBC-TV, Sat., Nov. 3, 6:30 . . . WOI-TV, Ames (Des Moines), raised base hour rate Oct. 1 from \$300 to \$400, one-min. from \$50 to \$80 . . . Milwaukee Journal (WTMJ & WTMJ-TV) has sold its AM local WSAU, Wausau, Wis., for \$160,000 to John R. Tomak & Charles Lemke, of Wausau.

Personal Notes: S. Whitney Landon, since 1937 gen. atty., AT&T Long Lines Dept., promoted to asst. v.p. & asst. secy., AT&T, succeeded by Ernest D. North . . . Frank Stanton, CBS president, to be guest of honor Nov. 1, along with Sen. Ives (R-N. Y.), at dinner by joint defense appeal of American Jewish Committee and B'nai B'rith Anti-Defamation League for CBS's "distinguished public service effort" . . . Wm. McCluskey, sales mgr. of WLWT, Cincinnati, promoted to administrative asst. to John T. Murphy, v.p. in charge of Crosley TV operations; George P. Moore Jr., ex-Ziv, succeeds him . . . Joe Herold, ex-chief engineer, WOW & WOW-TV, Omaha, who installed Union Radio's TV station in Havana, now installing station for Televisao Paulista, Sao Paulo, Brazil . . . Kevin B. Sweeney, ex-Don Lcc sales mgr., joins BAB as national promotion director . . . George T. Laboda, adv. research chief, promoted to asst. to Leslie Harris, recently named TV-radio director, Colgate-Palmolive-Pect . . . Ted Weber named sales mgr., WGN-TV, Chicago, succeeding George Harvey, resigned to become mgr. of WFLA, Tampa . . . Robert Simpson, ex-Geyer, Newell & Ganger, joins Erwin, Wascy & Co. as director of TV production . . . Tom Maguire, ex-

CBS, joins Maxon Inc. Nov. 15 as business mgr., TV-radio dcpt. . . . Gerald W. Tasker, handling Cunningham & Walsh's *Videotown* studies (Vol. 7:35), named v.p. of that agency . . . Joe Donohue new head of Famous Artists, TV-radio packaging firm, succeeding Tom Greenhow, now with Ziv . . . Bob Evans promoted from sports editor and production mgr. to program director of WSPD & WSPD-TV, Toledo, under new mgr. Allen Haid . . . Don Buck named mgr. of ABC-TV station clearance, Stewart Barthelme named for radio, in separation of TV-radio depts. under Alfred R. Beckman, sales-traffic operations director . . . Robert M. Purcell, program director, promoted to operations director, KTTV, Los Angeles, with Dude Martin heading program dept., Robert W. Breckner asst., Alberta Hackett mgr. of program operations . . . Robert S. Salk, ex-CBS, and Bernard H. Pelzer Jr., ex-NBC, join Katz Agency, station reps. . . . Fred M. Thrower, ABC-TV sales v.p., resigned Oct. 26.

Station Accounts: Real estate sponsors are "naturals" for TV—evidenced by growing use. New York agencies named this week for such TV campaigns: C. J. Herrick Co., for Wave Crest Gardens, apartment development in Far Rockaway; Marfree Adv. Corp., for Plantation Estates, Florida development . . . Hutzler Brothers, big Baltimore dept. store, limits itself to sponsor identification only in buying *Paul's Puppets*, Tue. & Thu. 6-6:15 p.m., now in third year on WBAL-TV . . . Montgomery Coffee Co. (Montco Coffee) sponsoring news strip 7:30-7:35 a.m. each weekday on WPTZ, Philadelphia, thru Aitkin-Kynett Co., Philadelphia; it's second such early-morning sponsorship, Tom Thumb Donut Co. buying 8-8:05 a.m. news (Vol. 7:41) . . . "Do you remember" motif runs through *Live It Again*, including film clips of bygone days, sponsored by Red Top Brewing Co. for half hour weekly on hookup of Crosley's WLWT, WLWD, WLWC, thru Cecil & Presbrey . . . Best Foods (H.O. Quick Oats & Farina, Presto self-rising cake flour) sponsoring Sun. 4-6 p.m. feature films on WABD, New York, thru Benton & Bowles . . . DuPont using 624 TV spots on 35 stations in big drive behind Zerone & Zerex anti-freezes, thru BBDO . . . Zippo Mfg. Co. (lighters) includes TV in new pre-Xmas campaign, thru Geyer, Newell & Ganger, N. Y. . . . Among other advertisers reported using or preparing to use TV: Narragansett Brewing Co., thru Cunningham & Walsh, N. Y. (formerly handled by Standish Inc.); Remington Rand ("60" electric shaver), thru Leeford Agency, N. Y. (WOR-TV); Coro Inc. (costume jewelry), thru Charles Jay & Co., N. Y. (WABD); Consolidated Cosmetics Inc. (Lanolin Plus cleansing lotion), thru Van Hecker, Chicago (WTMJ-TV); Viz-Zan-De Cosmetics (lipstick), thru Mervin & Jesse Levine, N. Y. (WOR-TV).

Network Accounts: Pearson Chemical Co.'s purchase of 204-station CBS radio network for *My Friend Irma* to advertise Ennds tablets means that firm's \$2,000,000 for TV-radio is heaviest of all drug budgets, says *Sponsor*; Ennds has dropped all other media, sponsors *Hollywood Opening Night* on CBS-TV, Gabriel Heatter on 321 MBS stations, plus TV-radio spots, thru Harry B. Cohen Adv. . . . RCA Victor (TV, radio, records) has bought Fri. 8-8:30 p.m. on NBC-TV for unannounced show to begin next month, temporarily is filling in with public service features, first having been *Lifeline*, documentary film on need for blood donors . . . Johns-Manville Corp. (building materials) starts sponsorship Nov. 4 of *Fair Meadows, U.S.A.*, family drama serial, on NBC-TV, Sun. 3-3:30, thru J. Walter Thompson . . . Aluminum Co. of America (Alcoa products) sponsorship of *See It Now* (Vol. 7:38) starts Nov. 18 on CBS-TV, Sun. 5:30-6 . . . Procter & Gamble (Tide, Camay, Drene) starting Nov. 26 will sponsor *Those Two* on NBC-TV, Mon.-Wed.-Fri. 7:30-7:45.

MILLION TVs IN FIRST-QUARTER 1952? Production of TV receivers in first-quarter 1952 will depend on these 4 basic factors:

- (1) Allocations of controlled materials to TV-radio manufacturers.
- (2) Conservation.
- (3) Manufacturers' "mix" of TV, radio and combinations.
- (4) Availability of tubes and other components.

On basis of material allocation plans for first quarter -- and given optimum conditions with respect to other 3 factors -- production experts see a strong possibility industry can turn out 1,000,000 TVs in first 3 months of 1952, or just about what many hope they'll make during current quarter.

There's confidence in industry and govt. production agencies that if demand continues brisk, nation's TV manufacturers may actually be able to produce more sets next quarter than this -- with considerably less materials.

TV-radio-appliance producers will have to work with about half the steel they chewed up during average quarter of first-half 1950 base period -- and somewhat more than one-third the aluminum and copper. TV-radio's base period for metal allocations saw production at quarterly rate of 1,560,000 TVs, 2,120,000 radios.

If manufacturers maintained same mix as during base period, and continued to turn out "1950 model" TV-radios -- without material conservation -- they'd get about enough steel during first-quarter 1952 to put into 780,000 TVs, 1,000,000 radios, enough copper and aluminum for 545,000 TVs, 740,000 radios.

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Conservation will be No. 1 production-booster in first quarter. Materials-saving measures, developed and engineered by industry over past year, are now beginning to find their way into production runs. Conservation is still a luxury, but by January it will be a necessity -- when all-out incorporation of new methods and substitutes becomes matter of industrial life or death.

Million-set production depends on another factor -- consumer demand and its implications in manufacturers' assortment of sets and models. If TV market is good, it's likely radio production will dip and TV will be emphasized. There may also be continuance of present lower output of TV combinations in favor of TV-only models -- which sell faster and use less critical materials.

Tubes and other components, such as transformers and coils, may be bottleneck in first quarter -- but there's no sure way of telling now. Tube makers say output of civilian tubes is still high, but lower than last summer. And there's some evidence of more demand now than plants can supply -- but much of this may be due to scare buying by set manufacturers.

Tube manufacturers still face an uncertain future. They say there's enough nickel in pipelines to last 6 weeks to 3-4 months. What happens after that depends on Govt. At govt. levels we learn nickel situation is just as scary as it ever was.

TRADE GOING GOOD, HAPPY ABOUT COLOR: Any retailer will tell you he's as delighted as the manufacturers and distributors that the "color chimera" no longer hovers over his business -- and at the instance of the defense authorities, at that.

Comeback market of recent weeks hasn't been disturbed much by color, for public seems to have wised up to basic factor of compatibility. Moreover, customers weren't beating down doors to buy \$700 installations of 10-in. magnified receivers incapable of getting black-&-white and capable of picking up only occasional color shows from the handful of stations carrying them (Vol. 7:41).

Fact is, the few dealers carrying "traffic-builder" models are now shipping them back -- assured by CBS-Columbia Inc., anxious to maintain retail outlets for

its black-&-white receivers, that they will be rebated. CBS-Columbia says it made only 500 color sts.

Dealers-distributors feel that out of Washington this week came good, in that they now have clear-cut story to tell their customers: That mass production of color apparatus for public is out for duration, that experiments can go on, that compatible color is well on way out of laboratory but several years away from home -- so look what you're missing meanwhile if you don't buy black-&-white now. Even CBS is now expected to join that refrain.

That color some day will offer great new merchandising appeal, goes without saying. But with audience now of 14,000,000 sets (see p. 13), with market still far from saturation, it's also manifest ultimate color will have to be compatible.

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Another "nice" output week was reported by RTMA for 5 days ending Oct. 19. TVs totaled 98,620 (2426 private brand), little change from preceding week's 99,877 (Vol. 7:42). Factory inventory went down some 26,000 to 363,551, continuing steady reduction of last 12 weeks.

Week's radios totaled 228,160 (99,908 private), up from 205,014 week before and inventory was 366,866. Radios were 124,972 home, 28,097 portable, 75,091 auto.

RTMA's revised figures for first 9 months are 3,970,857 TVs and 10,077,478 radios. Three weeks thus far reported this first month of new quarter show 87,919 TVs first week, 99,877 second, 98,620 third -- but tightening materials still cast doubt whether final 10 weeks can bring total for year to predicted 5,000,000.

Topics & Trends of TV Trade: Tailored ceiling price regulation for TV-radio industry—setting ceilings for manufacturers, wholesalers and retailers in one package—appeared virtually certain this week as 6-man industry subcommittee (Vol. 7:42) met with OPS officials. Probability is that new order—not expected before January—will fix ceilings at highest prices at which each manufacturer's sets were sold during a "recent base period," with "automatic adjustment factor" to remedy inequities in hardship cases.

Industry group members generally approved this proposal, but some felt dollars-&-cents ceilings wouldn't fit TV-radio industry, and suggested formula method be used by wholesalers and retailers to compute ceilings. OPS officials made it clear they feel TV warranties should be included in regulation, but assured industry they don't want to impose uniform warranty policies. OPS position is that wherever warranty is sold separately—not included in price of set—it must be treated as separate commodity with its own price ceiling.

Meeting was conducted by Lee McCanne, chief of OPS home furnishings branch, and Earl R. Smith, chief of electronics & musical instruments section of that branch. Subcommittee members: Arnold Nelson, Admiral; A. Vogel, Emerson; John R. Grayson, Magnavox; Ernst E. Bareuther, Philco; George Bryant, RCA; Arthur L. Chapman, Sylvania.

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Price increases may not be very far off, judging from action of Sylvania this week in raising prices \$10 to \$20 on recently announced new line (Vol. 7:29)—only few months after it had cut prices on same sets (Vol. 7:35). Rising costs of labor and materials were given as reason.

Straws in wind also are zeal with which everybody's showing off uhf tuners, some anticipating FCC will "un-freeze" these channels ahead of others, opening brand new territory. Motorola uhf converter was shown to eastern distributors at New Haven's Taft Hotel Oct. 20-21, with Hartford distributor Post & Lester acting as host. Bridgeport uhf signals were compared, quite favorably, with vhf from New Haven and New York.

Trade Miscellany: RTMA hiring Wm. F. E. Long, ex-director of statistics, National Paint, Varnish & Lacquer Assn., to be new director of statistics with offices at Washington headquarters starting Nov. 5—taking over all statistical work now handled by Haskins & Sells, Philadelphia, as of next Jan. 1 . . . No summer slump in exports of radio apparatus: August shipments were valued at \$22,036,653 as against \$8,113,015 in August 1950; practically all categories were up, notably condensers, resistors, receiving tubes . . . Crosley Radio & Television Ltd. formed in Canada for TV-radio manufacture, with Avco's acquisition this week of Brand & Millen Ltd., including plant and personnel at Long Beach, Ont. . . . Tele-tone's new contract with UEW calls for 10¢ general wage increase for about 500 workers, plus other benefits.

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All sorts of rumor and conjecture grew out of sudden shelving of CBS color, not least interesting of which resulted from apparently well-grounded reports CBS was casting about to buy additional plant to get more materials quotas for its CBS-Columbia Inc. Story was that CBS was contemplating sale of its profitable subsidiary Columbia Records to finance purchase of Hazeltine. CBS president Frank Stanton and Hazeltine president Jack Binns promptly denied report, latter stating only way CBS could get control would be to buy up company's widely held stock. Latest Hazeltine report shows only one class of stock, of which 600,000 shares are authorized, 350,000 issued and outstanding, all directors owning total of about 15,000. Stock is traded on N. Y. Curb Exchange, has enjoyed exceptional rises during last year.

Capehart's new line, featuring unique 20-in. corner cabinet called Cortland, at \$650, includes 7 new, 19 holdovers. Other new sets: Clermont, 17-in. table, \$250; Jamestown, 17-in. mahogany console, \$280; Amherst, 20-in. table, \$300; Shenandoah, 20-in. console, \$390; Cordovan, 20-in. fruitwood console, doors, \$470; Bennington, same in maple, \$470. Most of holdovers are 17-in. ranging from mahogany table at \$300 to AM-FM-3-speed combination at \$750; also included in holdovers are 16-in. blonde table at \$320, 20-in. mahogany table at \$360, 19-in. combination console at \$1000.

Merchandising Notes: Stromberg-Carlson out with 3 new 20-in. consoles: Cavalier, open face, mahogany, \$420; Futura, with doors, mahogany \$460, oak \$480; French Provincial, with doors, cherry wood, \$495 . . . Big Philco promotion for TV-radio during "Philco TV Week" starting Nov. 4 will include mailing of 8,000,000 circulars by Reuben H. Donnelly Corp., backed by newspaper and network TV advertising . . . Philco also pushing "check-up" promotion campaign for servicemen, offering cards, letters, mailing pieces, ad mats; plan follows pattern of "motor tune up" idea offered by gas stations—like checking, adjusting and lubricating jobs at single price . . . DuMont offers trade-in allowance on old TV tuner, towards new Inputuner, promoting addition of FM to TV sets. "Several thousand" are being offered for "limited period only" . . . Brightman Distributing Co. (Harry P. Brightman, ex-Mid-Atlantic, Washington, D. C., pres.) replaces Stanley Distributing Co. as Admiral distributors in St. Louis area.

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National Electronics Mfg. Co., 314 W. 58th St., Los Angeles, established about 3 months ago to take over plant and assets of firm formerly making Natalie Kalmus TV receivers, is now offering 2 lines of TVs—one under "Natalie Kalmus" brand name with modern designing for sale in higher price brackets, other under "Cinema" brand being table models and open consoles at \$200 to \$300. Firm is headed by Herman Krissman, with Myron Blackman as sales mgr.

More than 30 research reports presenting possibilities for new products, processes and manufacturing techniques for electronic and electrical industries are listed in October *Bibliography of Technical Reports*, available for 50¢ from Office of Technical Services, Commerce Dept., Washington. Included are reports on characteristics of cesium electron tubes, electrical breakdown in a slot antenna, pulse-length discriminator, magnetized ferrites, metallized paper capacitors, synthetic mica, printed circuits.

Trade Personals: Reginald H. Brophy, president of Rogers Majestic Electronics Ltd., onetime executive of NBC, named coordinator of production branch, Canadian Dept. of Defense Production, Canadian counterpart of DPA . . . Frederic J. Robinson, sales mgr. for Latin America, named director, Sylvania international sales div. . . Tom R. Talmadge promoted to asst. sales mgr., Packard-Bell, under gen. sales mgr. Kenneth R. Johnson . . . Joel Axe, ex-Hoffman Radio, appointed engineer in charge of govt. contracts, Pacific Mercury Television Corp. . . Herman N. Lubet, ex-Fada, named adv. & export mgr., Jewel Radio . . . Lawrence O. Paul, ex-Armour Research Foundation, appointed operating mgr., engineering dept., Oak Mfg. Co.

New officers and board members of Society of Motion Picture & TV Engineers named at convention Oct. 18 for 2-year terms starting Jan. 1: Frank E. Cahill Jr., Warner Bros. Theatres, financial v.p.; Barton Kreuzer, RCA, treas.; Fred T. Bowditch, National Carbon, engineering v.p. New board members: Axel G. Jensen, Bell Labs; Joseph E. Aiken, Naval Photographic Center; George W. Colburn, G. W. Colburn Laboratories, Chicago; Ellis W. D'Arcy, DeVry Corp.; John K. Hilliard, Altec-Lansing; Fred G. Albin, ABC, Hollywood. Peter Mole continues as president.

Franklin Lamb, vice chairman of Tele King, onetime president of Reynolds Pen Co., resigns from ODM chief Charles E. Wilson's office as of Nov. 1 after 2 months duty on special liaison with small business.

Allen D. Cardwell, 63, retired electronics inventor and former head of manufacturing company bearing his name, died Oct. 21.

HERE'S HOW ONE newspaper polices its TV-radio-appliance advertising: The *Milwaukee Journal*, which own WTMJ & WTMJ-TV, is censoring ads which it believes don't "conform to a single code—clear truth." The *Journal* Sept. 5 announced new ad policy rejecting "copy which in any way stretches the truth and goes beyond the bounds of reasonableness and fair play, or which may mislead or confuse the reader." It says these factors are "carefully considered" in judging advertising:

- (1) "Broad statement headlines, qualified by semi-hidden small-type phrases."
- (2) Misleading or false illustrations of sale items.
- (3) Unwarranted promotion of lightly-stocked merchandise.
- (4) "Sales terms and prices neither clear nor complete."
- (5) "Failure to identify obsolete, discontinued or used models."
- (6) Questionable "contests."
- (7) "Unwarranted display of 'free' or combination offers of only minor importance."
- (8) "General 'borax' appeal of heavy type and reverse plates."
- (9) All reference to color facilities in present TV sets must be accompanied by this standard statement: "Note to readers—no set referred to in this advertisement will receive TV programs in color without the addition of special equipment at extra cost."
- (10) "No down payment" and similar phrases are banned, as are flat trade-in offers.
- (11) "At least temporarily, advertised prices . . . must express in dollars the amount of warranty, service or tax charges to be required."

Milwaukee Better Business Bureau is cooperating by shopping all TV-radio-appliance advertisers and reporting to censor on truth of advertising claims. Advertisers' reaction is reported generally favorable. While code was aimed primarily at local retailers and distributors, some ads reportedly were held up because national advertisers' policy didn't conform with code.

TV commercials are more effective than radio's, according to survey by *Good Housekeeping Magazine* of 1403 subscribers in 22 TV cities. Replies showed 64% of TV viewers pay more attention to commercials on TV than on radio, 28% said there's no difference, 5% pay less attention to TV plugs. Survey also showed 70% of set owners have cut down on moviegoing, 82% on radio listening, 47% "going out", 47% reading books, 35% reading newspapers, 35% reading magazines, 9% home entertaining. Of TV owners who have had sets 1-2 years, 20% now do more entertaining and 65% do the same amount, 75% go to fewer movies, 38% read less magazine fiction, 20% read less magazine advertising than before they had TV.

Biggest get-together of educational TV aspirants to date is due Nov. 2-5 at annual meeting of National Assn. of Educational Broadcasters in Hotel Buena Vista, Biloxi, Miss. Group hopes to have FCC chairman Wayne Coy as speaker, along with Sen. Sparkman (D-Ala.), NYU's Prof. Charles Siepmann, Brig. Gen. Telford Taylor (former JCET counsel). Among participants in TV seminar will be WOI-TV's Richard Hull, Syracuse's Kenneth Bartlett.

"The TV Revolution" is title of September issue of *Platform*, published by *Newsweek Magazine* for club leaders, educators, etc., which neatly sums up principal viewpoints on TV's impact. Included in volume are sections on TV's impact on movies, radio, books and magazines; pro & con discussions of programming; TV's effect on children, politics, educational potential, etc. Sample copies are available from Newsweek Club Bureau, 152 W. 42nd St., N. Y.

Klystron tube, one of uhf's most important developments to date, is described in October *Electronics* by Varian Associates, San Carlos, Cal. Tube has done much to enhance attractiveness of uhf, since it permits station powers high enough (200 kw) to give satisfactory coverage in many areas (Vol. 7:9, 12, 15, 16, 18, 23).

Mobilization Notes: To guarantee TV-radio replacement parts, NPA this week told electronic parts & components distributors (for advisory committee membership, see Vol. 7:10) it's considering an order which would require manufacturers to set aside a portion of their output to make replacement parts. These parts, said NPA, would be placed on "direct allocation based on historical use and geographic situation." Under proposal, parts distributors and retailers would be permitted to assign themselves priorities (by "self-certification") to purchase these parts for inventory—the amount to be "based on either the dollar value of such material or a percentage of materials used by the retailer in 1950," said NPA.

Distributors asked for time to think over the proposed new regulation. One aspect of the plan they don't like is proposal for limitation of their inventories "based on the historical sales pattern during a basing period." In discussion on parts availability, distributors said their survey showed TV antennas, wire & cable, solder fuses, hand tools and soldering irons in shortest supply. NPA representatives said TV antennas will become more scarce because of tight aluminum supplies, and test equipment will be very short because military and defense-supporting industries will require up to 90% of all produced in 1952. Nearly all types of tubes are available, they said, and tube industry is in "good condition."

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Electronics must not become roadblock to successful mobilization in fields of military production, training and servicing. GE electronics v.p. Dr. W. R. G. Baker so warned National Electronics Conference in Chicago this week, saying:

"When electronic equipment becomes so complex that we must use trained engineers to do the manufacturing job, highly trained specialists to operate the equipment, and more engineers to service it, we have, to some extent, defeated our original purpose." Manufacturers must increase reliability of electronic equipment, he added, and still satisfy military demands for "miniaturization, ruggedization, standardization and unitization."

Dr. Baker said that of the top 50 companies in electronics contracts "only about half normally are considered electronic manufacturing concerns." Quoting a warning from the military, he said "every electronic company must plan for a certain percentage of military business, if it hopes to survive." Pointing to the \$7 billion backlog of military electronics contracts, and an expected \$4 billion annual military electronic production rate (Vol. 7:34), Dr. Baker said military men feel "electronics is so important to the national defense effort [that] nothing must be allowed to interfere with development and production of electronic military equipment [so that] consumer radio and TV production probably [will] be hard hit."

He called on Govt. to tell "the truth about our weapons, whether atomic or electronic [to the extent] consistent with national security," to prevent giving the public "a false concept of invincibility" through reference to "fantastic new weapons" and predictions of future developments.

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Obligations of defense manufacturers under Walsh-Healey labor standards act are outlined in new NPA Office of Small Business pamphlet, *How the Walsh-Healey Public Contracts Act Affects Govt. Supply Contractors*, available from Commerce Dept. and field offices.

Orders for steel, copper and aluminum must be adjusted or cancelled by Oct. 31 where they exceed authorized fourth-quarter CMP allotments, according to this week's NPA amendments to Dir. 7 to CMP Reg. 1 and Dir. 3 to CMP Reg. 6.

Years of materials shortages and high prices were predicted this week by govt.'s top purchaser of raw materials. Jess Larson, head of new Defense Minerals Procurement Agency, told American Mining Congress in Los Angeles that some shortages may never be licked and "inordinately high prices are going to be with us as long as shortages exist." He said DPMA has found in study of 90 metals and minerals that "well over one-half of these may be in short supply, in the near future at least, if current military and civilian requirements are a gauge." He warned of prolonged shortages of such materials as copper, tungsten, lead, columbite and manganese—shortages which will be critical "even after 3 years of development on the basis of all assistance programs now approved."

New inventory limitations on many metals and chemicals used in TV-radio manufacture have been added to NPA Reg. 1. Included is 60-day limitation on components and parts for electronic tubes and limit of "practicable minimum working inventory" on such materials as converted aluminum foil, selenium, mica, molybdenum, lead, plywood, polyethylene, phenol. Materials such as cobalt, copper, tungsten, steel, aluminum, have been under inventory limitation since September 1950.

List of scarce and plentiful materials has been revised second time by NPA. Issue No. 3 of *List of Basic Materials & Alternates*, which also contains bibliography of up-to-date articles on conservation of metals, is available at Commerce Dept. and field offices.



TV-radio rights comprise more than 10% of the revenue of major league baseball clubs. This was indicated in figures compiled by staff of N.Y. Rep. Celler's special House subcommittee investigating charges of monopoly in baseball. Statistics showed major leagues took in \$4,462,000 from sale of games to TV-radio in 1951. The 8 National League teams got \$1,598,900 from TV-radio, American League \$1,778,412. In addition, rights to World Series brought in \$1,075,000, All-Star game \$10,000. Total grosses of leagues and clubs for 1951 aren't available yet, but in 1950 American League teams grossed \$16,338,919, of which \$1,656,989 was from sale of TV-radio rights.

Cure for one type of microwave interference—ground reflections—has been developed by H. E. Bussey, Bureau of Standards. He reports that a rectangular structure of hardware cloth on poles 40 ft. high can eliminate most such interference when placed about midway in a 4000-mc path 20-30 mi. long.

Improved Vidicon industrial TV camera tube, as described by RCA's Dr. B. H. Vine at this week's National Electronics Conference in Chicago, has greater life and wider operating-temperature range than earlier model, is more faithful in reproducing tonal values of colored objects.

New uhf receiver test equipment—a "sweep-marker generator"—was described at this week's National Electronics Conference in Chicago's Edgewater Beach Hotel by RCA engineer J. F. Sterner. Gear was designed as factory production instrument.

International GE contract with Emissorias Unidas, Brazil (Jao Baptista do Armamar, president), calls for \$1,800,000 expenditure for 3 TV transmitters in Rio de Janeiro and Sao Paulo.

Dominican Republic's first TV station will be 5-kw RCA unit in Ciudad Trujillo, ordered with associated studio and mobile equipment by Col. J. Arismendi Trujillo Molina, operator of La Voz Dominicana.

Television Authority, big performer union, holds convention in New York Dec. 7-9.

Financial & Trade Notes: Admiral's third quarter report reflects the sharp summer drop that prevailed throughout entire TV business, though it states sales and profits for September were up sharply from combined July-August. For quarter ended Sept. 30, net profit was \$1,306,735, or 68¢ a share, on sales of \$31,331,832, compared with profit of \$5,253,685 (\$2.63) on sales of \$63,629,146 for same 3 months of 1950. In 9 months ended Sept. 30, net profit was \$5,400,156 (\$2.80) on sales of \$134,919,187 vs. \$13,176,417 (\$6.83) on \$166,924,994 in same period 1950. Report calls 1950 "an abnormal year," compares 1951 results with "normal" 1949 to show that sales were up 75%, profit 17% for the 3 quarters.

Merger of John Meck Industries Inc., Plymouth, Ind., with Scott Radio Laboratories Inc., Chicago, into one corporation bearing latter name (Vol. 7:40) has been approved by both Meck and Scott stockholders. Merger agreement contemplates increase of Scott shares from 500,000 to 1,500,000 shares of which 1,006,185 will be outstanding, as against 419,080 now outstanding. Plan calls for exchange of 1.3 shares of Scott for each of the 552,580 shares of Meck currently outstanding, or for surrender of 131,000 shares of Scott held by Meck Industries.

Packard-Bell sales hit new high of more than \$18,000,000 in year ended Sept. 30, 1951 (vs. \$13,894,000 preceding year), executive v.p. Robert S. Bell reported Oct. 15. He estimated profits for fiscal 1951 at more than \$2,800,000 before taxes of about \$1,800,000, leaving more than \$1,000,000, or \$1.70 per share, profit after taxes (vs. \$1,308,510, or \$2.61 per share, after \$860,000 in taxes last year). Mr. Bell said Packard-Bell will produce \$9,000,000 worth of defense orders in fiscal 1952, already has backlog totaling more than \$12,000,000.

Stewart-Warner reports net earnings of \$3,056,754, or \$2.37 a share, on sales of \$63,781,084 for first 9 months of 1951, after provision of \$5,879,859 for taxes. This compares with net profit of \$3,030,694 (\$2.35) on sales of \$53,739,447 same period last year, after \$2,633,459 taxes. Third quarter profit was \$847,501 (66¢) on sales of \$22,370,928, vs. \$1,279,715 (99¢) on \$21,090,408 third quarter 1950. TV-radio is small part of Stewart-Warner's business, and isn't itemized separately in statement.

Muter Co. reports sales of \$9,810,441, net profit of \$523,632 (80¢ a share) after \$613,260 in Federal income taxes, for 9 months ended Sept. 30. This compares with \$9,899,891 sales, \$546,737 taxes, \$774,480 (\$1.19) profit for same 1950 period. Earnings figure is based on 651,200 shares of capital stock outstanding after 100% stock split in May 1950 and 10% stock dividend in December 1950.

IT&T has been authorized by N. Y. Stock Exchange to list an additional 82,645 shares of capital stock, to be issued to Gibson Refrigerator Co., from which IT&T (which also owns Capehart-Farnsworth) purchased all preferred and common stock of Coolerator Co. last July (Vol. 7:29-30). Purchase involved payment of \$2,000,000 in cash and 82,645 shares of stock.

Fedders-Quiggan Corp., which recently made deal to supply RCA Victor brand home air conditioning units (Vol. 7:39), has registered 62,041 shares of \$50 par preferred stock with SEC, offering it to Nov. 8 stockholders in ratio of one for each 20 common held. Allen & Co., underwriter, will buy any unsubscribed shares.

Collins Radio net profit for year to July 31 was \$737,682, equal to \$2.23 a common share, compared to \$553,964 (\$1.63) for preceding fiscal year.

American Phenolic Corp. reports net of \$742,165 (\$1.85 a share) on sales of \$18,045,760 for 9 months to Sept. 30 vs. \$722,710 (\$1.80) on \$8,857,700 same 1950 period.

Count of TV Sets-in-Use by Cities

As of October 1, 1951

Estimates are sets within .1 Mv/m contours (60 mi.), excluding overlaps, as established by NBC Research.

THAT "109th station" in Matamoros, Mexico, just across the Rio Grande from Brownsville, Tex. (Vol. 7:31 et seq) was accredited 9500 TV receivers on U. S. side of border alone—with result NBC Research's monthly "census" of TV sets-in-use went just over the 14,000,000 mark as of Oct. 1. Reflecting September's heavy unloading of inventory in improved market, 447,500 sets were added to nation's audience during month, as against 284,300 in August (Vol. 7:35), 183,100 in July (Vol. 7:29).

Major market areas showed considerable gains—New York given 60,000 more, Chicago 35,000, Boston 21,000, Philadelphia 20,000, San Francisco 17,000, Los Angeles 13,000, Baltimore 11,000, Kansas City 10,000. Following are the Oct. 1 figures by areas (consult individual stations for their estimates of number of families within respective service ranges):

Area	No. Stations	No. Sets	Area	No. Stations	No. Sets
<i>Interconnected Cities</i>			<i>Interconnected Cities—(Cont'd)</i>		
Ames (Des Moines)	1	64,000	Omaha	2	88,000
Atlanta	3	130,000	Philadelphia	3	903,000
Baltimore	3	325,000	Pittsburgh	1	320,000
Binghamton	1	43,100	Providence	1	165,000
Birmingham	2	69,700	Richmond	1	89,300
Bloomington, Ind.	1	17,500	Rochester	1	91,000
Boston	2	787,000	Salt Lake City	2	55,300
Buffalo	1	222,000	San Diego	1	106,000
Charlotte	1	89,100	San Francisco	3	250,000
Chicago	4	995,000	Schenectady	1	173,000
Cincinnati	3	278,000	St. Louis	1	317,000
Cleveland	3	511,000	Syracuse	2	136,000
Columbus	3	164,000	Toledo	1	116,000
Davenport-Rock Island ..	2	67,800	Utica	1	53,000
Dayton	2	142,000	Washington	4	289,000
Detroit	3	542,000	Wilmington	1	80,900
Erie	1	53,100	Total Inter-connected ..	95	13,254,400
Grand Rapids	1	79,700	<i>Non-Interconnected Cities</i>		
Greensboro	1	74,500	Albuquerque	1	10,400
Huntington	1	55,400	Brownsville (Matamoros, Mexico)	1*	9,500
Indianapolis	1	158,000	{Dallas	2	136,000
Jacksonville	1	40,000	{Fort Worth	1	92,900
Johnstown	1	112,000	Houston	1	77,000
Kalamazoo	1	49,500	Miami	1	63,500
Kansas City	1	144,000	New Orleans	1	92,300
Lancaster	1	113,000	Oklahoma City	1	38,700
Lansing	1	65,000	Phoenix	1	52,300
Los Angeles	7	1,025,000	San Antonio	2	99,000
Louisville	2	104,000	Seattle	1	77,500
Memphis	1	98,800	Tulsa	1	77,500
Milwaukee	1	267,000	Total Non-Inter-connected ..	14	749,100
Minneapolis-St. Paul	2	276,000	Total Interconnected and Non-Inter-connected ..	109	14,003,500
Nashville	1	40,100			
New Haven	1	188,000			
New York	7	2,550,000			
Norfolk	1	81,600			

* Preliminary estimate, U. S. sets only.

Note: TV sets sold in Canada totaled 59,180 up to Aug. 31, 1951, according to Canadian RTMA (Vol. 7:41). Since Canada has no stations of its own and nearly all of these sets are in border areas, they add appreciably to audiences of stations in nearby U.S. cities. The CRTMA area count as of last Aug. 31: Windsor 24,883, Toronto-Hamilton 21,292, Niagara Peninsula 9835, other areas 3170.

The Outlet Co., Providence dept. store which owns and operates WJAR & WJAR-TV, reports net profit of \$248,735 (\$2.50 a share) for 6 months ended July 31, \$727,548 (\$7.32) for 12 months ended July 31. Latter figure compares with \$606,310 (\$6.10) preceding year, \$510,798 (\$5.13) in 1949. Contribution of TV-radio income to balance sheet isn't disclosed, but is believed to be very substantial.

Dividends: Olympic Radio, 3% stock dividend payable Oct. 31 to holders of record Oct. 26; Stewart-Warner, 35¢ payable Dec. 8 to holders Nov. 16; Remington Rand, 5% stock dividend Jan. 29 to holders Dec. 12 and 25¢ payable Dec. 27 to holders Nov. 7; Howard W. Sams Co., special 10¢ payable Oct. 26 to holders Oct. 20; Avco, 15¢ payable Dec. 20 to holders Nov. 28.

Network TV-Radio Billings

September 1951 and January-September 1951
(For August report, see *Television Digest*, Vol. 7:39)

NETWORK TELEVISION				
	September 1951	September 1950	Jan.-Sept. 1951	Jan.-Sept. 1950
NBC	\$ 5,380,538	\$ 2,148,399	\$ 38,957,878	\$ 11,833,154
CBS	4,178,533	892,461	28,417,071	6,232,287
ABC	1,622,482	461,822	12,797,096	2,864,724
DuMont	738,578	**	5,207,574	**
Total	\$11,920,131	\$ 3,502,682	\$ 85,379,619	\$ 20,930,165

NETWORK RADIO				
	September 1951	September 1950	Jan.-Sept. 1951	Jan.-Sept. 1950
CBS	\$ 4,657,379	\$ 5,849,786	\$ 52,763,464	\$ 51,068,664
NBC	3,713,235	4,416,328	41,250,864	46,348,095
ABC*	2,165,971	2,418,419	24,029,153	26,417,432
MBS	1,324,061	1,246,463	12,861,185	11,887,529
Total	\$11,860,646	\$13,930,996	\$130,904,666	\$135,721,720

* Revised Totals: May \$2,991,227, July \$2,267,674.
** Figures for 1950 not available.

Following are network TV and radio figures for January thru September, asterisks indicating revisions from previously reported PIB figures:

NETWORK TELEVISION					
1951	ABC	CBS	DuM	NBC	Total
Jan.	\$1,328,719*	\$2,601,165*	\$ 435,527	\$4,187,222	\$ 8,552,633
Feb.	1,254,851	2,800,339	406,079	3,949,360	8,210,629
March	1,539,470*	2,993,902	457,811	4,654,063*	9,645,246
April	1,432,319*	2,906,891*	574,025	4,758,309	9,671,544
May	1,385,901	3,066,249	622,646*	4,946,338	10,021,134
June	1,437,593*	2,900,782	564,478	4,244,240	9,147,093
July	1,351,168*	3,434,659	645,359	3,477,952*	8,909,138
Aug.	1,444,593	3,734,551	763,071	3,359,856	9,302,071
Sept.	1,622,482	4,178,533	738,578	5,380,538	11,920,131

NETWORK RADIO					
1951	ABC	CBS	MBS	NBC	Total
Jan.	\$3,099,418*	\$6,849,462*	\$1,542,887	\$5,215,947	\$16,707,714
Feb.	2,702,721*	6,111,346*	1,426,705	4,731,826	14,972,398
March	2,891,339	6,808,938*	1,648,006	5,085,636	16,433,919
April	2,980,183*	6,502,009*	1,539,801	4,897,882	15,919,875
May	2,991,227*	6,760,750*	1,510,818	5,329,752	16,592,547
June	2,720,268	6,216,255*	1,191,691	4,739,193	14,867,407
July	2,267,674*	4,401,797	1,347,841	3,728,687*	11,745,999
Aug.	2,210,352	4,455,528	1,329,375	3,808,906	11,804,161
Sept.	2,165,971	4,657,379	1,324,061	3,713,235	11,860,646

Note: These figures do not represent actual revenues to the networks, which do not supply them. They're compiled by PIB on basis of one-time network rates, or before frequency or cash discounts. Therefore, in terms of dollars actually paid to networks they may be inflated by as much as 40%. Figures are accepted by networks themselves, however, and by the industry generally, as a satisfactory index of comparisons and trends.

FCC Chairman Coy is making point of his interest in station programming and FCC's authority by releasing letters to the press. Last week, he told Knights of Columbus that FCC can't censor, that complaints should be taken to station operators (Vol. 7:42). This week, he released copy of letter he wrote to Rep. Morano (R-Conn.), accompanied by copy of complaint letter had received from Bernard Yudain, managing editor of *Greenwich Time*, and Rep. Morano's forwarding letter. Yudain said that WMCA disc jockey Barry Gray had delivered "vicious attack on me personally," that he had been unable to get from station a recording to find out exactly what was said. Coy reiterated that FCC can't censor, but said that responsibility of the station licensee was involved, that "we will take up further with [WMCA] the subject matter of your complaint."

Add "industrial" uses of TV: Houston police testing TV "eye" which enables them, on receivers at their desks, to keep such close watch on inmates of city jail that, as one dispatch reports, prisoner in cell won't even be able to swat a mosquito without being seen and heard.

COWBOY STAR Gene Autry says he'll sue Republic Pictures to ban use of his movies on TV. He'll base action on precedent set by Federal Court's decision last week forbidding televising of Roy Rogers' Republic movies (Vol. 7:42). Republic, with millions in potential profits at stake, says it will appeal Rogers case to Supreme Court if necessary, is expected to file in Appeals Court next month.

Meanwhile, show business and TV attorneys, after scrutinizing Judge Peirson M. Hall's opinion in Rogers case, say more test cases may be necessary to determine whether actors generally can prevent TV release of old films. They point out judge pinned his decision on fact that Rogers' contract specifically reserved to the actor the right to control use of his name in advertising commercial products—aimed originally at royalties from sale of cowboy suits, cap pistols, endorsement of breakfast foods, etc. While Autry's contract is said to be similar, very few film actors' pacts make this type of reservation. Standard Screen Actors Guild contract awards all rights—including TV—to producer.

Defending its uhf experimental application (Vol. 7:33, 38), WHUM, Reading, Pa., this week filed with FCC an opposition to WEEU's petition for hearing or denial, saying: (1) Application is no "foot in the door" to future commercial operation, since FCC policy has been consistently against such efforts. "WHUM fully realizes that it may never receive a commercial uhf grant . . . How can there be a foot-in-the-door advantage unless the Commission recognizes it? . . . WEEU appears unwilling to accept the Commission's statement of policy on the subject." (2) Station would be adequately financed [for \$500,000 project]. (3) WEEU has no right to object, since uhf station would subject it to neither electrical interference nor economic injury. (4) Experimentation is welcomed by industry. (5) WEEU's effort "is a deliberate attempt to prevent anyone from conducting uhf experimentation in Reading which it itself is unable or unwilling to do."

Second East-West microwave route across Midwest is proposed by AT&T in filing plans with FCC for new relay system between Pittsburgh and St. Louis that will utilize present Columbus-Dayton-Indianapolis route as its central section. It will comprise 24 stations, averaging 28 mi. apart, will cost \$9,000,000, should be ready for phone service by mid-1953, could provide several TV channels. One westbound, 3 eastbound TV channels are now in use between Dayton-Columbus and 2 westbound between Dayton-Indianapolis. These are now connected to nation-wide TV networks via coaxial between Toledo-Dayton.

Two applications filed with FCC this week were from KXOB, Stockton, Cal. (Lincoln Dellar), asking for Channel 13, and Capital City Television Co., Austin, Tex., seeking uhf Channel 18. Latter firm is 100% owned by Charles H. Coffield, oilman, son of H. H. Coffield, formerly one-third owner of KEYL, San Antonio, recently sold (Vol. 7:30, 41) to George B. Storer interests. Applications on file now total 450, of which 17 are uhf. [For further details, see *TV Addenda 13-P* herewith; for listing of all applicants, see *TV Factbook No. 13* and Addenda to date.]

Paris-London direct TV exchanges are being planned, to begin in fall of 1952, says London report in Commerce Dept.'s *Foreign Trade Weekly*.

NOTE TO SUBSCRIBERS: After putting this issue to bed, we move to expanded quarters in downtown Washington's new Wyatt Bldg., 14th Street & New York Ave., new telephone number STerling 1755. You will also note the change in masthead to embrace the legend "Electronics Reports"—obviously more descriptive of

the field we cover. Our AM-FM directories and weekly Addenda will continue to be published as before, as will of course our semi-annual TV Factbook and weekly TV Addenda designed to keep basic data on stations and applications current. We will appreciate changing of your records of our address and telephone number.