

MARTIN CODEL'S

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

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# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY-INDEX OF THE WEEK'S NEWS—May 7, 1955

DuMONT REORGANIZATION, with new banker-director, aims to ameliorate friction with Paramount, spin off telecasting from electronics business (p. 1).

44th UHF QUILTS in Stockton, Cal., as revivals of off-air uhfs in Mobile, Houston & Norfolk are promised; New Orleans uhf plans 1-megawatt (pp. 3 & 8).

MILLION-WATT UHF power enlarges coverage area, fills in "blind spots" in Wilkes-Barre; first-hand survey of the world's most powerful stations (p. 3).

GRANTS AUTHORIZED in Hattiesburg, Miss., Ephrata, Wash. & Milwaukee, Wis.; one vhf drop-in proposed for Massachusetts, another denied for Buffalo (p. 5).

TOLL TV BATTLE AT FCC, still hotly in publicity phase, getting down to legal specifics as counsel prepare cases and pros & antis line up (p. 6).

PROFITS FROM COLOR sales next year forecast by Sarnoff, announcing \$795 set to stockholders; sees color trade "break-through" by next Xmas (p. 10).

TV SET PRODUCTION for first 4 months of 1955 totals 2,770,000, well ahead of the 1,904,000 produced during same period of 1954; radio output up, too (p. 10).

DISTRIBUTOR SHIPMENTS of TV sets by states reported by RETMA for 9 years through 1954; total of 35,677,818 shipped compares with 37,668,819 produced (p. 11).

RCA SALES & EARNINGS at new record highs first quarter, auguring \$1 billion year; about 20% govt. contracts; Sarnoff's report to stockholders (p. 13).

MARCH NETWORK BILLINGS show CBS-TV & NBC-TV at record highs, radio up from Feb.; combined TV networks did nearly \$100,000,000 in first quarter (p. 14).

**REORGANIZATION IN THE OFFING AT DuMONT:** New banking blood is coming into Allen B. DuMont Laboratories Inc. shortly -- with these immediate purposes:

(1) To eliminate "bifurcation," as one of banking principals put it, referring to setup whereby Dr. DuMont's management group has 5 directors while biggest stockholder, Paramount Pictures Corp., has 3 -- with resultant differences & clashes.

(2) To spin off the telecasting properties -- WABD, New York and WTTG, Washington, both Ch. 5 -- from the manufacturing business and set them up as separate corporate entities, in which DuMont stockholders would be given the shares.

Basic idea is first to eradicate main source of friction between Dr. DuMont and Paramount, arising primarily out of moviemens' undisguised conviction that the pioneer set & tube manufacturer, who also pioneered telecasting, cannot successfully operate what's essentially show business "from a factory office in Passaic, N.J."

New director slated to be elected at a special board meeting next week is Armand G. Erpf, partner of Carl M. Loeb, Rhoades & Co., nominated by a protesting minority at annual DuMont stockholders meeting May 2. Only 36,302 shares were voted for him, though his firm claims to own or control some 20% of the 1,801,054 shares of Class A common stock outstanding.

Mr. Erpf said his nomination at this week's meeting was a mere preliminary, after which he set about to persuade Dr. DuMont to have his directors elect him at a special meeting. Otherwise, he threatened to conduct a proxy fight. He's represented by Dewey, Ballantine, Bushby, Palmer & Wood law firm -- the "Gov. Dewey firm."

All 560,000 shares of the Class B are owned by Paramount, which held 43,200 shares of Class A (about 2.4%) as of last Jan. 31 but has recently bought more to increase these holdings to 68,000 (about 4%). The shares have equal value save in elections of officers and directors. Paramount votes 3: Barney Balaban, Paul Rabinovitch, Edwin L. Weisl. Dr. DuMont's directors, in addition to himself, are Admiral Stanley F. Patten, v.p.; Bruce T. DuMont, a brother; Thomas T. Goldsmith Jr., v.p. research; Percy M. Stewart, partner of Kuhn-Loeb & Co.

It's expected Bruce T. DuMont may yield his directorship to Mr. Erpf, and there's sentiment also to elect Wm. H. Kelley, v.p. & gen. mgr., to the board.

The quid pro quos of the agreement to elect Mr. Erpf aren't clear yet, but

the motivations are. With his claimed 20% Class A holdings and Paramount's 4%, it was apparent his proxy fight would start with a head of steam -- for such combined holdings exceed the 47,800 shares owned or controlled by Dr. DuMont, the 3100 by Dr. Goldsmith, 400 by Adm. Patten, 200 by Bruce DuMont. Mr. Stewart has 1000 shares.

Most of the Class A common is publicly held, traded on the American Stock Exchange, where this week it rose to high of 17½ from low of 14¼, closing at 16¼ Fri.

There's no bad blood, so far as can be learned, between the bankers and Dr. DuMont himself. The bitterness is all vis-a-vis Paramount, which Dr. DuMont blames for thwarting his purposes consistently, including failure of last year's negotiations for a merger with ABC (Vol. 10:46). This Paramount vehemently denies. Paramount blames him for the heavy losses suffered in the telecasting business, forcing the DuMont network to curtail to a mere skeleton (Vol. 11:1, 13) and to sell its profitable WDTV, Pittsburgh (now KDKA-TV) to Westinghouse for \$9,750,000 (Vol. 10:49).

Company's 1954 report shows assets of \$32,954,000. Common stock's book value is \$12.28. Paramount's 1954 report shows it carries its 560,000 Class B and 43,200 Class A (as of Dec. 31, 1954) at \$164,000, that having been its aggregate investment some 20 years ago in Dr. DuMont's then struggling tube-making company.

Dr. DuMont has long sought to get Paramount to sell out, but unavailingly. Paramount operates a TV station of its own in Los Angeles (KTLA) and like other film producers is evincing an eager interest in the TV film market. But it disavows any desire to take over the DuMont Network or its stations; in fact, its votes were required for approval of the sale of the Pittsburgh station.

It won't be surprising if WTTG in Washington is sold, for the bankers' plans seem to concentrate on WABD, and Dr. DuMont has great hopes for his Electronicam, a combination TV & film camera which has given impressive demonstrations (Vol. 11:6, 8, 13, 16). The Electronicam is already shooting for ad agencies, Ford Foundation, et al, and DuMont is considering going into film producing & syndicating business.

The Electronicam will not be sold, only leased--and its application to efficiency & quality of theatrical movie production appears to be as important as to TV.

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There's no disposition to oust Dr. DuMont as head of the TV receiver & tube manufacturing business, which he told stockholders last week earned 3% after taxes both last year and in 1953. Last year, company did a gross business of \$99,570,000 and showed net earnings of \$7,597,000 -- but profit figure included \$6,727,000 after capital gains on the sale of the Pittsburgh station.

Report blames telecasting network operations for low net earning power, and latest 12-week report (to March 25) showed \$27,000 loss on sales of \$15,989,000 in contrast to \$508,000 profit (20¢ a share) on \$19,770,000 in same 1954 period.

Dr. DuMont told the stockholders that network operating losses from inception were \$16,000,000, last year's running \$5,000,000, but he showed that profits from the 3 owned-&-operated stations cut losses down to \$5,500,000. Some saw hint that he might be willing to dispose of both remaining stations when, after pointing out the \$6,725,000 net capital gain after taxes realized from Pittsburgh sale, he said:

"Should it become desirable to translate the market values of our remaining broadcasting properties into liquid assets, it is a matter of simple arithmetic to figure that from the beginning our gains, as a result of being in the broadcasting business, will exceed our total operating losses by more than \$7,000,000 after taxes. This amounts to approximately \$3 a share more in terms of shareholders equity."

But neither the bankers nor Paramount seemed impressed by such figures, if it's contemplated to continue in network telecasting with only 2 stations that are not good earners. They make it plain they want Dr. DuMont to tend to his electronic knitting -- and in that burgeoning field they indicate they have no intention of interfering with him so long as the manufacturing company does well.

Said a banking spokesman: "Dr. DuMont is a first-rate fellow, with certain talents along certain lines. There is no intention to thwart those talents." And Mr. Erpf, apparently satisfied that the situation is well in hand, departed May 6 for 2 weeks in England.

**44th UHF QUILS AIR, 3 REVIVALS PLANNED:** One more uhf quit the air this week -- KTVU, Stockton, Cal. (Ch. 36) which signed off April 30 after some 16 months of operation. It's the 44th uhf to go off air, leaving 107 uhf out of 429 stations now operating.

This bad news for the uhf protagonists came simultaneously with information that New Orleans' WJMR-TV, authorized to shift from Ch. 61 to Ch. 20 and planning new GE 1-megawatt transmitter, has not only completed arrangements to take over now-silent WKAB-TV, Mobile (Ch. 48) and operate it as satellite, but is also planning to revive KNUZ-TV, Houston (Ch. 39), off air since last June 25.

And new owner of WTOV-TV, Norfolk (Ch. 27), silent since Oct. 3, still says he plans to reinstate it (Vol. 11:11, 17) -- but gives no date.

Plan of WJMR-TV is to specialize in all 3 cities in Spanish-language & Negro programming, according to exec. v.p. George Mayoral, who also contemplates other expansions (see p. 8). Whereas 18-month-old WJMR-TV, with CBS & ABC affiliations in one-vhf New Orleans, is in black and on upgrade, according to Mayoral, Stockton's KTVU was victim of intermixture after Ch. 13 KOVR got on air with Mt. Diablo transmitter and final coup came when new KBET-TV, Sacramento (Ch. 10) got going in March.

Only 60 mi. east of San Francisco and 45 mi. down valley from Sacramento, KTVU went on air Dec. 19, 1953 with \$250 hourly rate, soon boosted to \$385 but later cut to \$175. CP is retained by Brown Industries, which publishes daily Richmond Independent and Fontana Herald and the weekly LaMesa Scout.

**MILLION-WATT UHF IMPACT IN WILKES-BARRE:** Power makes a world of difference in uhf. It still doesn't change it into vhf, nor is it a substitute for programming -- but the brute force of 1,000,000 watts can overcome many of the finicky shortcomings in local reception and distant coverage which have plagued uhf operators.

This week we visited Wilkes-Barre, Pa., "mother of megawatts," where GE's and RCA's pilot million-watt installations have been in operation since January for NBC-affiliated WBRE-TV (Ch. 28) and ABC-affiliated WILK-TV (Ch. 34). We talked to the station operators and personnel, TV and parts distributors and servicemen, and found all reactions strongly on the plus side.

Wilkes-Barre area is an acid test for uhf, from the technical point of view. Heart of the hard coal mining area, its landscape is a never-ending series of convolutions of high ridges and low valleys -- the enemy of good uhf coverage.

From another point of view, it is ideal uhf country: It's almost completely "un-intermixed". Uhf is the only service in Wilkes-Barre, and the dominant service to its sister-city Scranton, 16 mi. northeast. But that doesn't keep it from being a fiercely competitive market -- between them, the 2 cities have 5 stations, all uhf.

While there is no conversion problem in Wilkes-Barre-Scranton area, there is nevertheless a constant battle for survival -- as 5 TV stations fight it out for the viewer's attention and the advertiser's dollar. And that's why it wasn't too surprising when 2 of the area's outlets announced last winter -- separately -- that each would be "the world's first million-watt TV station."

WBRE-TV chose RCA's new 25-kw transmitter and huge 46-gain antenna. WILK-TV has GE 45-kw klystron-powered transmitter with conventional type antenna. No area measurements have been completed to show individual signal strength and coverage, and during our visit we found no tendencies to make sharp comparisons. In some locations, one signal may be slightly better; in some the other has the edge. In some spots, there's been no signal improvement at all -- but in vast majority of difficult-reception locations the change has been for the better.

Both transmitters are located on same 2000-ft. mountain ridge near edge of city -- 3 mi. apart -- with good line-of-sight to most heavily populated areas. But both stations were plagued from the start with close-in "shadows" where the signals stubbornly refused to penetrate. The most important of these have been filled in as result of the power boosts. The worst problem areas -- most of them fortunately sparsely populated -- may never respond to any power treatment.

There's no question that coverage area has been enlarged, fringes moved out. Shuffling through stations' mail, we saw many cards and letters of the "we-couldn't-get-you-before-but-now-you're-clear-as-a-bell" variety. Stations' best coverage is

to the southwest, where line-of-sight signal follows rich Wyoming Valley, bringing clear pictures as far as 80 mi. To the north it's blocked by mountains (and Binghamton's vhf territory), with consistent good reports coming from 35 mi. or so in that direction. To south and northeast, heavy mail and good reception reports are consistent up to about 40 miles.

\* \* \* \*

From local trade sources come these typical reports: Admiral distributor R.B. Wall Co. -- "There's been quite a bit of difference. Wherever the signal used to be weak, our sales have increased, particularly in areas like Berwick [22 mi.], Bloomsburg [35], Danville [45] and Milton [55]." Dahl W. Mack, big Scranton parts distributor -- "There's no question that the signal has been increased considerably in the former fringe area. But the biggest improvement we've noticed has been behind obstructions, in the former 'holes'. I myself live in Clark's Summit, well out of line of sight of both the transmitters. Formerly, I couldn't even pick up their audio. Now both come in strong, though the signal has to bend 1000 ft. In town and in nearby places the signal is much easier to pick up now, allowing us to use lower price antennas and lead-in, with the customer saving money."

How does coverage compare with vhf? That's the inevitable question. There is no easy answer, because there's no vhf to compare it with. But for all the improvement, best estimate is that it's still not as good at filling in shadows and providing long-distance coverage as top-power vhf.

\* \* \* \*

Both stations are pleased with their new power plants, though they know they will have to hustle all the more to meet the additional original costs and upkeep (power bill runs about \$1400-\$2000 a month, and total operating costs with the high power add about \$50,000 a year to the stations' bills). Neither station reports any major troubles with the new equipment.

Both stations concentrate on local productions and local selling -- using the "one million watts" to advertising advantage. WILK-TV managing director Thomas P. Shelburne goes in strongly for building up local "personalities," even has daily 90-min. early evening variety show, sold on participation basis. Some 40% of WILK-TV's programming is local live, 40% ABC network. WILK-TV employs over 60, WBRE-TV over 70.

WBRE-TV, with the stronger NBC program lineup and well in the black, also emphasizes Main St. -- and especially since the power boost, it's not only Wilkes-Barre-Scranton's main street, but those in dozens of other communities in the service area. Station has 10 roving newsreel photographers -- many full-time -- stresses local newsfilm coverage in every nearby community. Both stations count their new high power as only a part of the competitive battle for local telecasting supremacy.

They've received quite a few mail inquiries about their high power from other uhf operators, and some have come to give the installations the once-over. But most uhf stations -- particularly in mixed markets -- are struggling now just to stay on the air, and 1,000,000 watts is a luxury they can't even afford to think about yet.

Under what circumstances should uhf operators "go to a million"? We asked managers of both stations. WBRE-TV's exuberant v.p.-gen. mgr. David M. Baltimore replied without hesitation: "Every uhf man in the country ought to have one -- if he can meet the expenses of it." WILK-TV's Shelburne outlined these conditions: "If he wants the edge over his competition; if he wants heavy saturation of power in his primary area, comparing to strong vhf, and if his fringe population is big."

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New TV excise tax bill was introduced in Senate this week--by Sen. Long (D-La.). Identical to measure which died with 83rd Congress last year, S-1898 provides for credit of \$7 against manufacturers' 10% excise tax for each set with built-in uhf tuner. Set manufacturers have indicated they will not support such a bill, and uhf telecasters have noted it provides no incentive for production of all-channel sets. Spokesman for Sen. Long said the Senator merely felt the bill "was good last year and ought to be good this year." The bill backed by set makers is

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HR-4070, introduced by Rep. Ikard, which would completely exempt all-channel sets from excise tax (Vol. 11:18). Growing impatient with Treasury's apparent unwillingness to state its position on the measure, Ikard this week got House Ways & Means Committee to write to Treasury Dept.

NARTB's mgr. of employer-employee relations Charles H. Tower testified before Senate Labor subcommittee May 4 in opposition to \$1.25 minimum wage proposal as economic hardship for small market stations.

**Personal Notes:** Clair McCollough, pres. of WGAL-TV, Lancaster, Pa. and gen. mgr. of the Steinman stations, to be given honorary degree of Doctor of Commercial Science by Franklin & Marshall College at its 168th commencement June 13; he's TV chairman of NARTB & co-chairman of its upcoming convention . . . Wm. Lodge, CBS engineering v.p., leaves on European trip, returns in mid-June . . . Paul Whiteman resigns as ABC v.p., will devote more time to Jackie Gleason Enterprises . . . Gordon Gray, v.p. & gen. mgr. of WOR-TV & WOR, elected a director of N. Y. Better Business Bureau . . . Milo Frank, head of CBS-TV talent & casting dept., N. Y., transfers to Hollywood as director of casting & new talent . . . Jack McCabe, from Toronto staff, named CBC asst. supervisor for sports . . . John M. Keys, mgr. of adv. & promotion, promoted to sales director, WNBQ & WMAQ, Chicago, with Charles Dresser moving to staff of NBC-TV network's central div. sales v.p. Edward R. Hitz . . . Wm. Veneman, ex-KTTV, Los Angeles, named exec. asst. for TV to J. Elroy McCaw, owner of KTVW, Tacoma, and part owner of KONA, Honolulu . . . Robert F. Stolfi, ex-CBS-TV network sales dept., named sales promotion director of Notre Dame's projected WNDU-TV (Ch. 46), due next July . . . Wm. W. Joyce named midwest TV sales mgr., Roy Miller radio sales mgr., Chicago office, Katz Agency, reporting to v.p. Charles H. Gunst . . . Ted Huston transferred from N. Y. to head new TV commercial production dept., Lennen & Mitchell, Beverly Hills, Cal. . . . Robert W. Rawson named TV-radio director, Sherman Lawrence Adv., Newark . . . Harold V. Phillips, ex-WMBD, Peoria, named sales mgr., WTVH-TV, Peoria, under gen. mgr. Edward G. Smith . . . Dr. Frances Horwich, whose *Ding Dong School* originates from N. Y. after June 1, moving from Chicago to N. Y. to add duties of NBC supervisor of children's programs . . . Wm. S. Hedges, NBC v.p., elected pres. of Rotary Club of N. Y. . . . Samuel Dana, ex-McCann-Erickson, named TV promotion supervisor, NBC Spot Sales . . . John F. Manning, ex-TV-radio director, Foote, Cone & Belding, San Francisco, rejoins Chambers & Wiswell, Boston.

Joseph H. McConnell, who at 47 quit the presidency of NBC in Feb. 1953 to become pres. of Colgate-Palmolive Co. under 5-year contract, has resigned in an apparent policy disagreement with chairman E. H. Little. An attorney, he rose from RCA Victor legal staff to become RCA finance v.p., then NBC exec. v.p., then pres. of network. It's expected he may enter practice of law after a vacation.

Paul D. Miles, engineering asst. to FCC Comr. Rosel H. Hyde, becomes exec. secy. of Interdepartment Radio Advisory Committee (IRAC), replacing Carl W. Loeber, who in turn replaces Christian E. Rogers Jr. as special asst. to Harold M. Botkin, ODM asst. director for telecommunications; last week, Rogers was named engineering asst. to FCC Chairman McConnaughey.

New officers of Assn. of Federal Communications Consulting Engineers, elected at annual meeting in Atlantic City April 29: T. A. M. Craven, pres.; Everett L. Dillard, v.p.; Robert L. Kennedy, secy.; John Creutz, treas.; Robert M. Silliman, Russell P. May & George P. Adair, exec. committee.

CBS-TV affiliates hold their general conference May 19-20 in Waldorf-Astoria, N. Y.

John Trevor Adams Jr., 37, sales mgr. of WABC-TV, N. Y. and its former gen. mgr., died May 1 of a heart attack at his home in Larchmont, N. Y. He was once TV-radio director of N. Y. Yankees, and for a while with DuMont Network as asst. sales chief. He also was one of principals in application for Ch. 8 in St. Petersburg, Fla., which went to *Tampa Tribune*. Survivors include his widow and a son.

**P**PROMPT GRANTS of unopposed applications are order of the day at FCC which issued 3 CPs this week: Hattiesburg, Miss., Ch. 9, Lion TV Co.; Ephrata, Wash., Ch. 43, Basin TV Co.; Milwaukee, Wis., Ch. 31, WFOX. All were filed within last 2 months, the one in Ephrata less than month ago.

Hattiesburg grant followed dropout of WFOR, went to Dave A. & Harold M. Matison and Milton J. Fine, each owning one-third; they own Fine Bros.-Matison Co. clothing store.

Principals of KIMA-TV, Yakima (Ch. 29), headed by Thomas C. Bostic, are owners of Ephrata grant, will make station a satellite of Yakima, as they did now-operating KEPR-TV, Pasco (Ch. 19); they also hold CP for KLEW-TV, Lewiston, Ida. (Ch. 3), and are applicants for Ch. 8, Walla Walla.

Grantee WFOX, Milwaukee (dairyman Joseph A. Clark, 100% owner) felt that with high uhf conversions and with CBS owning uhf in Milwaukee, another uhf station would have fighting chance, hence quest for Ch. 31.

Two-way competition for Ch. 4, Roseburg, Ore., vanished this week when merger was agreed upon by owners of KVAL-TV, Eugene (Ch. 13), who will own 50%, and principals of KIEM-TV, Eureka (Ch. 3) & KBES-TV, Medford, also 50%.

Efforts of WBUF-TV, Buffalo (Ch. 17) to get Ch. 8 assigned there were turned down by Commission which said it was unable to get Canada to agree to the necessary channel shifts. In passing, FCC said that if it had placed the channel in Buffalo, it wouldn't simply turn it over to WBUF-TV, as requested by station, but would have given all applicants a crack at it. Sale of WBUF-TV to NBC for \$312,000 awaits FCC approval (Vol. 11:11).

Favorable action on a vhf "drop in," first in month, was issuance of proposed rule-making to place Ch. 6 in Nashaquitsa, Mass., on Martha's Vineyard. Petition had been filed by WNBH, New Bedford, which once held CPs for WBOS-TV, Boston (Ch. 50) and WTEV-TV, New Bedford (Ch. 28).

NBC's proposal to buy WKNB-TV, New Britain, Conn. (Ch. 30), and move it to Mt. Higby (Vol. 11:2) was held up by FCC which sent "McFarland Letter" indicating a hearing is necessary. Action parallels that in case of WSTV-TV, Steubenville, O. (Ch. 9), which CBS proposed to buy and move to Pittsburgh (Vol. 10:47).

Commission decided to look further into another sale—transfer of CP for KNAC-TV, Ft. Smith, Ark. (Ch. 5), to broadcaster-publisher Donald W. Reynolds (Vol. 11:8)—ordering a hearing to determine whether there has been "trafficking" in a CP.

Storer's petition to deintermix Miami by deleting Ch. 7 & 10 and moving WTVJ to uhf was amended this week to leave WTVJ on Ch. 4—amendment stating that uhf station can survive in city with only one vhf competitor. At same time, it filed for Ch. 10, saying it would withdraw application if FCC deintermixes area. Storer operates Miami's WGBS-TV (Ch. 23).

Lamb hearing was postponed this week until May 9, with further postponement until May 16 probable, as FCC personnel connected with case trooped to Washington district court where turnabout witness Mrs. Marie Natvig is being tried on 6 counts of perjury. During week's trial proceedings, 2 FBI agents and FCC investigator Robert Leahy testified Mrs. Natvig told them she had been a Communist and presumed Lamb to be one. Govt. charges Mrs. Natvig lied in Feb. when she recanted certain testimony she had given earlier. Govt. abandoned one of its perjury charges this week—the one that Mrs. Natvig lied in February when she said she told FBI investigators she did not want to testify at Lamb hearing.

**Telecasting Notes:** "A good story's worth repeating because there are so few of them," stated noted producer Leland Hayward in *Variety* interview this week—adding another voice to those deploring the economic and artistic waste in TV's failure to re-run most of its hit programs (Vol. 11:17-18). He went on to note that a major success retains or even enhances its pulling power as it's transferred from one medium to another, citing as example movie version of TV's original *Marty*, which is clearly headed for top international awards, according to this week's reports from film festival in Cannes, France. Though working currently only on movies and theatre, Hayward considers TV "the medium that has the greatest excitement, [but] it must be live TV, of course" . . . Similar comment on repeats was made by *New York Times* TV-radio critic Jack Gould this week; praising CBS-TV's May 1 repeat of Reginald Rose play *Almanac of Liberty* under sponsorship of B'nai B'rith Anti-Defamation League, he noted: "*Studio One* has other treasures in its vaults. Why not bring them out?" . . . Columbia Pictures' Screen Gems was among first to show value of film repeats, and this season is no exception. All 39 programs of 1954-55 *Ford Theatre* series have been sold—13 of them currently being shown on NBC-TV as *Kodak Request Performance*, Wed. 8 p.m., 13 to be run as *Ford Summer Theatre* starting on NBC-TV July 7, Thu. 9:30 p.m., 13 bought by Bulova for spot placement this fall . . . Two points on film and film re-runs were made last week by Nielsen v.p. George Blechta, who told N. Y. TV Film Council that research discloses no difference between film and live TV in audience pulling power and that summer re-runs of network film shows garner audiences just as large as those reached by new summer replacements . . . Emulating *Peter Pan* pat-

tern, DuMont's WABD will present stage production *Shoe-string Revue* May 12, 7:30-8:30 p.m., 2 days before its scheduled closing at President Theatre; revue had opened Feb. 28, is believed to be first stage production to appear on TV before closing in theatre . . . Republic Pictures-Consolidated Film Laboratories has acquired N. Y. site on W. 47th St. between 10th & 11th Avenues, for modern film processing labs needed because of increasing demands of TV, expected to be ready by Sept.; plant on W. 57th St. will be absorbed, with theatrical printing continuing at Ft. Lee plant . . . "Britain Falls for the Huckster" titles excellent appraisal of commercial TV prospects there by Robert Lewis Shayon in May 7 *Saturday Review*; having done some first-hand reporting on the subject ourselves (Vol. 10:45), we recommend this article for factual accuracy, despite its somewhat cynical approach . . . Delays in A-bomb blast, first scheduled April 26 and finally set off May 5, cost networks estimated \$5000 daily . . . Another TV play to movies: F. W. Durkee's *Watch Me Die*, presented recently on NBC-TV's *Phileo-Goodyear Playhouse*, has been bought by Lou Walters . . . ABC-Paramount, still casting about for acquisition of a record company, reported looking over Cadence Records (Sam Clark) which brought out best-selling *Ballad of Davy Crockett*; it's said General Teleradio (MBS) also wants in on recording business.

Permanent injunction against TV satire on a movie property was granted May 6 by Los Angeles district court. Jack Benny and CBS were permanently barred from burlesquing on TV the 1944 MGM murder drama *Gaslight*. MGM first obtained temporary injunction when Benny proposed building TV show around the film in 1953.

**BATTLE OF TOLL TV** before FCC won't deal in generalities, if questions raised by opposition are indicative. In last few weeks, firm of Cohn & Marks, counsel for Joint Committee on Toll TV, has filed with Commission mass of economic and technical questions which it says must be answered so that FCC can "determine where the public interest lies in this matter." Prepared by consultants Dallas Smythe and John V. L. Hogan, questions include:

- Will receiver decoders be sold, leased or loaned to public—at what price?
- Will commercials be carried? If so, what income is expected from what rates?
- How fast would sets be equipped with decoders, broken down according to vhf-uhf composition of each market?
- What revenues are expected from subscription TV?
- How many hours will be devoted to it?
- Will there be different prices for programs—if so, how will they be fixed?
- What are the estimated revenues, expenses and profits for next 5 years — for stations, equipment makers and program suppliers?
- What is circuitry involved for monochrome and color transmitters and receivers to be converted to scrambled basis?
- What have been results of technical field tests of equipment?
- Is there a "universal" unscrambler for sets, or will several types be needed, and what are their precise specifications?
- Who owns patents?
- Are the several systems compatible?

These are mere sample of the scores of questions. It's assumed that pay-TV proponents were prepared to answer some of them anyway, but significance of the list is that it emphasizes that major rule-making proceedings of the FCC are never casual or quickie affairs—and that time involved can usually be measured in years, as was case in color and end-of-freeze hearings.

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Paramount's International Telemeter Corp. seems to be well aware of delays involved, for this week v.p. Paul MacNamara disclosed that thought is being given to inauguration of pay system on closed-circuit basis—confined to cables and requiring no FCC approval—in 2 undisclosed cities, one with 100,000 population, other with 50,000. They'd be financed by local exhibitors, he said.

Telemeter did attempt such an operation in Palm Springs, Cal. with a few hundred subscribers but dropped it because movies wouldn't make enough features available. However, MacNamara says that Telemeter could have gone to court and obtained the film, that producers can't refuse to sell for fair price—but that Palm Springs operation wasn't worth it.

Telemeter has own subsidiary, "Ampli-Vision," manufacturing community antenna equipment of type needed for closed-circuit work—but has been trying to sell the subsidiary recently.

MacNamara says system could start with 5000 subscribers. Several community systems already have that many customers, may be willing to consider pay-as-you-look operations—though some are leary of offending TV stations whose signals they now feed to customers. Largest community system, serving more than 6000 homes, is in Williamsport, Pa., was recently sold for reported \$1,200,000 to Texas group (Vol. 11:12).

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Organizations continue to take sides, meanwhile. For example, Brooklyn Dodgers pres. Walter O'Malley said he was in favor of pay system, would like to charge 50¢ per set per game. This brought protest from the Father Duffy Post, Catholic War Veterans. Organizations for Free-TV, through co-chairmen Alfred Starr and Trueman Rembusch, promptly cited O'Malley's statement as evidence that toll TV would convert free programs to fee, since Dodgers' games are now on TV. Miami-Dade County Chamber of Commerce voiced opposition to subscription TV in resolution, forwarded to FCC, asking preservation of "the public's freedom to look and freedom to listen without paying any fee." George Trautman, pres. of minor baseball leagues, wrote FCC that he thinks subscription TV is "one ray of hope" for dwindling gate receipts—which he blamed largely on major league telecasts. N. Y. State American Legion said it would ask national organization

to take stand against toll TV, Adjutant Maurice Stember declaring that thousands of sets were donated to veterans in hospitals and "we see no reason why all these donated sets should be converted to 'bedside slot-machines' requiring wounded, sick and disabled heroes to pay for programs they now enjoy without charge."

Debate on CBS-TV May 1, though complicated by so many participants, revolved around same arguments as in past. Zenith counsel W. Theodore Pierson argued that pay system would be supplementary; that present free programs wouldn't be converted to subscription basis because "we have no means of getting the people to pay for them if they can get them without paying." Victor Sholis, v.p. of WHAS-TV, Louisville, insisted that pay-as-you-see operators would outbid free system for present top-rated programs, taking them off present system. Sholis added another factor:

"These proponents are now asking the Govt. to give them a slice of this scarce public resource and they want to use it free of any responsibility or obligation or burden of serving the broad public interest . . . The wonderful glories Mr. Pierson talked about—educational programs, all the cultural things—are not going to be presented because they are not good box office . . . I am very much concerned over what happens to the well-rounded TV programming service which is now our obligation. Who goes to Yucca Flats to present the bomb? Who goes to Ann Arbor to present a roundup on the Salk vaccine? They are not box office."

Next televised debate was scheduled for May 8 on NBC-TV, Zenith sales v.p. H. C. Bonfig taking 15 min., opponents' Alfred Starr taking 15 min.—latter adding "box office" in form of Faye Emerson, who will interview Starr.

Zenith will take advantage of NARTB convention in Washington week of May 22 to conduct Phonevision demonstrations, closed-circuit and off-air, latter using facilities of WMAL-TV. Equipment will be kept in Washington for demonstrations after convention.

**Network Accounts:** Encouraged by record surge of new business and renewals, ABC-TV plans to start daytime programming next fall, along with a couple of heavy-duty week-end evening shows. According to current plans, weekday programming will move up from present 7 p.m. starting time to 3 p.m., with 2 one-hour shows preceding the sold-out *Mickey Mouse Club* 5-6 p.m. Also in works is Sun. 7:30-9 p.m. show produced by an unidentified major Hollywood studio, and Sat. 8-9 p.m. drama series by Alex Segal & Herb Brodtkin, producers of current *U. S. Steel Hour* & *Elgin Hour*. Network has written total of \$34,600,000 in orders during last 12 weeks, or more than its total billings for 1954 . . . Johnson & Johnson plans \$250,000 saturation campaign for new Baby Shampoo, buying 15 min. every Wed., May 4 thru June 22, on each of 3 NBC-TV shows: *Ding Dong School*, *Tennessee Ernie Show* & *Pinky Lee Show*; agency is Young & Rubicam . . . Dodge to sponsor live coverage of final round of 55th National Open golf tournament from San Francisco on NBC-TV, June 18, Sat., 8-9 p.m., thru Grant Adv. . . Miles Laboratories buys John Daly newscasts on ABC-TV beginning July 4, Mon.-Wed.-Fri. 7:15-7:30 p.m., thru Wade Adv., Chicago . . . Quaker Oats to sponsor *Sgt. Preston of the Yukon* on CBS-TV next fall, Thu. 7:30-8 p.m. thru Wherry, Baker & Tilden . . . Reynolds Aluminum replaces *Mr. Peepers* with as-yet-untitled summer do-it-yourself show featuring actor-comedian Dave Willock on NBC-TV beginning June 26, Sun. 7:30-8 p.m., thru Clinton E. Frank Inc., Chicago . . . General Dynamics Corp., which is merging with Stromberg-Carlson (Vol. 11:18), begins sponsorship with institutional commercials of *Youth Wants to Know* on NBC-TV May 15, Sun. 2:30-3 p.m., thru Morey, Humm & Johnstone.

**Station Accounts:** Houston Oldsmobile dealer Harlan Lane has bought all-night telethon on KGUL-TV May 6, running 10:30 p.m. to 7 a.m., with 2 hours of simulcasting on radio KNUZ and costing reported \$6000, besides fee for comic Jerry Colonna, m.c. Report isn't in yet whether he sold all 100 new & used cars on floor—but gimmick of having salesroom as "studio," letting customers be televised signing up, serving doughnuts & coffee, all heralded in full-page ads in city's newspapers, is unique in TV's commercial annals. Dynamic 28-year-old dealer, one of Olds' tops, has avowed sales goal of 500 new & 500 used cars monthly . . . Colgate-Palmolive, for its after-shave lotion, and American Greeting Card Co. tie up for joint Father's Day (June 19) campaign using TV-radio to back up drugstore, co-op & magazine promotion . . . Pepsodent introducing Dove, new toilet soap, in test markets, thru Ogilvy, Benson & Mather, N. Y. . . J. & J. Slater and Hanan & Son, big shoe retailers, sign 40-week contract with WRCA-TV & WRCA, N. Y. for news and weather cut-ins on *Today* and for partic. in various other shows, thru Wendell P. Colton Co., N. Y. . . Burnham & Morrill (B&M Oven-baked Beans), using TV only, no other media, in isolated 6-mo. test on WBAY-TV, Green Bay, Wis., budgeted at \$12,500, upped sales 75% in first 11 weeks, 370% in first half of April, according to preliminary report in May 2 *Sponsor Magazine* . . . Bristol-Myers (Ipana), thru Doherty, Clifford, Steers & Shenfield, and Xlnt Spanish Foods Inc., thru Hixson & Jorgensen, buy alt. sponsorships of second half of *Western Varieties* on KTLA, Los Angeles, Fri. 9:30-10 p.m., Cliquot Club sponsoring first half weekly . . . Among other advertisers currently reported using or preparing to use TV: Resolute Paper Products Corp., N. Y. (wax paper), thru Ettinger Adv. Agency, N. Y.; Lady Esther, Div., Zonite Products Corp., New Brunswick, N. J. (whirled-in-lanolin face powder), thru Biow-Biern-Toigo, N. Y.; American Home Products Corp., N. Y. (Aero shave), thru Geyer Adv., N. Y.; Kretschmer Corp., Carrollton, Mich. (wheat germ), thru Gleason Adv., Detroit; Union Oil Co. of California, Los Angeles (Purple Royal Triton motor oil), thru Young & Rubicam, Hollywood; Purex Corp., South Gate, Cal. (Trend liquid detergent), thru Foote, Cone & Belding, Los Angeles; Parfums Charbert, N. Y. (Breathless Mist cologne), thru Sterling Adv. Agency, N. Y.

Rate increases: CBS raises rates of 3 o-&o outlets—WCBS-TV, New York, adds new Class AA hour (7:30-11 p.m. Mon.-Sat. & 6-11 p.m. Sun.) at \$6500, min. at \$1700, Class A hour going from \$6000 to \$6250; WBBM-TV, Chicago raises base hour from \$3000 to \$3300 and adds new Class AA min. only rate (6:59-10 p.m. daily) at \$650; KNXT, Los Angeles, raises base hour from \$2700 to \$3200, adds new Class AA min. only rate (7:59-10 p.m. daily) at \$600. WOOD-TV, Grand Rapids adds new Class AA hour (8-10:30 p.m. daily) at \$950, min. at \$180, Class A hour going from \$800 to \$875; WHO-TV, Des Moines, raises base hour from \$550 to \$650, min. \$110 to \$130; KCMC-TV, Texarkana, Tex., from \$200 to \$260 & \$40 to \$52; WDXI-TV, Jackson, Tenn., \$150 to \$200 & \$20 to \$40. Rate adjusted: WOAY-TV, Oak Hill, W. Va. now has \$200 base hour & \$40 min. rates, changed from \$350 base in effect when sold only in combination with now defunct WKNA-TV, Charleston, W. Va.

"Strangers Into Customers" titles film depicting power of TV as an ad medium, based on study for NBC by W. R. Simmons & Assoc., to be shown at NARTB convention May 26 after TV Bureau of Advertising presentation.

Gotham Adv. consolidates with Irwin Vladimir & Co. July 1 to form Gotham-Vladimir Adv., with Gotham's Duncan Sutphen Jr. as chairman, Irwin Vladimir as pres.

New reps: KCOP, Los Angeles, to Weed (from Katz); WOAY-TV, Oak Hill, W. Va. to Pearson (from Weed).

**E**XPANDING in both uhf & vhf fields, Supreme Broadcasting Co. Inc. (Chester F. Owens, pres. & George A. Mayoral, exec. v.p.) has plans (1) to install GE 1-mega-watt plant for its Ch. 20 WJMR-TV, New Orleans, soon to shift from Ch. 61; (2) to revive WKAB-TV, Mobile (Ch. 48) which has been acquired from Mrs. Louise Pursley for \$200,000 debts, owed mainly to GE, and operate it as a satellite of WJMR-TV; (3) to revive, with KNUZ mgr. David Morris, KNUZ-TV, Houston (Ch. 39), off air nearly year; (4) to acquire 30% of upcoming WORA-TV, Mayaguez, Puerto Rico (Ch. 5), remaining 70% to continue in hands of CP holder Radio Americas Corp., headed by Alfredo Ramirez de Arellano Jr., chemical engineer & sugar cane grower; (5) to apply for Ch. 11 in Caguas, suburb of San Juan, P.R. and Ch. 7 in Ponce. However, Caguas project will be dropped if current negotiations are completed for purchase of 60% of Jose Ramon Quinones' WAPA-TV, San Juan (Ch. 4), in which Cuban telecasters Goar & Abel Mestre hold 14% ownership. Mayoral is an ex-GE engineer, who also does consulting work on Central American TV projects.

GE reports shipment of 20-kw transmitter to WTOC-TV, Savannah (Ch. 11) and 5-bay helical antenna to WENS, Pittsburgh (Ch. 16). New GE orders: for upcoming WKRG-TV, Mobile (Ch. 5), 35-kw transmitter, 4-bay antenna, film & live studio equipment; for WSIX-TV, Nashville (Ch. 8), 12-bay antenna, July delivery.

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

WAGE-TV, Marquette, Mich. (Ch. 6), has ordered 5-kw GE transmitter & 6-bay batwing antenna, plans July 5 test patterns, mid-July programming, reports 66% owner Jerome Sill, also gen. mgr. & 21% owner of radio WMIL, Milwaukee, which dropped Ch. 6 application there last week. It will use 700-ft. Kimco tower, now is working on prefabricated studio-transmitter building. Rep not chosen.

KTRE-TV, Lufkin, Tex. (Ch. 9), with 5-kw GE transmitter ordered for mid-May delivery and 6-bay antenna month later, plans July 15-Aug. 1 start, writes v.p.-gen. mgr. Richman Lewin. It will use 500-ft. Andrews tower, plans to operate as satellite of KPRC-TV, Houston. Specific targets will be set when FCC grants CP for microwave with Houston. Boyd Porter Jr. will be program director; Murphy Martin, commercial mgr. Base rate will be \$150. Rep will be Venard, Rintoul & McConnell.

WILL-TV, Champaign-Urbana, Ill. (Ch. 12, educational), which recently changed call from WTLC, expects to have 12-bay GE batwing antenna installed by June 20 on Memorial Stadium's northwest tower, reports director Frank E. Schooley for grantee U of Illinois. Later, antenna may be moved to school's Blaw-Knox FM tower in nearby Monticello, Ill. Although 5-kw transmitter donated by GE is "practically ready," targets haven't been set for test patterns or programming.

CKVR-TV, Barrie, Ont. (Ch. 3), has ordered 5-kw transmitter & antenna from Canadian GE for mid-summer installation, plans Sept. 1 test patterns. Microwave link to Toronto 55 mi. to south is already under construction and interconnected programming is scheduled to begin Sept. 15, reports Ralph Snelgrove, gen. mgr. and pres. of newly-formed Ralph Snelgrove Television Ltd. Among board members are former Barrie mayor Peter A. Sinclair; Canadian sales rep Paul Mulvihill; R. Stanley Dilworth, pres. of Dilworth Equipment Co., Toronto. It will use Stainless tower at site 2 mi. south of Barrie, where new building will house TV studios & transmitter as well as radio CKBB studios. Base rate will be \$240. Reps will be Adam Young & Paul Mulvihill.

Box Office Television Inc., closed-circuit TV producer headed by Wm. P. Rosensohn, announced this week it will soon "open an experimental TV studio laboratory to facilitate agency-client coordination of TV commercial production." According to trade reports, BOTV is cutting its staff and will subordinate closed-circuit activities to new laboratory project, probably even changing corporate name. Other closed-circuit TV news this week: (1) Theatre Network TV Inc. (Nathan L. Halpern) has signed 81 theatres to carry May 16 Marciano-Cockell heavyweight title bout. (2) TNT announced nationwide labor agreement with IATSE-AFL covering technical employees operating closed-circuit equipment. (3) Second nationwide closed-circuit AMA "Videclinic" will be presented before audience of 25,000 physicians in 34 cities under sponsorship of Smith, Kline & French Labs. Topic will be mental disease.

Telerad Inc., 2226 Television Lane, Pueblo, Colo., has taken over management of KCSJ-TV, Pueblo (Ch. 5) and radio KGA, Spokane (1510 kc, 50-kw, ABC) for owners Bankers Life & Casualty Co. in arrangement which its pres. Ray J. Williams states provides "same thing for the broadcasting business that Conrad Hilton does for hotels." He and v.p. Dave Baylor, with Chicago attorney N. M. Michaels and Bankers Life investments v.p. C. L. Little, constitute planning committee for Telerad Inc., which states it's backed by 3 investment firms "in addition to Texas oil interests" and plans to finance, plan, build and provide personnel "for all classes of stations, new, distressed or stations dissatisfied with present profits." It claims proposals are under discussion with 3 stations, and plans to handle up to 10.

Sarkes Tarzian Inc., which built equipment for its own pre-freeze WTTV, Bloomington, Ind. (Ch. 4), has appointed F. Dan Meadows, ex-gen. sales mgr. of Dage TV div. of Thompson Products Inc. and onetime RCA district sales mgr., as commercial mgr. of its broadcast equipment dept. He will merchandise complete line of TV studio equipment, including vhf & uhf transmitting equipment, vidicon film & studio cameras, relay switching, audio control, 16mm film and automatic slide projectors, microwave equipment.

Senate communications subcommittee under Sen. Pastore (D-R. I.) holds first public hearings May 19 on 2 bills requested by FCC: S-1549, to give Commission authority to levy small fines on non-broadcast licensees; S-1456, to amend common carrier section of Communications Act. FCC will be first to testify. Also due for early hearing by subcommittee is Commission's request for modification of "protest" procedure.

Latest private microwave is 2-hop link granted by FCC this week to KVEC-TV, San Luis Obispo, Cal. (Ch. 6) —an off-air pickup to get programs of KABC-TV & KNXT, Los Angeles. Cost of Raytheon equipment is \$19,942, and transmitters are to be located at McKittrick Summit and Black Mt. Station reported it had sought estimates for microwave service from phone company, received indefinite answers.

DuPont "Kinetic" Chemicals Div., Wilmington, Dela. (attention F. R. Zumbro) is making available on request copies of its 1954 architectural file folder setting forth consulting engineers' views on air conditioning of TV studios, among other structures; one of authorities cited is C. A. Rackey, NBC mgr. of audio-video engineering.

Ban on TV, radio and photos in Manhattan & Bronx courts was upheld this week by appellate div. of N. Y. Supreme Court, which ruled that Justice Diserio of Bronx Children's Court violated rule when he permitted TV and news photographers to operate last March at arraignment of 9 boys on delinquency charges.

**Color Trends & Briefs:** GE's continuous-motion color & monochrome film scanner, after long development period, is now in production and will be installed in stations beginning in about 45 days. GE officials are enthusiastic about performance, admitting that early models had troubles which they say are now completely eliminated. They will make scanner major feature at their NARTB convention exhibit.

The unit's optical system, developed with Eastman Kodak, employs rotating mirror principle which, GE claims, "affords many times more light than any other flying spot scanner system, and gives a crisper, brighter, cleaner picture with a minimum amount of noise."

System is designed so that station may start with monochrome-only, if it chooses. Prices of components: color scanner channel, \$25,500; monochrome scanner channel, \$13,000; dual 2x2 slide scanner, \$7000; film scanner, including continuous motion projector, \$18,000. Thus, station can start with equipment to handle black-&-white film & slides for \$38,000, then add color at any time for \$12,500 more.

GE shipped first such scanner to KING-TV, Seattle, year ago (Vol. 10:25), has been field-testing it since. DuMont and RCA, meanwhile, had substantial jump on GE, selling scores of film chains in interim. GE now aims to make up for lost time.

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RCA's 2 new 21-in. color sets (see p. 10) are \$795 "Seville" lowboy console and \$895 "Director" open-face console, both with 26 tubes including kinescope, both available in mahogany and light woods. Announcing new sets, consumer products exec. v.p. Robert A. Seidel said that dealers would be offering limited numbers in early June and that production would mount each month thereafter. Sets have same circuits, except that "Director" has two 8-in. speakers, "Seville" one—and latter has detachable legs. Seidel attributed reduction in number of tubes to: (1) New circuits. (2) New production techniques, such as use of printed circuits. (3) New dual-purpose rectifier and triode-pentode tubes.

Winners of 1954 McCall's Awards to women in TV-radio, as announced at this week's convention of American Women in Radio & Television in Chicago: top award, Angela McDermott, for *TV Schoolltime* on WRGB, Schenectady; executive, service to community, Dorothy Daniel, WQED, Pittsburgh, for work in launching unique citizen-supported educational TV station; executive, service to women, Bee Baxter, KSTP-TV, St. Paul, for nurse recruitment program *Operation Tender Loving Care*; executive, service to youth, Josephine Wetzler, WLS, Chicago, for slogan contest on her *School Time*; broadcaster, service to community, Marian Young Taylor (Martha Deane) for series on juvenile delinquency on WOR, N. Y.; broadcaster, service to women, Mary Jones, WFIL, Philadelphia, for making possible "Mary Jones Hearth" shelter for homeless young women; broadcaster, service to youth, Mary Koehler Rowe, KPIX, San Francisco, for *Adventure School*.

Nationwide search for comedy writing talent was announced this week as "Phase 1 of NBC's multi-million dollar talent and show development program" (Vol. 11:18). Under supervision of program development director Leonard Hole, NBC will solicit aid of colleges, little theatres and affiliates to find promising writers, best to be brought to New York and Hollywood, attached to NBC staff on salary for training and apprenticeship. Calling comedy writing search the "most critical" phase of talent project, Hole said: "It stems from the fact that TV burns out comedy material so enormously fast and the fact that it's so hard to find and develop new comedy writers."

Color TV tape, now undergoing field testing by NBC-TV, is considerably improved over first public showings at RCA Princeton Labs (Vol. 9:49) but "not quite ready for commercial use," according to RCA-NBC experts. Asked whether tape equipment would be commercially available within a year, one stated, "It's too close to be able to pinpoint it. In some ways it's superior to kines now, other ways it's still not as good," he said, "but I'm very optimistic about it." Asked whether tape equipment might not be too expensive, except for network use, he stated: "I'm not at all worried about the price. I believe it will compare favorably with film equipment, coming within price range of individual stations." On May 12-13, Minnesota Mining & Mfg. Co., which supplies TV tape stock, will feature demonstration of color tape at dedication of research center in St. Paul, Minn., with closed-circuit program microwaved from NBC-TV, N. Y.

Upcoming network color schedules: NBC-TV—May 11, *Kraft Theatre*, "Judge Contain's Hotel," 9-10 p.m.; May 19, *Home* segments, 11:04-11:12 & 11:50-11:57; May 20, *Coke Time*, color commercials only, 7:30-7:45 p.m.; May 22, *Max Liebman Presents*, "Promenade," with Judy Holiday, Herb Shriner, Janet Blair & Kay Starr, 7:30-9 p.m. CBS-TV—May 12, *Shower of Stars*, "High Pitch," with Marguerite Piazza, Tony Martin, Vivian Vance, Wm. Frawley & Mel Allen, 8:30-9:30 p.m. NBC-TV reports tentative plans to offer daily 5-6 color show this fall comprising combination of *Pinky Lee* and *Howdy Doody* shows.

Raytheon is doubling color servicing course in Chicago, having trained 200 since start of school in Sept. According to v.p.-mgr. Henry F. Argento, standards are kept so high that only 70% get diplomas. School is conducted by Ken Kleidon under supervision of Frank Loasby, director of TV-radio sales engineering. Servicemen are picked from dealers' crews by Raytheon distributors.

Among first uhf stations to order color film chain is McClatchy's KMJ-TV, Fresno (Ch. 24), buying 3-V unit from RCA. Uhf WBRE-TV, Wilkes-Barre (Ch. 28) is planning to start out with live camera chain.

There-ought-to-be-a-law dept.: Political telecast of the future, if Sen. Neuberger (D-Ore.) has his way, might be preceded or followed by an announcement that "the speaker on this program uses pancake makeup and a Teleprompter." He has introduced bill (S-1909) providing that all political telecasts shall include announcement of whether speaker is using cueing aids and what facial makeup, if any, he is wearing. He told Senate he's concerned over "tendency to substitute play-acting for reality [in political campaigns], to try to make men seem to be something which they are not." Sen. Goldwater (R-Ariz.) arose to ask Neuberger if he would also include toupees in the bill. Neuberger then invited Goldwater to sponsor such an amendment. Goldwater concluded humorous exchange with: "I suggest that we are splitting hairs."

Sponsor Magazine to stage another dinner for the 108 pre-freeze stations on eve of Washington NARTB convention; at party Sun. night, May 22, George Abrams, adv. mgr. of Block Drug Co., will be speaker. Note: Same evening rival *Broadcasting-Telecasting* is holding reception honoring FCC members in National Press Club, and next morning *Billboard* will host breakfast featuring panel discussion on films in TV.

RCA Chairman David Sarnoff disclosed at this week's stockholders meeting that his long visit with Gen. Eisenhower March 15 (Vol. 11:12) had to do with a memo he submitted, dated April 5, titled "Program for Political Offensive Against World Communism," which will be released shortly.

**RCA SEES COLOR MAJOR FACTOR IN 1956:** Startling prediction on color receiver sales, given by RCA chairman David Sarnoff at May 3 stockholders meeting in N.Y.: "I expect that in 1956 and the years ahead, RCA earnings from sales of color TV sets will substantially exceed its earnings from sales of black-&-white sets during those years."

Announcement of prices on new line of color sets accompanied Gen. Sarnoff's prediction -- and he stated that consolette would be \$795, console \$895. New line, coming off Bloomington, Ind. production lines this week, has 26 tubes, including picture tube, and the \$795 consolette is \$100 less than price of now-discontinued 38-tube line. [For details of sets, see p. 9.]

There had been speculation that the price drop would be greater (Vol. 11:16). Hallicrafters' \$695 price, announced late last week (Vol. 11:18), thus stands as the lowest to date. Other sets makers who have had modest color production going to meet any growth in demand -- such as Admiral & Hoffman -- haven't indicated whether they'll also offer a set at \$795 or less.

In response to question at meeting, in which a stockholder asked why RCA had set a "high price" on color sets while other manufacturers were said to be offering \$500 sets, Gen. Sarnoff stated: "A man with \$795 will be able to buy an RCA color set. Come and tell me when you can walk into a store and actually buy a set for \$500." He said it would be a year to two, "depending on volume," before good color sets could be purchased at \$500.

No manufacturer has yet offered a \$500 set, though Chromatic TV Labs has said it would demonstrate, late this month, a receiver which it believes could be manufactured for "substantially" less than \$500 (Vol. 11:15). Chromatic doesn't plan to produce sets or tubes itself, but hopes to license others to do so.

Though many industry leaders see color eventually supplanting black-&-white as their major product, none has gone as far as Gen. Sarnoff in predicting that this will start next year. Most have said it would take 3-5 years -- or more.

Reinforcing his statement on color, Gen. Sarnoff told stockholders: "Color TV, I firmly believe, will 'break through' and be well under way before Christmas of the present year. A reasonable number of color programs will be broadcast with regularity and this number will increase rapidly as more color sets are installed in homes. We are confident that we can sell all the color sets and tubes we will produce between now and the end of this year."

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TV production sagged to year's low for week ending April 29 -- only 131,627 units. It was year's 17th week, which means one-third of 1955 has been counted, and it means that approximately 2,770,000 TVs have been made thus far this year compared with about 1,904,000 in same 1954 period. (For unrevised RETMA weekly figures for each of first 16 weeks, see p. 12, Vol. 11:18.)

RETMA revises its weekly figures when it makes monthly recapitulations, and this week its monthly recap for first quarter came out: 654,582 in Jan., 702,514 in Feb., 831,156 in March -- total 2,188,252 for quarter. That's about 40% ahead of same 1954 quarter's 1,447,110.

Radio output continues to hold steady -- 278,054 (142,108 auto) for week ending April 29, bringing 17-week total to approximately 4,745,000 vs. 3,326,800 for same 1954 period. Radio figure, revised only through first quarter, shows 1,086,146 in Jan. (280,121 home sets, 47,303 portables, 573,837 auto, 166,885 clock); 1,089,724 in Feb. (232,831 home, 109,120 portable, 597,742 auto, 150,031 clock); 1,482,274 in March (300,840 home, 233,465 portable, 774,025 auto, 173,944 clock).

First quarter's radio output, totaling 3,640,144 breaks down as: 813,792 home sets, 389,888 portables, 1,945,604 auto, 490,860 clock.

**Topics & Trends of TV Trade:** From 1946 through 1954, distributor shipments of TV sets to dealers throughout the U. S. and its territories totaled 35,677,818, according to a recapitulation released this week by RETMA. The aggregate shipment figure compares with production total over same 9-year period of 37,668,819, to which can be added some 2,770,000 sets known to have been produced thus far this year. Latest NBC estimate of sets-in-use, dated March 1, places that figure at 35,028,000 (Vol. 11:16). The new RETMA recapitulation of shipments for 1946-1954:

State	Total	State	Total
Alabama	361,689	New Hampshire	120,842
Arizona	123,925	New Jersey	1,664,853
Arkansas	179,862	New Mexico	66,768
California	3,129,919	New York	4,754,300
Colorado	231,379	North Carolina	555,087
Connecticut	635,586	North Dakota	56,736
Delaware	108,845	Ohio	2,592,978
District of Columbia	351,174	Oklahoma	412,549
Florida	554,183	Oregon	218,476
Georgia	559,164	Pennsylvania	3,112,857
Idaho	70,295	Rhode Island	229,881
Illinois	2,487,747	South Carolina	225,468
Indiana	1,029,462	South Dakota	49,153
Iowa	565,117	Tennessee	461,774
Kansas	310,223	Texas	1,366,244
Kentucky	427,405	Utah	156,224
Louisiana	391,164	Vermont	52,622
Maine	176,297	Virginia	556,496
Maryland	631,803	Washington	492,729
Massachusetts	1,448,063	West Virginia	297,733
Michigan	1,682,313	Wisconsin	724,469
Minnesota	573,162	Wyoming	15,211
Mississippi	146,951	U. S. Total	35,616,771
Missouri	918,661	Alaska	5,496
Montana	39,396	Hawaii	55,551
Nebraska	278,876	Grand Total	35,677,818
Nevada	20,660		

TV set sales by Canadian factories for first quarter of this year totaled 166,462 sets, production 215,918, reports Canadian RTMA. This compares with sales of 111,399, production of 122,625 in same 1954 period. Projected production estimate for April-June period is 145,222 more sets. March sales totaled 55,076 at average price of \$292, production 75,560. Inventory at end of March was 97,340 compared to 76,856 at start of month. Toronto led in March sales with 9422; Montreal second, 8883; British Columbia, 5364; Manitoba, 4550; other Ontario, 4286; Nova Scotia, 4137; Alberta, 3727; Ottawa & eastern Ontario, 3201; New Brunswick & Prince Edward Island, 2859; Quebec City, 2809; Hamilton-Niagara, 2367; Saskatchewan, 1665; Windsor, 1605; other Quebec provincial areas, 195; Newfoundland, 6.

Failures in retail TV-radio-appliance trade during first 1955 quarter totaled 107, involving \$3,758,000 in liabilities, reports Dun & Bradstreet. They compare with 128 involving liabilities of \$17,604,000 in same 1954 period. In all of 1954, there were 457 such failures with liabilities of \$29,920,000. Dun & Bradstreet failure record includes concerns involved in court proceedings or voluntary actions likely to end in loss to creditors, does not cover discontinuances with outside obligations paid in full. In table of retail failure rate per 10,000 operating concerns, the appliance-radio-TV category shows 105 in 1954, 80 in 1953—second highest after infants' & children's wear.

While IUE (CIO) locals were reported demanding guaranteed annual wage and 5% pay increase from RCA plants at Camden and elsewhere, involving some 14,000 workers under 2-year contract expiring in April 1956, same union's Philco locals this week ratified new one-year contract calling for 5¢-an-hour pay boost and certain fringe benefits involving some 5500 employes. New Philco minimum wage rate is \$1.53 an hour, maximum \$2.71, and covers 10 plants.

Old John Wanamaker Store at Broadway & 8th St. (1,500,000 sq. ft.) will be converted and modernized into what will be known as Merchandise Mart of New York, an international display & trading center for hard goods, under plans of new owner Astor-Broadway Holding Corp.

**DISTRIBUTOR NOTES:** Dick C. Klein assigned to chief of Raytheon factory-owned TV-radio branch distributorships, his former duties as director of marketing taken over by Henry F. Argento, v.p. & gen. mgr., and Cliff Knoble, director of merchandising; Raytheon has own branches in Chicago, Milwaukee, Peoria, Harrisburg . . . Philco opens Cleveland factory branch in former quarters of Strong, Carlisle & Hammond Co., which gave up franchise . . . Sylvania appoints Interstate Distributors, 808 W. 14th St., Kansas City . . . CBS-Columbia Distributors Inc., N. Y., names Howard Gross, ex-Motorola Eastern regional sales mgr., as gen. mgr., succeeding Martin L. Scher, resigned . . . Crosley-Bendix franchise for Syracuse-Rochester area acquired from O'Donnell Distributors by Artec Distributors, Middletown, which will continue to operate temporarily from O'Donnell offices in Syracuse . . . Admiral names General Merchandise Co. Inc., 207 N. Milwaukee St., Milwaukee, as additional distributor for radios only; Admiral Distributors-Milwaukee Div. remains area distributor for entire Admiral line . . . Admiral-N. Y. promotes John Klein to sales promotion mgr. for chain store accounts in metropolitan area; Bernard Kaiser succeeds him as lower Manhattan district sales rep . . . GE Supply Co. sets up new mid-Atlantic region with headquarters at 705 Edgewood St., NE, Washington, with C. T. Shropshire as v.p. & regional mgr., M. W. Ryner mgr. for consumer goods . . . Admiral Distributors-Boston Div. takes over New England territory formerly handled by Alexander Distributors Inc., Springfield, with Boston gen. mgr. Thomas J. Hodgens supervising office at 214 Birnie Ave.



Sightmaster Corp., New Rochelle, N. Y., immediately upon confirmation of Chapter XI reorganization plan for Transvision Inc., same city, whereby creditors are to receive 15%, reported it has become largest stockholder in Transvision and proposes to recapture Transvision's former \$3,500,000 business in the TV kit business. New kit has been designed and is now being marketed, said Sightmaster pres. Michael L. Kaplan, and plans call for a color kit by fall along with high fidelity equipment, test instruments, community antenna systems, amplifiers. Sightmaster has endorsed notes to creditors whereby they will be paid 3% now and 1% every 2 months until the 15% is paid. Sightmaster takes over stockholdings of Emanuel Cohen. When Transvision schedules were filed in Oct. 1953, liabilities were put at \$722,589; tax carryover loss is \$750,000, said Mr. Kaplan, which "will be very advantageous to Sightmaster."

Chapter XI petition filed this week by Fada Radio & Electric Co. (Jacob M. Marks, pres.), with factory in Belleville, N. J., estimates liabilities at \$1,604,945 and assets at \$2,451,137 and proposes to pay in full all creditors under \$250 within 90 days after confirmation and all others 5% as initial installment and 5% quarterly thereafter.

Setchell-Carlson Inc., New Brighton, Minn., reports it's producing new 17-in. 20-tube portable TV weighing under 40 lb., to retail at \$180. Cabinet is aluminum, finished in Fabrikoid. It's offered in 3 colors, and factory states it's making 100 a day.

Rokville Co., 1099 So. Logan, Denver, maker of cabinets, again reports it will manufacture color TV sets before end of year; it's RCA-licensed, and pres. is R. L. Pierzina.

Total of 119 different types of receiving tubes are used in 150 models of 1954 & 1955 TV sets surveyed by GE tube dept. The sets surveyed had total of 2950 sockets, or just a shade under 20 tubes per set.

Philco's midsummer distributor convention, where 1956 TV-radio lines will be introduced, will be held at Miami Beach's Fountainbleau Hotel, June 26-28.

**Electronics Reports:** "Lots of Glamor, But Little Cash" headlines article in May 5 *Journal of Commerce* detailing difficulties of smaller electronics companies in financing expansion needs. Causes of these troubles, as enumerated by writer Ben Weberman: (1) Technological advances render production models obsolete almost as fast as they are developed; therefore substantial sums are needed to keep up with progress. (2) Because Govt. is electronics industry's biggest customer, sales are subject to cancellations, stretch-outs and obsolescence—and this hazard in forecasting long-term prospects has caused wariness on part of bankers and other investors. (3) Tremendous expansion of the industry has stiffened competition and held profits to rock bottom.

"Unable to sell stock to the public without a historical record of earnings gains backed by growth of civilian business," says article, "the companies have been forced to merge with older, financially strong companies; have sought venture capital from wealthy individuals; received bank credit against firm govt. contracts, and, especially, have plowed net income back into the business." It concludes that financial problem will be eased when civilian demand for electronic products grows more important in relation to govt. orders.

\* \* \* \*

Motorola's entry into transistor manufacturing was announced this week with disclosure that ground is about to be broken for new \$1,500,000 plant in Phoenix, first section of which will be ready early in 1956. Volume use of transistors is now anticipated, pres. Paul V. Galvin stated, in portable and car radios and in communications equipment. "Transistors," he said, "will revolutionize the design of car radio, and we will announce our first transistorized car radio models in early 1956."

Newest transistor portable radio: Introduced by Emerson, shipments begin next week on tiny set containing 2 transistors, 3 tubes, 2 batteries. Weighing less than 1 lb., it's 6-in. wide, 1¼-in. high, sells for \$44. Other transistorized radios introduced to date: 4-transistor Regency pocket set at \$49.95; 8-transistor Raytheon portable at \$79.95.

"Mural TV," system whereby light amplifier is used to produce flat picture (Vol. 11:6), is a creation of RCA, said Chairman Sarnoff, responding to question at this week's stockholders meeting. However, he added, it's still in lab stage, only 30 or 40% completed.

**Trade Personals:** John J. Anderson named mgr. of portable appliances, Westinghouse appliance div., Mansfield, O., succeeding Robert M. Oliver, resigned . . . Douglas Wallace May 1 succeeded E. W. Cashman, retired, as Graybar v.p. & director . . . J. J. Harris, gen. mgr. of Philco Distributors Inc., N. Y., elected to board of N. Y. Better Business Bureau . . . Robert M. Fichter, ex-adv. mgr. for major appliances & electric housewares, named adv.-promotion mgr., Westinghouse TV-radio div. . . Wm. R. Bush, ex-aide to chief of naval research, named asst. gen. sales mgr., Hoffman Labs . . . Joseph S. Wright, gen. counsel & director, onetime Federal Trade Commission attorney and onetime secy. to ex-Sen. Wheeler, named Zenith Radio v.p. . . Charles Lloyd, ex-Nashville regional sales mgr., named Motorola's eastern regional sales mgr. succeeding Howard Gross, now gen. mgr. of CBS-Columbia Distributors Inc., N. Y. . . Daniel Newman, ex-DuMont, named CBS-Columbia director of product service, succeeding Harold J. Schulman, now asst. to pres. Seymour Mintz . . . George Cohen, Emerson eastern regional sales mgr., promoted to director of service sales; Floyd Makstein continues as mgr. of service sales . . . Loyd Dopkins, ex-Crosley, Majestic & Zenith, named sales v.p., Granco Products Inc., Long Island

Standard Electronics div. of Hupp Corp. will be name of new division formed by Hupp's purchase of electronics business of Brown-Allen Chemicals Inc. (Vol. 11:10, 16). [New division is not to be confused with Standard Electronics Corp., transmitter-making subsidiary of old Claude Neon.] Brown-Allen electronics operations were carried on its books as of Dec. 31 at \$798,000, less depreciation and amortization reserve of \$343,800. Hupp made initial payment of \$250,000 in cash, plus 125,000 shares of its common stock, with contingent additional payment during next 5 years through issuance of not over 120,000 shares of common, based on and payable from net earnings of electronics div. Principal products of electronics div. will be cadmium sulfide photocells and quartz crystals.

RCA's move into business "brain" field heralded by announcement by Chairman David Sarnoff at this week's stockholders meeting (see pp. 10 & 13) that company's new "Bizmac" data processing system is designed to handle such business tasks as invoicing, inventory control, etc. First Bizmac system is being built for delivery next fall (at \$5,000,000) to Army Ordnance Tank-Automotive Command in Detroit, where it will be used for stock control of parts, replacing 350 clerks. Gen. Sarnoff also announced RCA has received from United Air Lines its largest order for airborne radar—\$2,500,000. Radar will become standard equipment in all UAL planes.

Hycon-Eastern Inc. is new firm formed by leading MIT scientists Dr. Jerrold R. Zacharias & Dr. Jerome B. Weisner, to specialize in research and product development in fields of nuclear instrumentation, microwaves and computers. It's principally owned by Hycon Mfg. Co., Pasadena, Cal., with the 2 scientists holding substantial equity. It plans to acquire facilities near Cambridge, Mass.

Claude Neon Inc. has changed name to Dynamics Corp. of America, the better to identify it with its electronics activities which include manufacture of TV-radio transmitters (through subsidiary Standard Electronics Corp.), radar, guided missiles, quartz crystal oscillators, automation, fire control, analog computers.

Two new 10-kw vhf transmitters will be introduced at NARTB convention in Washington, May 22-26: Standard Electronics will show "economy model" priced at \$55,000, and GE will display its first unit in that power range.

Efficiency of solar battery (Vol. 10:18) has been increased from 6% to 11%, Bell Labs reports, stating that this is comparable to efficiency of best gasoline engines.

City, N. Y. . . . N. J. Litherland, ex-Servel Inc., appointed Magnavox comptroller . . . George M. Hakim has resigned as adv. director, Hoffman Electronics . . . John Belieff, ex-Fairchild Publications, named Sparton Baltimore area district merchandiser . . . Alexander E. Blazis, ex-foreman of Raytheon receiving tube plant at Quincy, named mgr. of newly opened sales office & warehouse at Franklin Park, Ill.; C. R. Hammond, asst. Raytheon v.p., is equipment sales mgr. there . . . Everett W. Olson appointed director of adv. & public relations, Webster-Chicago, succeeding S. T. Seaman, now with John W. Shaw Adv., Chicago, newly appointed to handle Webcor account . . . Richard P. Axten, ex-Alexander Smith Inc. (carpets) joins Raytheon June 1 to direct public relations for all its operating divisions . . . Lawrence W. Kanega, ex-gen. sales & merchandise mgr., elected v.p.-operations mgr., RCA Victor record div.

Harold Harris, v.p. of Channel Master Corp., is author of "Eyes & Ears of TV," 3-p. article on antennas, included in 1955 *Book of Knowledge Annual*.

R. Karl Honaman, on leave from Bell Labs, where he is publications chief, named deputy asst. secy. for public affairs, Defense Dept.

**Financial & Trade Notes:** RCA is by way of becoming a \$1 billion company this year, based on record first-quarter sales of \$256,305,000, up 13% from 1954 quarter's \$226,609,000, reported by chairman David Sarnoff at annual stockholders meeting May 3. Quarter's net profit was \$12,568,000 (84¢ a share), gain of 25% over 1954 quarter's \$10,066,000 (66¢). In all of 1954, RCA achieved record sales of \$940,950,000, net profit of \$40,525,000, or \$2.66 a share (Vol. 11:9).

Those figures highlighted session at which Gen. Sarnoff also disclosed that TV manufacturing, telecasting & servicing represents about 52% of RCA's business; that govt. sales & services in first quarter amounted to \$52,000,000, or about 20% of total volume; that unfilled govt. orders on March 31 amounted to \$300,000,000 and deliveries this year are expected to approach 1954 figure of \$221,000,000; that RCA has contract for guided missile launching system for which mechanical engineering phase is being handled by American Machine & Foundry Co.; that its govt. service dept.'s "global electronics field engineering program" for U. S. armed forces includes several thousand RCA-trained field engineers; that RCA International's 1955 first-quarter sales were at record level.

The headline news in Gen. Sarnoff's statement, however, was his surprise prediction that earnings from the sale of color TV sets "in 1956 and years ahead" will exceed those from black-&-white, along with announcement of new \$795 color console and \$895 color console now in production (see p. 10).

Stockholders sided with management to vote down proposals for annual instead of staggered election of all directors and for limitation of extra incentive compensation to executives to \$200,000 ceiling or 100% of base pay for any one individual. They reelected to board Edward F. McGrady, Gen. Walter Bedell Smith, Wm. E. Robinson, Dr. E. W. Engstrom, John T. Cahill — and they unanimously approved resolution urging Gen. Sarnoff to remain with RCA for at least 5 more years from next March 1 when his present employment contract terminates and when he will have completed 50 years with the company. On Feb. 27, 1956 he reaches 65, company retirement age, which can be waived by board.

\* \* \* \*

International Resistance Co. pres. Charles Weyl reported to annual stockholders meeting this week that sales for first 15 weeks of 1955 rose to \$4,112,722 and earnings to \$199,457 (15¢ a share on 1,342,598 common shares outstanding) from sales of \$3,525,802 and earnings of \$69,378 (5¢ on 1,331,163 shares) for like 1954 period. For all 1954, sales were \$13,207,649, earnings \$603,320 (45¢). IRC during first quarter acquired Hycor subsidiaries in Calif. & Puerto Rico whose sales this year are expected to exceed \$1,000,000. Mr. Weyl said company is planning another acquisition, undisclosed.

Motorola first-quarter sales, despite reduced military billings, went up to \$51,878,179 from \$48,006,800 in same 1954 quarter — and pres. Paul V. Galvin, in letter to stockholders, called it second best first quarter in firm's history and attributed improvement mainly to black-&-white TV. Earnings went up to \$2,153,038 (\$1.11 per share) from \$1,644,084 (85¢). For full year 1955, Galvin said, business should exceed previous high of \$217,000,000 of 1953. [For 1954 profit-&-loss report, see Vol. 11:12.]

Tung-Sol reports first quarter sales of \$11,892,273, net profit of \$756,714 (\$1.09 on 641,787 shares), compared to \$9,516,287 & \$450,304 (78¢ on 554,952) same period last year.

Dr. Edward H. Litchfield, dean of Cornell School of Business & Public Administration, elected Avco director.

A. P. Barton, ex-asst. gen. mgr. of Elgin National Watch Co. ordnance div., heads new electronics division that embraces recently acquired Neomatic Inc., L. A.; American Microphone Co., Pasadena; Advance Electric & Relay Co., Burbank. Gordon Odell, former Elgin mgr. of commercial development, has been named west coast plant mgr. Elgin pres. J. G. Shennan told L. A. press conference that about 10% of 1955 volume will be in electronics, or about \$5,000,000.

Collins Radio Co. last week offered 122,500 shares of 4% cumulative preferred stock, \$50 par, convertible into B common through May 1, 1965, to holders of its Class A and Class B common at rate of one share for each 12 common held. Collins stockholders previously approved reclassification as of April 25 of \$5 common, whereby each share is changed into 1½ shares—the Class A having voting rights. New stock is convertible into Class B at initial price of \$27.

Texas Instruments Inc. is issuing to holders of its common stock rights to subscribe at par to 165,945 shares of new 4.48% \$25 par cumulative convertible preferred stock at rate of one share for each 18 of common held, rights expiring May 19. New preferred is convertible into common at any time before May 1, 1965 at rate of one preferred for each 1½ common.

National Co., Malden, Mass., recently backed by Easy Washing Machine Co., Syracuse (Clint Murchison) to extent of \$2,000,000 (Vol. 11:17), has elected as directors Mrs. H. Paul Nelligan, v.p. of Easy Washing Machine Co. and Howard W. Sluyter, associated with the Murchison Brothers in Texas.

\* \* \* \*

Loew's Inc., parent of MGM and biggest of movie producer-theatre firms (Vol. 11:17), earned net profit of \$3,274,451 (64¢ per share) on gross revenues of \$92,399,000 in 28 weeks ended March 17 compared to \$3,199,166 (62¢) on revenues of \$97,106,000 in corresponding 1954 period. For the 16 weeks ended March 17, net was \$1,753,102 (34¢) on gross of \$52,613,000 vs. \$2,065,273 (40¢) on \$56,096,000 in same 1954 period.

National Theatres Inc. reports net income for 6 months ended March 26 totaled \$1,280,549 (46¢ a share), compared with \$1,307,050 (47¢) same period last year. For quarter ended March 26, net income was \$734,133 (27¢) vs. \$651,468 (24¢) same 1954 period.

Stanley Warner Theatres reports, for 6 months ended Feb. 26, net profit of \$1,621,600 (73¢ on 2,208,680 shares), compared with \$1,191,400 (50¢ on 2,367,696) same period last year.

Twentieth Century-Fox income for 52 weeks ended Dec. 25 was \$115,715,815 compared to \$113,513,260 in comparable 1953 period. Earnings jumped to \$8,044,524 from \$4,560,887.

Paramount Pictures Corp. gross income in 1954 was \$110,069,588, net profit \$9,003,802 (\$4.10 per share) vs. \$112,803,066 & \$6,779,563 (\$3.06) in 1953.

Columbia Pictures reports net earnings of \$3,655,000 (\$4.37 a share) for 39 weeks ended March 26, vs. \$2,644,000 (\$3.12) for corresponding period last year.

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Dividends: CBS "A" & "B" 3-for-1 stock split payable May 20 to stockholders of record April 29; Tung-Sol, 25¢ June 2 to holders May 20; Aircraft Radio, 20¢ May 25 to holders May 18; Globe-Union, 30¢ June 10 to holders June 1; Consolidated TV & Radio Broadcasters Inc. (Bitner group), 28¢ July 1 to holders June 15; RCA, 25¢ July 25 to holders June 17.

Ralph S. Euler, senior v.p., Mellon National Bank & Trust Co., Pittsburgh, appointed a director of Consolidated TV & Radio Broadcasters Inc. (Bitner group).

## Network TV-Radio Billings

March 1955 and January-March 1955

(For February report see *Television Digest*, Vol. 11:15)

COMBINED NETWORK TV billings for first quarter fell just short of record \$100,000,000 total after CBS-TV climbed to new monthly high of \$16,036,896 and NBC-TV to record \$14,122,193 in March, according to Publishers Information Bureau report. The quarter's aggregate \$99,319,468 compared with \$74,208,152 in same 1954 period. Network radio, meanwhile, showed a substantial improvement in March—up about \$1,000,000 from Feb., but quarter's \$32,237,038 was still running about \$7,000,000 behind same 1954 period. The PIB figures:

	NETWORK TELEVISION			
	March 1955	March 1954	Jan.-March 1955	Jan.-March 1954
CBS	\$16,036,896	\$11,379,631	\$46,562,763	\$32,058,441
NBC	14,122,193	10,981,690	39,714,529	30,466,775
ABC	3,806,425	2,640,699	11,092,316	7,923,645
DuMont	628,625	1,205,526	1,949,860	3,759,291
<b>Total</b>	<b>\$34,594,139</b>	<b>\$26,207,546</b>	<b>\$99,319,468</b>	<b>\$74,208,152</b>

	NETWORK RADIO			
	March 1955	March 1954	Jan.-March 1955	Jan.-March 1954
CBS	\$ 4,391,864	\$ 5,456,351	\$12,524,418	\$15,372,037
NBC	2,953,486	3,639,278	8,282,310	10,208,000
ABC*	2,445,765	2,764,547	7,320,805	8,089,938
MBS	1,445,035	2,034,961	4,109,505	5,715,338
<b>Total</b>	<b>\$11,236,150</b>	<b>\$13,895,137</b>	<b>\$32,237,038</b>	<b>\$39,385,313</b>

	NETWORK TELEVISION—January-March 1955				
	ABC	CBS	DuMont	NBC	Total
Jan.	\$ 3,718,195	\$15,831,141	\$ 723,960	\$13,172,695†	\$33,445,991†
Feb.	3,567,696	14,694,726	597,275	12,419,641†	31,279,338†
Mar.	3,806,425	16,036,896	628,625	14,122,193	34,594,139
<b>Tot.</b>	<b>\$11,092,316</b>	<b>\$46,562,763</b>	<b>\$1,949,860</b>	<b>\$39,714,529</b>	<b>\$99,319,468</b>

	NETWORK RADIO—January-March 1955				
	ABC	CBS	MBS	NBC	Total
Jan.	\$2,487,140	\$ 4,181,787†	\$1,372,532	\$ 2,744,204	\$10,785,663†
Feb.	2,387,900†	3,950,767	1,291,938	2,584,620	10,215,225†
Mar.	2,445,765	4,391,864	1,445,035	2,953,486	11,236,150
<b>Tot.</b>	<b>\$7,320,805</b>	<b>\$12,524,418</b>	<b>\$4,109,505</b>	<b>\$ 8,282,310</b>	<b>\$32,237,038</b>

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

† Revised as of March 4, 1955.

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

Signs of good TV times: CBS first quarter sales & earnings, soon to be reported, will be ahead of year ago; last year's constituted record (Vol. 11:13) . . . CBS pres. Frank Stanton, personally, heads 399 Park Ave. Corp., planning big new office structure opposite modernistic Lever House, which probably accounts for rumors about projected "TV City" to occupy Park to Lexington Aves. between 53rd & 54th Sts. . . . NBC has blueprinted office building opposite its big Burbank studios . . . Ziv TV business reported up 32% in first 1955 quarter from same 1954 period; it's closed corporation, so figures aren't made public . . . WRCA-TV, NBC-owned N. Y. key, which reputedly represents gross billings around \$20,000,000 (about same as CBS key WCBS-TV), reports 23% increase in time sales first quarter.

Rush of sponsors to be charter advertisers on NBC Radio's new *Monitor* week end radio service (Vol. 11:15) is reported by the network, which says it has sold nearly 500 1-min. participations, though program doesn't begin until June 12. Taking advantage of "introductory dividend plan" are such advertisers as Gruen, American Motors, Western Union, Carter Products, RCA, Mid-Continent Petroleum, Coppertone, Bronze Tan & Seaforth—said to account for total of \$450,000 in orders.

It's open season for "nominating" candidates for the FCC again, what with Comr. Hennock's term expiring June 30. White House isn't saying anything about names submitted, but President Eisenhower is expected to pick the Democratic nominee momentarily, and he must of course be persona grata to the Democratic leadership. One strongly-backed name definitely before Mr. Eisenhower is that of Richard Mack, chairman of the Florida Public Utilities Commission, endorsed by both Senators (one of whom, Sen. Smathers, is on Senate Interstate Commerce Committee) and by all Florida Congressmen save the single Republican member from St. Petersburg, Wm. C. Cramer, who has made no objection. Mr. Mack is from Coral Gables.

The \$3,000,000 sale of WNBC-TV, Binghamton, N. Y. (Ch. 12), with radio WNBC to Walter Annenberg's Triangle Publications by John C. Clark interests (Vol. 11:11) was approved by FCC this week. Agreement stipulates actual transfer will take place in 20 days, or by May 24, but closing date is not yet settled. It will be operated under direction of Triangle's WFIL-TV mgr. Roger W. Clipp, with gen. mgr. Geo. Dunham and other key personnel remaining at WNBC-TV. In addition to operating WFIL-TV & WFIL, Philadelphia, Annenberg also owns 50% of radio WHGB, Harrisburg, and publishes *Philadelphia Inquirer*, *New York Telegraph*, *TV Guide*, *Seventeen* and other publications.

Backlog of TV applications was principal subject of questioning by Sens. Magnuson (D-Wash.) and Saltonstall (R-Mass.) as FCC members appeared this week before Senate Appropriations subcommittee headed by Magnuson at preliminary hearing on budget for fiscal 1956. Chairman McConaughy said backlog can be cut down to the "hard core cases" if Senate approves full appropriation. House already has approved FCC budget, adding \$90,000 for processing backlog and \$80,000 for Commission study of networks, to the \$6,700,000 estimated in budget request (Vol. 11:14). Magnuson said he would call Commission back in about 2 weeks to discuss investigation and other "policy matters." He also said Govt. ought to get to work to provide suitable office space for FCC.

Control of KGNC-TV, Amarillo, Tex. (Ch. 4) & KGNC, together with *Amarillo News and Globe-Times* and *Lubbock Avalanche and Journal* and Lubbock radio KFYO is sought in application filed with FCC this week by Roy N. Whittenburg family which now owns 35.6%. Group proposes to increase holdings to 91.8% by acquiring 64,409 shares of Globe-News Pub. Co. for \$3,864,540 from Parker Prouty group. Wes Izzard would remain TV mgr. Feb. 28 balance sheet of Globe-News Pub. Co. lists \$8,308,296 total assets, \$1,228,072 current assets, \$703,392 current liabilities, \$5,439,831 surplus. Globe-News and subsidiaries show \$506,208 net earnings for 1953, \$277,173 for 1954. TV station lists \$1,026,461 total assets, \$1,044,519 current liabilities, \$119,267 deficit.

"Play Marco," bingo-type program conducted by KTLA, Los Angeles (Vol. 11:10) seems to be an illegal lottery, in eyes of FCC which this week told station it was scheduling "cease-&desist" hearing in which burden would be on KTLA to prove otherwise. However, station informed Commission it would drop program June 2—and it's presumed hearing will be called off, license renewed.

TV applications filed this week: For Miami, Ch. 10, by Storer Bestg. Co. (see p. 5); for Laredo, Tex., Ch. 8, by Midland, Tex. architect H. C. Avery Jr. & contractor David H. Cole. [For details, see *TV Addenda 20-Q* herewith; for complete listings of all grants, new stations, applications etc., see *TV Factbook No. 20* with Addenda to date.]

Russians celebrated May 7 as 60th anniversary of invention of radio by—guess who?—Alexander Popov.

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# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY - INDEX OF THE WEEK'S NEWS — May 14, 1955

**HELP-UHF TAX BILL** has little chance of passage this session in view of Administration's opposition to new tax legislation; telecasters push for action (p. 1).

**BANKER ELECTED TO DuMONT board**, presaging sale of one or both stations or else separate operation; plans for Electronicam this summer (p. 2).

**SET MAKERS SITTING OUT** subscription TV fight, with exception of pro-pay stand of Sylvania and opposition of those owning networks and stations (p. 3).

**SUBSCRIPTION TV** proponents have popular side of fight, a tough obstacle for opponents; FCC calm about deluge of mail, awaits formal arguments (p. 4).

**CONGRESSIONAL PROBES** into virtually all phases of TV broadcasting and manufacturing demanded as vote-conscious lawmakers eye "glamour" industries (p. 8).

**"EXPLODING CONSUMER DEMAND"** forecast at convention of security analysts; RCA strike vote authorized; fair trade repeal doubtful (p. 10).

**CBS ACHIEVES RECORD** revenues of \$104,206,067 for first quarter, profit of \$3,892,677 is highest in company's history (p. 13).

**SINGLE CP GRANTED**, to KWGB, Goodland, Kan., as FCC works on vhf drop-ins, channel shifts; CBS affiliation practices examined in Albany hearing (p. 9).

**NEW STATIONS ABOUT TO GO** into 3 non-TV towns: Twin Falls, Ida.; Rapid City, S. D.; Lafayette, La. Notes on shipments and other upcoming stations (p. 9).

**RICHARD A. MACK**, Florida utilities commissioner, definitely in line for FCC post to be vacated by Comr. Hennock June 30 (p. 14).

**DIM OUTLOOK FOR UHF EXCISE TAX BILL:** Against heavy odds, vhf & uhf telecasters embarked this week on full-steam campaign for a law to exempt all-channel TV receivers from the manufacturers' 10% Federal excise tax.

Virtually all Congressmen are familiar with plight of uhf -- and sympathetic -- but most key lawmakers hold out little hope for Congressional action this session. Biggest block is Administration's stated policy to consider no tax bills this year. Congress' determination to adjourn in July also raises the obstacle of time.

HR-4070, introduced by Rep. Ikard (D-Tex.), member of Ways & Means Committee, would provide the exemption, wiping out price differential between all-channel and vhf-only sets. Set manufacturers, meeting with the Senate Commerce Committee last month, endorsed measure, agreed it could cause vhf-only sets to disappear from the market (Vol. 11:10). Bill has been referred to Ways & Means Committee, which has asked Treasury Dept. to give its views on the measure.

Industry is currently concentrating its lobbying efforts on influential members of Ways & Means Committee and on the Treasury Dept. -- spokesman for the Administration on tax matters. NARTB is committed to support measure, and a group of powerful vhf telecasters backed the proposal at last year's Potter subcommittee uhf hearings. This week, NARTB govt. relations v.p. Ralph Hardy, officials of CBS & NBC and several other telecasters made separate visits to important members of the Ways & Means Committee -- spoke with Chairman Cooper (D-Tenn.) and Reps. Mills (D-Ark.), Boggs (D-La.), Simpson (R-Pa.), among others.

Their goal is to get Committee to schedule hearings. If hearings are on the calendar by time of NARTB convention May 22-26, it's evident that telecasters who converge on Washington at that time will be able to do some good by explaining to their individual Congressmen why the bill is needed.

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Industry representatives found Congressional reaction divided along party lines. Republicans, while sympathetic to bill's objectives, pointed to Administration's opposition to tax legislation this session -- particularly excise taxes. They pointed out that any excise tax action would be likely to bring pressure from every industry with an excise axe to grind.

Warmer reception came from Democrats. Generally, they felt public opinion was in favor of bill, and expressed view that if Ways & Means Committee approves measure it will easily sweep through the full House. But Chairman Cooper, while friendly, made no commitment on hearings.

Keystone to future of bill is Treasury Dept. attitude. Backers of bill point out that despite an immediate loss to the Govt. of \$75-\$100,000,000 in annual excise taxes, ultimate result will be far greater tax returns because of increase in number of taxpaying TV stations, employes, servicemen, etc.

A high Treasury official held out little hope for a favorable report. He told us it may still be some time before report is sent out. Declining to discuss the specific legislation, he outlined his department's policy on excises:

"I don't see how the Treasury can back any changes in excise taxes, in view of the President's recommendations that there should be no changes in this field this year. The Administration is very strongly against any patchwork changes in the tax structure, but believes the whole excise tax field is due for a complete overhaul -- wants to take a look at the whole thing, possibly next year. I suspect, too, that Congress is not eager to get into taxes at this time."

To avoid "special interest" label, set makers are generally staying aloof from lobbying on bill, though RETMA and an overwhelming majority of TV manufacturers have endorsed it. Its proponents stress that it's not a "tax relief" or "special interest" bill, will put no money in pockets of set makers. Rather, they say, it's "broad public interest" legislation to remove an artificial restriction to growth of nationwide competitive TV system by encouraging the public to buy "a complete TV set" -- one with all 83 channels.

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While endorsement of Ikard Bill is virtually universal throughout the industry, unreserved enthusiasm for it is not. Some uhf telecasters express fear that the measure is being regarded as the be-all-&-end-all for uhf. They back the bill, but call it "little more than a palliative," and urge that equal attention be given to such questions as program and network availability, competition in intermixed areas, cost and performance of uhf transmitters, allocation problems, etc.

One active uhf telecaster group, UHF Industry Coordinating Committee, headed by Harold Thoms (WISE-TV, Asheville, N.C.), has called meeting of uhf operators May 22 in Washington, to discuss easing of equipment payments, deintermixture, addition of vhf assignments, "market straddling," AT&T network costs and private microwaves, production of all-channel sets, obtaining network programs, subscription TV.

Summing up chances for all-channel tax exemption, those who visited Congressmen put it this way: Odds are heavily against passage this session, but educational work being done now may turn the tide next year.

**NEXT PROBABLE STEPS IN DuMONT SHAKEUP:** Armand G. Erpf, a partner in Wall Street investment house of Carl M. Loeb, Rhoades & Co., was elected this week to replace Bruce T. DuMont on the board of directors of Allen B. DuMont Laboratories Inc., as predicted (Vol. 11:9) -- and it can now be assumed the board not only will seek to resolve DuMont-Paramount policy differences but will undertake to:

(a) Sell one or both of the remaining TV stations (WABD, New York & WTTG, Washington) as well as the valuable big Tele-Centre on East 67th St., or

(b) Spin off the telecasting properties from the TV-electronics manufacturing business, and place their ownership in the hands of DuMont stockholders. This is the plan first favored by Mr. Erpf, presently on a 2-week trip to England.

Either way, the DuMont Network as such, already curtailed to a mere hookup of the N.Y. & Washington stations, ready for expansions as ordered but with only 6 "network" sponsors remaining, seems doomed to extinction -- unless revived by a buyer.

There have been conversations looking to sale of the properties, but nothing came of them, though at one juncture it looked like a N.Y. combine was ready to pay \$11,000,000 for the "package". Another valuation had \$5,500,000 on WABD, \$3,500,000 on WTTG, \$1,000,000 for the Tele-Centre.

The bankers, perhaps eyeing the successful ownership of stations by other big industrial corporations, are said to be inclined to the belief that the 2 stations can be operated profitably as independents, hence should be spun off. But the Washington station has been a loser, though is said to be holding its own now, and may be sold separately; several local broadcasting interests have approached DuMont, but none felt \$3,500,000 evaluation justified by past, present or potential earnings.

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DuMont's Electronicam TV-filming system, which can produce theatre-quality film at the same time it shoots a live TV show and which was first discussed as the basis for a "film network" (Vol. 11:16), will become available this summer on a lease basis, terms still undetermined, in both 16 & 35mm versions. DuMont is unlikely itself to go into the film production and syndicating business, but will make device available to film makers on a lease-&-service basis along the lines of IBM with its large business machines & computers.

For Hollywood, educational & govt. uses, leasing will be arranged through the DuMont plant at Clifton, N.J. Pilot 16mm Electronicam is now in use at Tele-Centre, where some educational films are being made for the Educational TV & Radio Center at Ann Arbor, Mich. James L. Caddigan is in charge, reporting to Ted Bergmann.

Compared with conventional film-making methods, Electronicam is said to cut production costs in half. One labor question apparently was solved this week when DuMont signed pact with Screen Actors Guild providing same pay scale that prevails in the TV film industry -- somewhat higher than AFTRA's live & kinescope TV rates.

**FEW MANUFACTURERS CONCERNED ABOUT FEE TV:** Most set makers have little to say about pay-as-you-look TV, for few see how it affects them one way or the other. Those owning networks or stations -- like RCA and CBS -- have shown their aversion to it. But others prefer not to get into a hassle over something which they feel holds no dangers -- though some are a bit irked by fact that Zenith "is getting a priceless amount of free publicity and advertising," as one of them put it. (Other interests continue to have plenty to say about it, meanwhile -- see p. 5.)

We queried a score of top manufacturers, have an even dozen replies to date, and foregoing is the pattern of responses from those with no telecasting interests. There was one exception -- and he, incidentally, was the only one who agreed to let us quote him by name. Here's what Sylvania chairman-president Don G. Mitchell thinks:

"There is no question but that programming costs have reached the point where they are acting as a major deterrent to broadening the scope and increasing the quality of TV programs...The major consideration seems to be that any potential solution to the over-all cost problem now confronting the broadcasters and sponsors deserves most careful consideration, and specifically, that subscription TV field tests should be authorized so that reasonably conclusive evaluation can be made.

"Under the American free market system, the consumer or purchaser makes his choice every day -- not only to buy or not to buy, but which brand he will buy. There is nothing basically different about subscription TV; if it is not sound and there is no demand for it, the public will not buy it."

Contrary view is expressed by a manufacturer who is also a telecaster. He says: "I never agreed with either Comdr. McDonald or Dr. Millard Faight...No prediction that either has made about the inability of our present system of TV to provide service has been proven true, and yet every year those of us who pioneered in TV have been told that we are doing something that could not be possible.

"The most recent approach by Zenith, whereby stations would take on 'phone-vision' for a couple of peak hours each day only for paid subscribers is simply ridiculous. We spend tremendous amounts of money to build audiences and I can not conceive of getting anything out of Zenith during these periods, when we are off the air and denying the public our service and the service to which they are entitled under our license, to recompense us for entering into any such ridiculous situation."

Another manufacturer puts it this way: "I am all for doing anything that will enable us to sell more equipment or that will give the customer better programs, which will enable us to sell more equipment. But I haven't been convinced yet (a)

that subscription TV will do this, or (b) that anyone has a practical approach to the technical, legal and social problems that subscription TV raises."

Not much interested in toll TV per se, but concerned about "side effects," another set maker observed: "My opinion is that we can take it or leave it. I doubt whether the proponents can put it over. In the meantime, too much publicity may be another deterrent to TV sales as many people are not very analytical in their reading and may think that it's another new device that will obsolete their current TV investment. I think a clarification to the public on this would be in order."

Another is dubious, saying: "The thought of putting slot machines in every American home, and expecting people to pay for something whose only present cost is the slight irritation of a commercial, appears rather impractical."

Rest of them are staying out of the squabble for the present, making such comments as: "Have not crystallized my thinking." "Haven't formulated a policy." "It is rather unusual to find me not vocal about almost anything, but I should like to stay out of the middle of this particular subject." "Do not actually have any real definite opinion." "Not sufficiently familiar with the matter."

**Personal Notes:** Arthur Hull Hayes, recently named pres. of CBS Radio to replace Adrian Murphy, who resigned to retire from active business, elected a v.p. & director of parent CBS Inc. this week . . . Donald H. McGannon, v.p. & gen. exec., elected to board of Westinghouse Bcstg. Co., which moves headquarters about June 1 to Chanin Bldg., 122 E. 42nd St., N. Y.; Joseph E. Baudino, WBC exec. v.p. in old Washington headquarters, elected v.p.-Washington; W. C. Swartley, gen. mgr. of WBZ-TV, elected v.p.-Boston . . . Thomas F. Flanagan, managing director of Station Representatives Assn. for last 7 years, retires shortly but continues as consultant with offices in SRA; no successor has yet been chosen, according to SRA pres. Adam J. Young Jr. . . . James W. Beach, sales mgr. of WBKB, Chicago, promoted to director of ABC-TV central div., Chicago, replacing Gerald Vernon, resigned . . . Jerry Danzig, ex-CBS-TV, named gen. exec. for programming for NBC-owned TV-radio stations, reporting to v.p. Charles R. Denny . . . Lawrence L. Wynn promoted to sales mgr. of WABC-TV, N. Y., succeeding the late Trevor Adams . . . Marvin H. Hult promoted to mgr. of WMBD, Peoria, under pres. Charles C. Caley, who also has engaged Robert O. Runnerstrom, ex-WLOK-TV, Lima, O., in an executive capacity; Harold V. Phillips, WMBD sales mgr., recently resigned to take similar position with WTVH-TV, Peoria . . . John C. Mullins has taken over as pres. of KBTB, Denver, which he and partner Frank Leu bought for \$1,000,000 from local business group (Vol. 11:13) . . . John Rossiter resigns as v.p. & gen. mgr., KBMT, Beaumont, Tex., and management has been taken over by Randolph C. Reed, pres. & 50% owner . . . Thomas B. Coulter, ex-radio KYSM, Mankato, Minn., named asst. to NARTB radio v.p. John F. Meagher . . . Alex W. Monahan, ex-Bitner stations in Indianapolis & Evansville, joins WWTB, Cadillac, Mich., as program director under David F. Milligan, gen. mgr.; Daryl Sebastian shifted from operations to promotion & mdsg. mgr. . . . Tom Gavin returns to Duluth area (from WIRL, Peoria) to be gen. sales mgr. of Ridgers' WDSM-TV & WDSM under v.p. Rodney Quick . . . John Esau, onetime gen. mgr. of KTUL, Tulsa, recently pres. of KTVQ, Oklahoma City, on May 23 becomes business mgr. of *Television Age* (Sol Paul, publisher) . . . Wayne Oliver resigns as Associated Press TV-radio editor, will announce new post shortly . . . Bob Mendelson resigns as v.p. of *Sponsor* to head group acquiring several radio stations . . . Brent Kirk promoted to station mgr. of KUTV, Salt Lake City; John P. Brophy named sales mgr., Alan F. Frank program-production mgr. . . . W. Gordon Swan, WBZ-TV, Boston & Paul A. Loyet, WHO-TV, Des Moines, to address National Fire Protection

Assn. convention May 18 in Cincinnati on "Promoting Fire Prevention on Radio & TV" . . . Ted Eiland will be gen. mgr. of WJNO-TV, Palm Beach, Fla., having resigned as pres.-gen. mgr. of WTAP, Parkersburg, W. Va., which he and Baer-Chernoff families sold to Zanesville Publishing Co., operators of WHIZ-TV (Vol. 11:14) . . . John H. Bone, ex-gen. mgr. of WNEM-TV, Bay City, Mich., named gen. mgr. of WNAO-TV, Raleigh, N. C. . . . Marcy Tinkle, ex-Petry, joins promotion dept. of ANPA's Bureau of Advertising . . . John Jackson, mgr. of RCA adv. services, named program chairman of Assn. of National Advertisers accounting seminar May 20 at New York's Hotel Plaza . . . Howard W. Coleman promoted to adv., promotion & merchandising mgr. of WNBQ & WMAQ, Chicago, succeeding John M. Keys, now sales director . . . Aubrey Williams, ex-TV-radio director, Fitzgerald Adv., joins with E. V. Brinckerhoff to form Brinckerhoff & Williams Agency, New Orleans . . . Brooks Elms, ex-McCann-Erickson, named TV-radio director, Birmingham, Castleman & Pierce . . . Edward H. Feldman, ex-TV-radio director of Biow-Biern-Toigo in Hollywood, elected v.p. of Desilu Productions (*I Love Lucy*), in charge of commercial div. . . . Meredith M. Daubin, since 1938 with Dow, Lohnes & Albertson, Washington law firm specializing in TV-radio, has resigned to join the George O. Sutton law firm . . . Milton F. (Chick) Allison, with CBS Radio Spot Sales since 1949, last 2 years as eastern sales mgr., promoted to asst. to gen. sales mgr. Henry R. Flynn . . . George Lindsey promoted to sales mgr. of Weed TV, Chicago.

John H. Battison, who installed and for a while managed CHCT-TV, Calgary, and who before that was with Capitol Radio Institute and in consulting practice in Washington, has resumed his consulting business with office at 4515 Saul Rd., Kensington, Md. (phone Olympic 7-9593); first client is U of Georgia's new Continuing Education Center, Athens, Ga., where Ch. 8 is reserved for education.

White House press secy. James C. Hagerty picked by Radio & Television Executives Society of N. Y. for its award for distinguished service to the broadcasting industry in opening up the President's news conferences to TV-radio. Presentation will be at White House soon.

Agnes McGillvra, wife of station rep Joseph McGillvra, has filed application for new Kingston, N. Y. AM (1-kw daytime, 1300 kc). She has minority interests in WOKO, Albany, N. Y. and KXL, Spokane, Wash.

Theodore Streibert, director of U. S. Information Agency, was to leave May 15 for inspection of USIA outposts in Africa, returning to Washington June 8.

**P**OPULAR SIDE of the subscription TV struggle is undoubtedly in favor of the proponents—indicated not only by fact that FCC up to May 13 had received some 8500 endorsements vs. about 1800 oppositions, but by fact that most editorial opinion in general publications, including TV columns, has a pro-pay flavor.

Opponents of pay-as-you-see are becoming aware of this, and accordingly are seeking to tailor arguments with full knowledge of public temper. But they have much more difficult row to hoe than do proponents—who evoke tremendous enthusiasm by simply promising great shows, while opposition can merely issue dark warnings that free TV might go out the window.

Most of FCC commissioners and their staff members, however, seem unimpressed by volume of mail, brushing it aside as “results of promotion.” They’re waiting for formal answers June 9 to the very searching and pertinent questions raised in notice of rule-making (for full text, see Special Report, Feb. 12). They’re extremely sophisticated about intra-industry fights and are really holding off judgment until pros-&-cons are firmly nailed down.

Most of FCC people have always been skeptical about subscription TV, and the betting among them today is strongly against possibility that pay system will be approved—yet all concede that battle has scarcely begun.

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Idea of authorizing fee-TV on limited basis as a “commercial test” is approached very cautiously at Commission, where there’s some feeling that such a move might ultimately prove to be simply a final decision in proponents’ favor—that it would take the power to make an ultimate decision out of Commission’s hands. Not much thought has been given to idea, however.

It’s probable that full, formal oral hearing will eventually be conducted, just as it was in color and allocations rule-makings. Several parties will definitely petition for such hearings in June 9 filings, on grounds that conflicting factual information must be tested in cross-examination, and Commission is likely to accept that contention. There’s also opinion around FCC that Congress will—or should—take decision off Commission’s hands; that issues of public policy transcend FCC’s jurisdiction. Furthermore, there’s the cynical view that it’s a fine political football, basic principles of which aren’t buried in technicalities.

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Two leading TV columnists tackled subject this week, both coming up with pro-pay conclusions. *N. Y. Times’* Jack Gould on May 8 wrote:

“This corner has supported the principle of toll TV and still does so, but we are distressed to see the blithe assumption that it will magically solve all the TV medium’s very real cultural problems. It certainly will not do so without more searching study and preparation . . . The competitive economics of show business being what they are, the pay-as-you-see contention that toll video will not

touch the existing TV structure but merely add a new wing seems naive, indeed. It is up to the toll TV advocates to spell out in crystal-clear affidavits to the FCC, not in publicity handouts, where they stand on over-all balance in TV programming . . .”

N. Y. Tribune Syndicate’s John Crosby concludes in May 13 column that “subscription TV is inevitable, as I thought sponsored TV was inevitable for Great Britain to meet TV’s ever-mounting costs. How and when it’s coming, I have no idea.” Crosby lists arguments on both sides, evidently feels pros have the edge. He says he can understand exhibitors’ opposition but can’t fathom lack of support from networks and stations which, he says, “could conceivably wind up even richer than they are now in spite of themselves.” He says best argument against toll TV is that “it’s an infringement of your rights” because scrambled picture makes channel temporarily useless to those who won’t or can’t pay.

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Bickering continued on many levels, meanwhile. A fact-finding committee of 25 AFL show business unions in New York resolved against pay system, saying it would impose burden on low income groups, deprive invalids of free TV, usurp free airwaves, etc. Among letters to FCC was one from Mrs. Franklin D. Roosevelt, stating that toll TV “appears to be to a very good idea, and one that I would like to see tried.” Also on file is letter from U of Pittsburgh athletic director Rear Adm. T. J. Hamilton stating: “If revenues received from subscription TV can be properly distributed to insure preservation of national athletic and physical training programs in colleges and schools, much benefit will accrue to our country.”

*Sponsor Magazine* reports that majority of advertising executives interviewed don’t believe that subscription TV is a “clear threat” to free TV; that public acceptance will be limited; that competition of pay systems might improve free TV. Other developments:

(1) International Telemeter’s talk of using closed-circuit for pay system (Vol. 11:19) prompted Leon P. Gorman, WABI-TV, Bangor, Me. to invite Paramount-controlled Telemeter to join “Organizations for Free TV,” wiring Telemeter v.p. Paul MacNamara that “you can count on me to back your proposal because this is the exact way that I think pay-as-you-see TV should be handled.”

(2) Zenith rejected invitation of Hollywood Ad Club for another Faught-Starr debate (Vol. 11:16), stating that opponent Alfred Starr is hiding behind “false front” instead of coming out and emphasizing his theatre ownership. Starr said of Zenith’s action: “As far as the opposition of the theatre owners is concerned, is there anything wrong or un-American about this? Is Comdr. McDonald’s ambition so lofty and lily white that nobody can stand in his way?” Telemeter’s MacNamara will appear instead.

(3) First returns on *Saturday Review’s* poll showed about 65% for toll systems, 26% against, 10% uncommitted.

Largest theatre-TV hookup to date has been announced by Nathan L. Halpern’s Theatre Network TV Inc. for May 16 Marciano-Cockell heavyweight title bout from San Francisco at 11 p.m. Fight will be carried in 83 theatres with total seating capacity of 250,000. It won’t be available on home TV (but will be carried on radio) nor will it be shown in any theatres west of Denver. California theatres are blacked out under terms of contract. In New York area, it will be carried by unprecedented total of 17 theatres.

N. Y. Herald Tribune’s new digest-size *TV-Radio Magazine* makes its first appearance May 15 as regular Sun. supplement; its editor is columnist Hy Gardner; managing editor is Al E. Davies, ex-asst. night editor.

CBS-TV Pacific Network has been awarded exclusive rights to 8 Pacific Coast Conference football games this fall on dates when NCAA game-of-the-week is not being televised nationally (on NBC-TV). Schedule: Sept. 16, Texas A&M at UCLA; Sept. 24, Illinois at California & Stanford at Oregon State (night); Oct. 8, USC at Washington; Oct. 22, Stanford at Washington & USC at California (latter in Los Angeles area only); Nov. 5, Oregon at Washington State; Nov. 12, Oregon State at California. NBC-TV will air Notre Dame-Southern Methodist game in midwest only, on Sept. 24.

Bangkok, Thailand gets first TV station in June, operated by Thai Television Co.; it’s an RCA installation, and 1000 RCA sets have been imported.

**Telecasting Notes:** Spectaculars a la NBC's are reasonably certain to be offered by CBS-TV next season. Times haven't yet been determined, but they will be 90-min. drama & variety shows, some in color. Shows will rotate, preempting regular sponsorships, according to present plans, and there's even talk that some will come Sat. nights opposite some of NBC's. Unconfirmed, but probable, is that first color spectacular will feature Noel Coward in 90-min. version of his Broadway hit *Present Laughter* on a Sat. 10-11:30 p.m., which would put it opposite NBC's George Gobel . . . Fanning flames of controversy over spectaculars, ABC-TV Research has issued report based on Nielsen data, purporting to show that advertisers get more for their money with conventional programs than with spectaculars . . . Effectiveness of repeats of live TV drama (Vol. 11:17-19) is further illustrated by Trendex rating of May 10 *Fearful Decision* on ABC-TV's *U. S. Steel Hour*; it attained 18.1, compared with 11.6 when first presented June 22, 1954—though precise comparisons can't be made because level of viewing is normally lower in late June than in May . . . Washington Star TV columnist Bernie Harrison commended *Fearful Decision* repeat, observing that "TV ought to demonstrate some gumption and repeat more of its 'live' hit shows—especially the plays. What really whips me is that TV is forever trying to wangle more first class movies out of Hollywood—yet refuses to dip into its own growing library." He called for repeats of *No Time for Sergeants*, *Appointment in Samarra*, *Bachelor Party* & *Marty* . . . Stratospheric values of TV-radio program properties are underlined by this week's report from Lone Ranger Inc., recently purchased from King-Trendle by Jack Wrather, stating sponsors General Mills and American Bakeries are paying his firm \$5,213,000 for program rights for 4 years while another \$2,500,000 will be derived from 85 manufacturers licensed to use the name and from newspaper, comic book and recording rights . . . Walt Disney's merchandising mgr. Vincent Jefferds tells *Film Daily* that Disney this year will realize more than \$1,000,000 in royalties from *Davy Crockett* merchan-

dise . . . Biggest single program entity in TV-radio is believed to be Arthur Godfrey, who represents well over \$20,000,000 of CBS's annual billings; Dave Garroway's *Today* on NBC-TV is running ahead of that in billings, but of course isn't pegged so closely to one personality . . . NBC scouting local theatre groups for TV shows, signs up Dallas State Fair production of *One Touch of Venus* for Aug. 27 spectacular, may tie up with famed Phoenix Theatre; Jack Rayel, exec. producer, handling long-range planning . . . More proof of TV's growing affinity with movies: Ed Sullivan (*Toast of the Town*) signed to produce and star in major independent feature film to be released by Warner Bros. . . . Gertrude Berg will test her new play *Mind Over Momma*, which she wrote with James Yaffee, on ABC-TV May 31, after which she plans to produce it on Broadway; her last stage play was *Me and Molly* in 1948 . . . Paddy Chayevsky's *Marty*, first done on *Philco Playhouse*, then made into movie, wins Golden Palm grand prize this week at International Film Festival in Cannes . . . Dan Petrie to be chief director of *U. S. Steel Hour* when it moves from ABC-TV to CBS-TV July 6, Wed. 10-11 . . . American Psychiatric Assn. signs with Hal Roach Studios to produce TV film series on mental health . . . Novel contest: WTVW, Milwaukee, preparing for "T-Day," when new 1105-ft. tower now at 500-ft. mark will be completed, offering 12 prizes ranging from Plymouth car to watches to viewers whose guesses come closest to actual completion time.

Organization committee headed by Guild Films' David Savage has been formed to develop plans for new TV film distributors' trade assn., following meeting May 10 of 30 major syndicators called by General Teleradio's Dwight Martin, sparkplug of movement. In addition to Savage & Martin, members of committee to draw up proposals for organization objectives and membership qualifications are Jay Williams, Official Films; Lou Friedland, MCA; Ralph Cohn, Screen Gems; Frank Reel, Ziv; Arche Mayers, Unity; Herb Gelbspan, Hal Roach Studios.

Color tape program microwaved by NBC from New York to St. Paul, Minn. for dedication of Minnesota Mining & Mfg. Co. research labs (Vol. 11:19) was termed a "historic occasion" by RCA-NBC chairman David Sarnoff, whose appearance had been recorded on the tape. Dr. Harry F. Olson, who headed development for RCA, using MM&M tape, said: "Some problems remain to be solved. These involve both the machine and the tape. We are certain that these problems will be solved . . . We are confident that electronic photography will be an important tool first in TV and later in industry and the home."

Fully-equipped color broadcasting studio will be demonstrated by RCA during NARTB convention in Washington week of May 22. It will also demonstrate a new type of color camera chain (Model TK-41), color effects equipment, a universal multiplexer for color broadcasting, new "Ampliphase" AM broadcast transmitter and high-power microwave system (TVM-1A).

Continued improvement of black-&-white reception of color programs is being achieved by networks, though there are still occasional complaints of "fuzziness," etc. (Vol. 11:8). According to RCA operations engineering v.p. O. B. Hanson, improvement is due to "the gradual cleaning up of a lot of little things," not to any new technique or equipment.

Upcoming network color schedules: NBC-TV—May 19, *Home* segments, 11:04-11:12 & 11:50-11:57 a.m.; May 20, *Coke Time*, 7:30-7:45 p.m.; May 22, *Max Liebman Presents*, "Promenade," with Tyrone Power, Judy Holiday, Herb Shriner, Janet Blair, Kay Starr, 7:30-9 p.m.

Canadian Broadcasting Corp. is in no hurry to move into color. At convention of Assn. of Canadian Advertisers in Toronto last week, CBC chairman A. Davidson Dunton stated: "We believe that the sensible time for the CBC to move into color will be when the manufacturers can turn out sets of assured performance at a price people can pay, say \$400 or \$500." Furthermore, he said, CBC hasn't sufficient funds to colorcast as much as 3-4 hours weekly. CBC asst. gen. mgr. Ernest L. Bushnell, after observing color kine shown at convention by NBC-TV, declared: "If that is what the Canadian public is going to get in color, the CBC is not going to spend the public's money on it. When we're sure we can deliver to the public something good, then we'll be ready."

Several hundred color sets employing Chromatic TV Labs' one-gun tube are being built by Telechrome Inc., with demonstrations scheduled for June 6 by Chromatic's parent Paramount Pictures. Sets will have 26 receiving tubes, use 22-in. rectangular picture tubes. Chromatic officials have declared that receivers using their tube can be retailed at less than \$500 (Vol. 11:15).

A 5-hour color show 7-12 p.m. May 7 in Ft. Worth's Will Rogers Memorial Coliseum drew 5000 spectators, WBAP-TV reports; demonstration was solely to show color sets in operation. Station presents 6 hours of color weekly in addition to color programs from NBC-TV.

Improved color film process, said to increase definition and color rendition, will be offered to motion picture industry by Technicolor Inc. at present price scale.

Some 60 "Multi-Scanner" film chains are in use, of which 15-20 are equipped for color, according to DuMont.

**Station Accounts:** Ted Cott's experiment for late-evening viewing on DuMont's WABD, N. Y., is *Featurama*, consisting of 3-to-12 min. filmed short subjects, cartoons & newsreels 11:10-midnight weekdays, 11-midnight Sat. & Sun., starting May 23. Partic. sponsors will use breaks between shorts for commercials at rates to be disclosed next week. Newsreels will be changed daily, rest of bill changing each Mon. & Thu. To be extended later to Washington's WTTG, program is frankly designed to "approximate the kind of program shown at newsreel movie houses all over America," said DuMont . . . Levitt & Sons, builders, sponsoring 13 half-hour documentaries on big Levittown, Pa. development, titled *Miracle City*—using WFIL-TV, Philadelphia, in first test of TV, thru Al Paul Lefton Co., Philadelphia . . . Professional Laundry Foundation, Newark, organization of laundries in north Atlantic states (Harold Buckalew, mgr.), to conduct one-year spot campaign directed at housewives on WCAU-TV, Philadelphia, starting June 1, thru Feigenbaum & Wermen, Philadelphia; similar campaign is planned later in N. Y. . . . Carnation Milk buys alt. week sponsorship of filmed *Annie Oakley* in 70 markets, thru Erwin, Wasey & Co., Los Angeles; Continental Baking Co. will sponsor series in 58 additional markets starting next Jan. 1, thru Ted Bates & Co. . . . Brock Candy Co. buys NBC film div.'s *Steve Donovan, Western Marshal* for 7 Southern markets, thru Liller, Neal & Battle, Atlanta; in western states, Royal Baking Co. and Langendorf United Bakeries is sponsor . . . Studebaker to spend nearly \$8,000,000 on all media this year, its biggest campaign in history, thru Roche, Williams & Cleary Inc. . . . UHU Products Corp. (concentrated all-purpose glue) plans TV campaign using glue-it-yourself theme, thru David J. Mendelsohn Adv., N. Y. . . . Seasonal natural: *Fishing Digest* on KHJ-TV, Los Angeles, Thu. 7:30-7:45 p.m., sponsored by Par-T-Pak Beverages, thru Raymond R. Morgan Co. . . . Among other advertisers currently reported using or preparing to use TV: McKesson & Robbins, N. Y. (Tartan sun oil), thru Ellington & Co., N. Y.; J. B. Williams Co., Glastonbury, Conn. (Skol sun tan lotion), thru J. Walter Thompson, N. Y.; Kleenex Home Products Co., Los Angeles (copper & aluminum cleaners), thru Mottl & Siteman Adv., Los Angeles; Jacuzzi Bros., San Leandro, Cal. (pumps), thru Gerth-Pacific Adv., San Francisco; Kerns Foods, Los Angeles (preserves), thru Mottl & Siteman, Los Angeles; Barrett Div., Allied Chemical & Dye Corp., N. Y. (Arcadian fertilizer), thru Albert Sidney Noble Adv., N. Y.; California Prune Advisory Board, San Francisco (promotion), thru Botsford, Constantine & Gardner, San Francisco; Lakeside Mfg., Milwaukee (Servit Hot trays & carts), thru Biddle Co., Bloomington, Ill.

Rate increases: WBAP-TV, Fort Worth, raises base hour from \$800 to \$900, min. \$160 to \$200; WKY-TV, Oklahoma City, base hour from \$750 to \$800, with min. rate added at \$175; WSM-TV, Nashville, adds new Class AA hour (7-10 p.m. daily) at \$700, min. at \$140, Class A hour remains \$600; WMBR-TV, Jacksonville, adds new Class AA hour (7-10:30 p.m. Mon.-Fri. & 6-10:30 p.m. Sat. & Sun.) at \$700, 20 sec. at \$180, Class A hour remains \$600.

Gross sales of more than \$1,000,000 are reported by NBC for its upcoming *Monitor* weekend radio service which debuts June 12 (Vol. 11:15, 19). Some 58% of network time availabilities have been sold, network states, latest sponsors being Chevrolet (buying \$325,000 worth of partic.) thru Campbell-Ewald, and Philip Morris, thru Biow-Beirn-Toigo.

NBC Radio, capitalizing on ABC-TV's *Disneyland* hit, on May 30 starts 5-min. strip, *Stories of Davy Crockett*, Mon.-thru-Fri. 5:55-6 p.m.

**Network Accounts:** Alcoa's cancellation of Ed Murrow's Tue. 10:30-11 p.m. *See It Now* on CBS-TV, effective after July 5 program, doesn't represent any yielding to controversial program's critics, says company; it merely reflects shift in its advertising concept from institutional-type public service programming to mass-appeal programs designed to sell consumer products. Network spokesman said no replacement had been signed yet, promised the prize-winning program will return in fall as sustainer if necessary . . . Elgin Watch Co. cancels *Elgin Hour* on ABC-TV alt. Tue. 9:30-10:30 p.m., effective June 14, will become alt. sponsor of Ed Murrow's *Person to Person* on CBS-TV starting Sept. 2, Fri. 10:30-11 p.m., thru Young & Rubicam . . . Ford Foundation's TV-Radio Workshop announced it would retain commercially-successful *Ominibus* on CBS-TV for 4th season next fall, scotching rumors it would shift to NBC-TV . . . Wildroot (hair tonic) and Johnson & Johnson (baby products) to be alt. sponsors of *Robin Hood* filmed series, featuring all-British cast and filmed by Sapphire in historic Sherwood Forest, on CBS-TV starting Sept. 26, Mon. 7:30-8 p.m., thru BBDO & Young & Rubicam . . . Kleenex to sponsor *Midwestern Hayride* on NBC-TV starting July 8, Fri. 8-8:30 p.m., thru Foote, Cone & Belding . . . Borden Co. to sponsor panel show, *Make the Connection*, on NBC-TV starting June 30, Thu. 8:30-9 p.m., thru Young & Rubicam . . . Farm State Insurance Co. to sponsor *Red Barber Show* on NBC-TV following weekly boxing bouts starting Fri. May 13, thru Needham, Louis & Brorby . . . Gerber Products (baby foods) to sponsor Fri. 3:30-3:45 p.m. segments on alt. weeks of *Bob Crosby Show* on CBS-TV, thru D'Arcy Adv. . . . Scott Paper to sponsor Thu. 10-10:15 a.m. & Fri. 10:15-10:30 a.m. portions of *Garry Moore Show* on CBS-TV starting June 9 and Thu. 3:45-4 p.m. portion of *Bob Crosby Show* on CBS-TV starting June 23, thru J. Walter Thompson . . . Gold Seal Wax is 5th partic. sponsor on *Perry Como Show* on NBC-TV this fall, Sat. 8-9 p.m., thru Campbell-Mithun, Minneapolis; others are Noxzema, Kleenex, Dormeyer & Warner-Lambert Co. . . . Dow Chemical buys 7 of 15-min. post-NCAA football game programs on NBC-TV in fall, thru MacManus, John & Adams (games themselves have no sponsor yet) . . . A&P grocery chain buys 7 partic. on NBC-TV's *Today* starting May 30, Mon.-thru-Fri. 7-9 a.m. . . . Ciba Pharmaceuticals to sponsor *For Doctors Only*, medical program with live remotes from hospitals, thru J. Walter Thompson; time & network are undetermined.

Signs of the TV times: Procter & Gamble, TV's largest single advertiser, is spending \$44,000,000 on TV this year, out of a total advertising budget of \$71,000,000, reports *Sponsor Magazine* in first of 3 articles on company. Of that sum, \$33,000,000 is going to network TV, \$11,000,000 to spot. An additional \$11,300,000 is going to network radio, \$1,750,000 to spot radio. Its emphasis is shifting from predominantly daytime programs, this year spending about \$17,000,000 each on day & evening shows. Currently it has at least one program on a TV network every evening except Thu. Last year P & G spent total of \$44,151,220 on advertising, of which \$23,701,228 went to network TV, \$12,339,668 to network radio.

All-night auto-sales telethon on KGUL-TV, Galveston-Houston (Vol. 11:19) was great success, according to station which reports that Houston Oldsmobile dealer Harlan Lane sold more than 100 cars.

ABC affiliates, both TV & radio, will hold their annual convention May 26 at Washington's Sheraton-Park Hotel during NARTB convention.

Mutual affiliates hold their meeting in Washington Hotel Sun. May 22 in advance of NARTB convention.

**I**S TROUBLE BREWING on Capitol Hill for TV broadcasting & manufacturing industries? As the nation's newest "big businesses," TV and electronics are getting more and more mention in Congress—with more and more pleas for investigation of various phases. With an eye to next year's elections, legislators are not unmindful of the glamour of the 2 industries—and the Democrats, who head the committees of Congress, are in many cases anxious to keep their "trust-busting" reputations.

The granddaddy of all TV investigations—by Sen. Magnuson's Commerce Committee—appears dormant, but it's not dead. Chief counsel Sidney Davis is in throes of organizing the probe, amassing information, etc. This will go slowly, and hearings aren't in prospect soon. There's no word when they'll begin; they may not start until next fall.

House Commerce Committee headed by Rep. Priest (D-Tenn.) has been tied up in natural gas legislation, which it hopes to dispose of in week or two, then will have executive session to work out program for rest of term. It has several TV bills pending, as well as a number of requests for TV investigations. Senate Judiciary Committee's monopoly subcommittee under Sen. Kilgore (D-W. Va.) has indicated it will at least touch on TV-electronics during its current anti-trust inquiry.

Its House counterpart headed by Rep. Celler (D-N. Y.) opened hearings this week on over-all review of anti-trust laws. As witnesses, it heard several lawmakers discuss monopoly problems. Their references to TV industry give good indication of the pressures on Capital Hill today:

Rep. Reuss (D-Wis.) accused FCC of accelerating the tendency to TV monopoly, as he did in House speech last month (Vol. 11:15). Appearing before committee, he

blamed FCC's multiple ownership rule for situation in Milwaukee, where he charged "a healthy uhf station was forced out of business because CBS cancelled it out, and another uhf station was purchased by CBS."

Subscription TV is certain to come up for Congressional investigation before long, and Congressmen have been subjected to strong barrage of mail on subject—preponderantly in favor. At this week's anti-trust hearings, Rep. Byron Rogers (D-Colo.) asked Reuss whether fee TV would "upset this monopoly." Reuss replied he didn't know, but "it should be thoroughly and sympathetically studied by the appropriate committees of both houses of Congress."

Former GOP national chairman Rep. Scott (D-Pa.), member of the subcommittee, commented on cost of TV time in general and political time in particular — and warned: "There's trouble brewing." Recent Senate hearings on political expenditures went into TV question in some detail (Vol. 11:16-18), but there almost certainly will be further Congressional exploration of this subject.

Sen. O'Mahoney (D-Wyo.) appearing before subcommittee, held up an institutional ad in which RCA told of its "7500 suppliers from 43 states." He urged investigation of terms of company's contracts with its suppliers, and suggested that they may be "7500 satellites of RCA — they do what RCA says or else."

Also testifying was Rep. Patman (D-Tex.) who repeated a charge that recommendations of recent Justice Dept. committee on anti-trust law changes (Vol. 11:14) would in effect wipe out Zenith's patent suit against RCA. Patman charged that 5 lawyers on the Justice Dept. committee "represent RCA and the other defendants in this pending litigation" while none represent Zenith.

Govt. dropped 3 more perjury counts against Mrs. Marie Natvig, turnabout witness in FCC's celebrated Lamb case, on grounds that they would be too difficult to prove—leaving 3 of the original charges still standing. Among those dismissed was charge that she lied when she said she had been "coerced" into giving false testimony by ex-Broadcast Bureau attorney Walter R. Powell. As trial neared close, issues in case are whether she told FCC attorneys and FBI men that she had been a Communist and had known broadcaster Edward Lamb, and whether at the FCC hearing she later said she had never told them. As Govt. closed its case, 2 FBI men testified Mrs. Natvig told them her turnabout testimony was perjured. Main defense argument was that she became "befuddled and frightened" while on stand because she was subjected to so many pressures. Attorneys for both sides will sum up case for jury Mon. May 16. In address at U of Michigan, meanwhile, Lamb lashed out at Natvig indictment and asked: "Where else, even in Hitler's Germany, has there been a situation where the Govt., prior to the conclusion of its own case, indicted its own witness for perjury?" FCC held only one day of hearings on Lamb case this week, May 9 heard Michigan CIO pres. August Scholle say he had heard Lamb express anti-communist views on "a thousand occasions." FCC hearing resumes Wed. May 18.

FCC will discuss its proposed investigation of TV's "economics and operations" (Vol. 11:6) May 19, when it appears again before Senate Appropriations subcommittee headed by Sen. Magnuson (D-Wash.). Hearing on 2 non-broadcast bills (Vol. 11:9) requested by FCC, originally scheduled for same day by Senate Commerce's communications subcommittee under Sen. Pastore (D-R.I.) has been postponed to June 1-2.

The \$50,000 sale of WEW, St. Louis (1-kw, 770 kc) by St. Louis U to Aubrey D. Reid (performer Bruce Barrington), former mgr. of KXOK, has been approved by FCC. University retains 60% interest in Ch. 11 application.

Transfer of CP for WCTV, Thomasville, Ga. (Ch. 6) from E. D. Rivers Sr. to John H. Phipps for \$88,700 was approved by FCC this week, along with transfer of radio WKTG, Thomasville from Fred Scott Jr. family to Phipps for \$100,000 (Vol. 11:5). Comrs. Webster & Bartley dissented, former showing concern about "trafficking" in permits and stating: "[The FCC] has never seemed to be able to arrive at a policy under which it could determine what constitutes trafficking in frequencies, and, as a result, it has vacillated from one extreme to another . . . I contend that the Commission can set up a general policy which would at least permit us to achieve a certain degree of consistency." He wanted a hearing to determine what's involved in expense items classified as "travel and entertainment," etc. FCC also approved move of transmitter to halfway between Thomasville and Tallahassee. Phipps operates radio WTAL, Tallahassee & WTYS, Marianna, Fla.

Cy Blumenthal sought FCC approval this week of stock exchange whereby he obtains 100% control of WARL, Arlington, Va. (1-kw, 780 kc), & WARL-FM by giving his 800 shares (1/3) of off-air uhf WCAN-TV, Milwaukee to Lou Poller in return for latter's 102 shares (56.6%) of WARL. Blumenthal also heads group buying WROV & WROV-FM, Roanoke, Va. for \$45,000 (Vol. 11:16).

Owners of CKSO-TV, Sudbury, Ont. (Ch. 5) & CKSO, have sold *Sudbury Star* to Thomson Co. Ltd., price not reported, making it 18th Canadian daily in Roy Thomson chain. Thomson has 49% interest in CKWS-TV & CKWS, Kingston and in CHEX-TV & CHEX, Peterborough, both Ont., Sen. W. Rupert Davies holding other 51%.

ABC Radio and its 4 owned stations joined NARTB this week, giving it 100% network membership and total membership of 1991 as of May 15—composed of 8 networks, 271 TV stations, 1259 AM stations, 332 FM stations, 121 associates.

**A**FTER GRANTING ONE CP — to KWGB, Goodland, Kan., Ch. 10 — FCC dug into backlog of allocations petitions, finalizing some, proposing others. Actions: (1) Ch. 7 was assigned to Laurel-Pachuta, Miss. (2) On petition of KHOL-TV, Kearney, Neb., Commission proposed putting Ch. 6 in Hayes Center, Neb., where KHOL-TV proposes satellite. (3) WMVT will now be identified as Burlington, Vt. station, its Ch. 3 being moved from Montpelier.

CBS's affiliation practices were probed before chief examiner James Cunningham this week in Albany case, wherein off-air WTRI (Ch. 35) charged CBS with anti-trust "conspiracy" in shifting affiliation to WROW-TV (Ch. 41), in which CBS newscaster Lowell Thomas is stockholder.

CBS pres. Frank Stanton testified that he favored WROW-TV because of plans for future outlined by part-owner Frank Smith, Thomas' business mgr.; that Smith was pushing addition of Ch. 10 to area and proposed a Ch. 52 satellite in Amsterdam—while WTRI management was "sluggish." Stanton said that he'd prefer WRGB (Ch. 6) as CBS-TV basic affiliate in area, that a Ch. 10 station would be next choice, regardless who had it—even if it were WTRI.

Stanton said he prefers not to get into affiliation decisions, but has had hand in quite a few—dozen or so last year. Station relations v.p. Herbert Akerberg testified that he began negotiations with Smith after Stanton made decision to affiliate WROW-TV; that he assumed Stanton had weighed relative coverage of the two stations, etc. Stanton said that CBS also plans to affiliate radio WROW. WTRI counsel Paul Porter sought to show that CBS ignored affiliation criteria, as presented to Potter committee last year, by refusing to recognize WTRI's superior coverage, studio facilities, audience response. Stanton insisted he was looking to future, as outlined by Smith.

Another effort to obtain vhf drop-in via low-power route was filed this week. WHBC, Canton, O. petitioned for assignment of Ch. 12, proposing station with 5.4-kw, 300-ft. WHBC said new station would cause no more interference than would a station complying with present mileage rules and operating at full power and height.

KBAK-TV, Bakersfield, Cal. (Ch. 29) petitioned for shift of Ch. 12 from Fresno, making Fresno's Ch. 18 commercial, and asked that KBAK-TV be shifted to Ch. 12.

Other FCC actions: (1) Turned down protest of KWTX-TV, Waco, against power increase granted KTBC-TV, Austin (Vol. 11:18). (2) Granted 6-month extension of CP for Ch. 10, KHTV, Hibbing, Minn. (3) Turned down protests of grantee WMFL, Miami (Ch. 33) and radio WINZ, against transfer of WMIE-TV (now WGBS-TV) to Storer Bcstg. Co. (4) Received protest of WKNX-TV, Saginaw, Mich. (Ch. 57) against grant permitting construction of WJRT, Flint (Ch. 12) about 14 mi. from Saginaw.

Postponement of deadline for filing comments in booster rule-making from May 20 to July 21 was requested by RETMA this week, is expected to be granted. RETMA told Commission it has committee working on subject, needs more time.

Revision of protest section of Communications Act was recommended by American Bar Assn. committee on communications, headed by Arthur W. Scharfeld. It urged that FCC's suggested changes be adopted, with additions. Aim is to prevent abuse of section whereby protestants delay unduly the implementation of FCC grants.

Recent power increases: KQTV, Ft. Dodge, Ia. (Ch. 21) to 214-kw ERP; KOAM-TV, Pittsburg, Kan. (Ch. 7) to 245-kw; KTBC-TV, Austin, Tex. (Ch. 7) to 245-kw; KYTV, Springfield, Mo. (Ch. 3) to 100-kw.

**T**HREE NEW STATIONS are due on air within next week or two; all are vhf and in small communities not now having their own TV stations. Two of them, in fact, open up brand new TV markets—KLIX-TV, Twin Falls, Ida. (Ch. 11), and KOTA-TV, Rapid City, S. D. (Ch. 3). The other imminent starter is KLFY-TV, Lafayette, La. (Ch. 10), which is 52 mi. from Baton Rouge with its stations WBRZ (Ch. 2) and WAFB-TV (Ch. 28).

RCA shipped 12½-kw transmitter May 3 to WNDU-TV, Notre Dame-South Bend (Ch. 46), which has July target. Same day 2-kw RCA transmitters went to KSTF, Scottsbluff, Neb. (Ch. 10), planning June start, and to KNTV, San Jose, Cal. (Ch. 11), which recently changed call from KQXI, but hasn't announced target; on May 9, 1-kw transmitter went to KCOR-TV, San Antonio, Tex. (Ch. 41), which has June target.

GE reports order for 5-kw transmitter, 6-bay antenna and studio equipment from WAGE-TV, Marquette, Mich. (Ch. 6), for July delivery, and order for equipment to change from Ch. 61 to Ch. 22, to be shipped to WWLP, Springfield, Mass. within 45 days.

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

WTHS-TV, Miami, Fla. (Ch. 2, educational), which just got CP extension for 6 months, expects to get on air with test patterns "before too long," advises Vernon Bronson, asst. director, Dept. of Radio & TV Education, Dade County Board of Public Instruction. It now has most of GE material needed to convert old WTVJ Ch. 4 transmitter & antenna, with transmitter in Everglades Hotel and antenna on rooftop FM tower. Full-scale programming will be delayed until station finds "kind of educational program which will supply needs and service which cannot be supplied by the commercial broadcasters."

KOTA-TV, Rapid City, S. D. (Ch. 3), now installing 3-bay RCA antenna on 300-ft. Fisher tower formerly used for FM, plans test patterns by May 22, programming between June 15 & July 1, writes gen. mgr. Leo Borin. RCA 500-watt transmitter is wired and ready to go. It has signed with CBS Extended Market Plan, has agreements with other networks. KOTA radio production mgr. Norman Heffron will also function for TV, as will chief engineer Robert Musfeldt. Base rate will be \$150. Rep will be Headley-Reed.

WKRK-TV, Mobile, Ala. (Ch. 5) plans Sept. start, reports pres. Kenneth R. Giddens. It's working on construction & studio plans now, has GE 35-kw transmitter, 4-bay antenna and studio gear ordered for July delivery. It will be second vhf outlet for city, where owners of New Orleans' WJMR-TV plan to revive WKAB-TV (Ch. 48) as satellite (Vol. 11:19). Rep not chosen.



New uhf antenna, designed for low-power stations and satellites, will be unveiled by Prodelin Inc. at NARTB convention. The low-priced omnidirectional antenna, called the "Cover-Loop," employs plastic tube which houses and weatherproofs the antenna elements. It's available with power gains of 2, 4 & 8, with voltage standing wave ratio better than 1.1 over several uhf channels.

Regulations were amended by FCC this week to require stations to keep records for 2 years on results of performance measurements, auxiliary transmitter tests, requests for time by political candidates, logs of auxiliary & experimental broadcast stations and program & operating logs.

New DuMont transmitters to be shown at NARTB convention include 50-watt Ch. 2-13, 10-kw Ch. 2-6, 20-kw Ch. 7-13, 100-kw Ch. 7-13—in addition to previous line of 500-watt & 5-kw Ch. 2-13, 25-kw Ch. 2-6, 50-kw Ch. 7-13.

**FORECAST OF 'EXPLODING CONSUMER DEMAND':** More predictions of continuing prosperity, both in national economy generally and in TV-radio-electronics specifically, came out of this week's convention of National Federation of Financial Analysts Societies in N.Y. And while the forecasts will be subject to differing applications in each region, enough was said to point the way to robust national economic growth.

Roy Rierson, chief economist of Bankers Trust Co., N.Y., epitomized spirit of optimism at convention. He forecast a 1955 gross national product of about \$375 billion, 5% over last year and 3% above previous record set in 1953. He also predicted "record or near-record" profits for business this year -- "assuming no substantial interruption of output because of strikes."

Outlook for TV-radio-electronics, an increasingly important segment of the national economy, was generally regarded as bullish. At special forum on electrical-electronics, Westinghouse sales v.p. James H. Jewell foresaw an "exploding consumer demand," fed by increasing population, as opening a very large market for electrical equipment of all kinds.

"The explosive expansion of the consumer market," he said, "has affected almost all industries whether they make consumer goods or not, for nearly everything contributes to or ends up as a consumer product." He added that industrial production is increasing about 4% a year, while the use of electrical energy by industry is increasing by more than 6% a year.

Julian K. Sprague, pres. of Sprague Electric Co., quoting study by Stanford Research Institute estimating growth of electronic industry at about 10% per year for next 10 years, said that "by next 7 or 8 years" electronic industry division will be roughly: TV-radio, \$3 billion annually; military electronics, \$3.5 billion; industrial electronics, \$2.5 billion.

Philco pres. James H. Carmine, on basis of expanded economy, revised upward his earlier estimates of refrigerator sales this year from 3,500,000 to 3,700,000 units, figured electric range sales at about 1,300,000; washing machines 3,700,000; air conditioners 1,400,000; dryers, more than 1,000,000.

Journal of Commerce surveyed 242 analysts, reported 30% of them felt stocks of TV-radio-electrical equipment companies would do better than all other groups of businesses in 1955. They placed third as most-preferred securities, exceeded only by rails (preferred by 37%) and chemicals (33%).

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Brief highlights of major trade developments this week:

**LABOR:** Six IUE locals, representing 6000 workers at RCA plants in Camden, Moorestown & Delaware Township, N.J., Cincinnati & Los Angeles, have authorized a strike after midnight June 1 to enforce demands for a 5% general pay increase and guaranteed annual wage. Another IUE local, representing 640 employes at Sylvania's TV-radio plant in Buffalo, has authorized a strike after May 15 unless the company agrees to arbitrate grievance on hourly wage rates. IUE headquarters also warned GE to expect a strike unless a "decent contract" is negotiated by Sept. 15.

**FAIR TRADE:** Rep. Celler (D-N.Y.), chairman of powerful Judiciary Committee, in surprising turnabout, indicated he would not favor repeal of fair trade laws, as recommended recently by National Committee to Study the Anti-Trust Laws, blue-ribbon panel of experts under Justice Dept. direction (Vol. 11:14). Asst. Attorney General Stanley Barnes, head of Justice anti-trust div., urged committee to consider repeal of fair trade laws, but Celler's remark that such action would be an "awful hard nut to crack" in present Congress makes repeal extremely doubtful, at least this year.

**PRODUCTION:** TV output declined to year's low of 127,067 week ended May 6, compared to 131,627 preceding week and 151,593 week ended April 22. It was year's

18th week and brought production for year to date to about 2,825,000, compared to approximately 2,100,000 in same period of 1954.

Radio production totaled 286,284 (141,978 auto) week ended May 6, compared to 278,054 week ended April 29 and 275,176 week before. For 18 weeks, production was 5,100,000 vs. 3,525,000 in corresponding period year ago.

RETAIL SALES: Some 1,943,992 TVs were sold at retail in first 3 months, compared to 1,773,427 in record 1954, reports RETMA. March sales were 669,794, compared to 626,613 in Feb. and 505,493 in March 1954. Radio sales at retail in first quarter, exclusive of auto sets, totaled 1,246,038, compared to 1,059,336 in first 3 months of 1954. Auto radio production in the first 3 months this year is placed by RETMA at 1,945,604, nearly all sold at retail. March radio sales, excluding auto, were 451,049 vs. 320,042 in Feb. and 486,034 in March 1954.

**Topics & Trends of TV Trade:** Milwaukee proves that second sets can be sold. *Milwaukee Journal* shows that 20,182 families in its metropolitan area, or 6.8% of total of 276,321 TV families, had second sets as of Jan. That's well above national average of 3.7% estimated in Jan. survey by American Research Bureau (Vol. 11:16).

Milwaukee data is from 1955 *Consumer Analysis* just released by the newspaper. It shows rise of second-set families from 12,194 in Jan. 1954 (4.4% of the 250,545 set owners). Some 43 different makes of sets were represented among the multiple-set families, up from 29 year earlier.

Of the second-set families, an Admiral was purchased by 19.7% as a second set; RCA, 15.6%; Motorola, 11.2%; GE, 10.3%; Philco, 8.2%; Crosley, 2.9%; Emerson & Zenith, each 2.4%; Muntz & Silvertone, 2.1%; Philharmonic & Westinghouse, 1.8%; Hallicrafters, Sentinel, Sylvania & Trav-Ler, 1.5%; Capehart-Farnsworth, DuMont, Magnavox & Tele-tone, 1.2%; miscellaneous, 9%; didn't know, 1.5%

Among the 27,009 Milwaukee families (9.1%) who indicated they planned to purchase a set this year, 35.5% were undecided about brands. Among those who have made up their minds, these brand preferences were listed: RCA, 26.4%; Admiral, 10.4%; Philco, 6.6%; Zenith, 4.6%; GE, 3.7%; Motorola, 3.7%; Sylvania, 2.2%; Emerson, 2%; miscellaneous, 6.8%.

Note: *Journal* is one of 20 newspapers which conducted consumer purchasing surveys in their respective markets. (For list of the 20 newspapers, plus results of survey by *Washington Star* in its market, see Vol. 11:15).

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Admiral and Federal Trade Commission officials will confer in Chicago May 16 on possibility of settling FTC's complaint charging misrepresentation in ads claiming its "giant" 21-in. picture tubes provide 20% more screen area than other 21-in. sets (Vol. 11:14, 17). Hearing had been set in Chicago May 17, but Admiral counsel Pope & Ballard set up preliminary conference with FTC attorney Edward F. Downs. Company would not confirm or deny that it was prepared to sign consent judgment in which without admitting guilt, it would agree to discontinue allegedly illegal practices in future. Admiral's answer to complaint noted that company no longer makes the "giant" ad claims --though maintaining such claims are correct (Vol. 11:17).

Lion Mfg. Co., Chicago, expects to start production in Sept. of \$695 color console using RCA 21-in. picture tube, plus special remote control attachment, says TV mgr. Paul Eckstein. Hallicrafters recently broke with \$695 price on its color set, to be introduced in June (Vol. 11:18).

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Alfred Shaw, 54, founder & ex-pres. of Shaw Television Corp., Brooklyn, onetime manufacturers of TV sets & cabinets, died of leukemia May 11.

**Trade Personals:** Arthur L. Milk, Sylvania liaison with Federal agencies in Washington since 1947, elected v.p. in charge of govt. relations . . . T. J. Newcomb, recently succeeded by Edward J. Kelly as Westinghouse TV-radio mgr., retires June 1 after 26 years with company . . . Richard O'Brien promoted to DuMont field sales mgr. for receivers, succeeded as eastern regional mgr. by Robert Cheshire, ex-Hoffman Electronics; A. G. Evans named N. Y. State district mgr., C. J. Molthrop midwest mgr. . . Wm. Bullock, mgr. of sales planning, promoted to sales & merchandising mgr., RCA Victor record div., succeeding Larry Kanaga, now v.p. & operations mgr. . . Thomas B. Moseley, ex-southern district mgr., DuMont transmitter dept., joins Continental Electronics Mfg. Co., Dallas (James O. Weldon, pres.) as director of sales & contract negotiations . . . Matt Soja named Sparton's chief TV engineer . . . Wm. Stroben resigns as Sylvania TV-radio adv. mgr. to join McCann-Erickson . . . Joseph F. Miller promoted to managing director of National Electrical Mfrs. Assn., succeeding Wm. J. Donald, retired . . . Dr. Werner A. Auerbacher promoted to director of Emerson's new govt. projects engineering div., v.p. R. T. Capodanno continuing to head commercial engineering div. . . Charles Golenpaul, Aerovox v.p., elected chairman of Sales Managers Club, N. Y., composed of sales officials of eastern electronic parts & equipment manufacturers, which he organized in 1935 . . . E. A. Tischler returns as adv. director to Hoffman Electronics after 6-month absence, replacing George M. Hakim, resigned . . . W. J. Merrill promoted to Hoffman Electronics south central district mgr., Dallas . . . Thomas Kennedy, veteran N. Y. *Times* science reporter, joins DuMont Labs public relations staff . . . Michael J. Ranalli resigns as DuMont mid-Atlantic sales mgr. . . Wm. Sevy, ex-Arvin & Capehart-Farnsworth, named national field sales supervisor, Crescent Industries.

DISTRIBUTOR NOTES: Raytheon has added 25 new distributors in 1955, latest being Radio Specialties Co. Inc., 456 Charlotte Ave., Detroit (Charles Poosch, pres.); Ohio Valley Hardware Co. Inc., 300 Fourth Ave., Evansville (A. J. Becker, pres.); Electric City Radio Supply Co., 1566 State St., Schenectady (Nathan Israel, pres.); Dixie Distributors Inc., 831 N. 19th St., Birmingham (Murray C. White Jr., pres.) . . . Capehart-Farnsworth appoints Roger & Wood Co., 2500 W. 6th St., Los Angeles (Kenneth Rogers, pres.), replacing Graybar . . . Crosley-Bendix appoints Graybar, 327 N. West St., Rochester, N. Y., replacing O'Donnell Distributors Co. . . T. A. O'Loughlin & Co. Inc., Newark (CBS-Columbia) appoints Martin L. Scher as gen. sales mgr., succeeding T. J. O'Loughlin, now merchandising v.p.; Scher is ex-gen. mgr. of CBS-Columbia Distributors Inc., N. Y., onetime gen. sales mgr. of Admiral-N. Y. & Motorola-N. Y. . . McCormack & Co., San Francisco (CBS-Columbia) appoints A. J. Lindholm as exec. v.p. for sales; Karl F. Wettelund named appliance sales mgr.

**U**NDER STUDY at highest govt. levels is "Program for a Political Offensive Against World Communism" submitted by RCA's chairman David Sarnoff as memorandum to President Eisenhower April 5, released May 10. Besides recommending a Strategy Board for Political Defense, equivalent to the Joint Chiefs of Staff, headed by cabinet-rank executive and with a budget up to \$3 billion a year to go on attack in the "cold war," the memo specifically suggests:

"We need in every country, newspapers; magazines; radio and TV stations, consciously and effectively supporting our side. Those that exist should be aided materially to increase their range and vitality; others should be started with our help. The strongest individual anti-Communist voices must be provided with better facilities for making themselves heard in their own countries.

"Mobile film units are already penetrating backward areas. The operation should be enlarged, its message and appeal perfected. In addition, mobile big-screen television units in black-and-white and in color can carry our message. Their very novelty will guarantee large and attentive audiences. Vast regions in Asia and elsewhere, where illiteracy bars the written word and lack of radios bars the spoken word, could thus be reached. To quote the Chinese saying: 'One picture is worth ten thousand words.' . . .

"Mass production of cheap and light-weight receivers tuned to pick up American signals are now feasible. They should be made available by the million at cost or gratis, as expedient, to listeners in critical areas and behind the Iron Curtain.

"There are millions of persons in the world who do not have electric power receptacles, electron tubes, batteries or any of the electrical and mechanical marvels which the free world has and takes for granted. A simple, hand-operated phonograph device costing no more than a loaf of bread, could be produced in quantities and supplied

gratis to millions of persons living behind the Iron and Bamboo Curtains and in other critical areas.

"An unbreakable and intelligible record, made of cardboard and costing less than a bottle of Coca-Cola, could carry our messages to these people. Such records could be dropped from the sky like leaflets and the messages they carried could not be jammed."

Note: At May 11 press conference, President Eisenhower, asked about the Sarnoff memo, stated: "I believe thoroughly in Gen. Sarnoff's general proposition that when you are spending all the money we are for direct defense through security establishments, it is just unthinkable to limit ourselves too much in this whole field of information service that is necessary to a cold war."

And in Senate speech May 11, Majority Leader Johnson (D-Tex.) urged all Americans to read Sarnoff memo, which he said "may well be his greatest achievement." He said document is under study at "very highest" levels of Govt. "It is a monumental work," he added, "deserving the attention of all those who seek to preserve the security of the United States." Johnson inserted full text in *Congressional Record*.

Survival TV network, linking secret White House "dispersal" headquarters with 35 secret places already set up outside Washington, has been set up for use in case of possible enemy attack. Details of closed-circuit hookup are secret, but at least portions of it have been ready for operation for about a year. Joint project of Govt. and several unnamed TV firms, the network would permit President and Defense Dept. to keep in close touch with other branches of Govt. in war emergency. The emergency TV circuit could be tied in with regular TV networks on short notice so President or other govt. officials could report directly to nation. Entire govt. dispersal program is scheduled for 3-day test in mid-June, at which time TV network system is expected to get full-scale test.

**Electronics Reports:** "Think how satisfactory 'wireless' electrical circuitry could be—electricity carried through the home by high frequency electronics instead of by wiring systems! TV will watch the kitchen and the nursery. Cooking by electronics already is being developed. How about starting your car on a cold morning by electronics while having breakfast, first opening the garage door by electronics? Electronic devices will take the hazard and discomfort out of auto travel—steering the car, braking it, and taking over functions subject to human error."

Thus Sylvania chairman-pres. Don G. Mitchell, in leading article in May edition of *The Exchange*, organ of N. Y. Stock Exchange, titled "Electronics—World's Fastest Growing Industry." It's largely devoted to forecasts of industry's 10-year potential, with almost identical statistical data (\$9 billion rate now, \$20 billion by 1964) that was contained in Sylvania finance v.p. W. Benton Harrison's recent address to Philadelphia Financial Analysts, which we published in full text as Special Report with Vol. 11:11. (Note: Extra copies of the Special Report are still available to subscribers.)

\* \* \* \*

Top-level Signal Corps personnel changes as result of elevation of Maj. Gen. James D. O'Connell to Chief Signal Officer: Brig. Gen. Francis F. Uhrhane named chief of research & development, Office of Chief Signal Officer, succeeding Brig. Gen. W. Preston Corderman, now Deputy Chief Signal Officer. Col. Earle F. Cooke, deputy commanding officer, Ft. Huachuca, Ariz. proving grounds, succeeds Gen. Uhrhane as commanding general, Signal Corps Labs, Ft. Monmouth, N. J.

Settlement of 6-year-old anti-trust suit against AT&T may be in the works, Asst. Attorney General Stanley N. Barnes indicated this week. He told House monopoly subcommittee that negotiations are in progress for possible end of suit to split AT&T from its manufacturing subsidiary Western Electric. He said "there are definite defense implications."

RCA introduces 6 geiger counters, "with range, sensitivity and price to meet requirements of week-end and professional uranium prospectors and technicians in medical and industrial laboratory work" at next week's Chicago radio parts show. As yet unpriced, the counters will be merchandised by tube div.

GE dedicates automation plant in Waynesboro, Pa. May 14—190,000-sq. ft. building said to be first plant designed to produce electronic controls for use on mechanized production lines.

RCA Victor Co. Ltd. will build new 50,000-sq. ft. TV-radio-electronics plant at Renfrew, Ont., with production due to begin early next year. It will employ about 450, supplementing Prescott, Ont. plant.

Raytheon is purchasing 210,000-sq. ft. branch plant at South Lowell, Mass., which it has operated under lease since 1952, with 700 employes on classified work.

RCA is entering selenium rectifier market, introducing complete line, for replacement purposes only, at next week's electronic parts show in Chicago.

Lambda-Pacific Engineering Inc. opened new general offices and plant at 14725 Arminia St., Van Nuys, Cal.

Warranty on GE transistors was extended this week from 90 days to full year.

**Financial & Trade Notes:** CBS Inc. gross revenues went up to record \$104,206,067 for 3 months ended April 2 compared to \$90,974,533 for equivalent 13 weeks of 1954—auguring another record year; for all 1954, total was \$373,380,139, up 18.9% from preceding year (Vol. 11:13). Consolidated net income was \$3,892,677, highest first quarter in firm's history, up 36% from the \$2,866,365 of comparable 1954 quarter. Based on shares outstanding before 3-for-1 stock split, the 1955 first quarter earnings were at rate of \$1.60 per share, compared with \$1.22 for same 1954 period; in all 1954, net income was \$11,414,645 (\$4.85). On basis of new stock, 1955 first quarter earnings were equivalent to slightly more than 53¢ a share. Stock certificates for additional shares resulting from the splitup are to be mailed May 20 to stockholders of record April 29. Dividend of 20¢ per share on new stock was declared payable June 10 to holders of record May 27.

Philco sales of \$96,825,000 in first quarter were 15% below the \$113,777,000 in 1954 period but earnings were relatively unchanged at \$2,447,000 (62¢ a share) vs. \$2,438,000 (62¢). Taxes were \$2,785,000 vs. \$4,439,000 year ago. Pres. James H. Carmine said that while unit sales of TVs showed "gratifying" increase this year, trend to lower-priced models reduced dollar volume. Improvement is expected with new fall line, he added. "Our work in the guided missile field for the armed forces is becoming increasingly important," said Carmine. "Research and development on color TV and transistors are continuing at a very high rate in anticipation of the time that these new products will become important commercially."

Admiral's earnings of \$1,238,176 (53¢) in first quarter were 18% under the \$1,504,044 (64¢) earned in first 3 months of 1954. Sales were \$50,034,396, down 11% from \$55,977,563 in first 1954 quarter. John B. Huarisa, exec. v.p. & treas., attributed sales drop entirely to loss of military billings, said company's volume in civilian electronics & appliances was higher than first quarter year ago. He predicted second-quarter sales about equal to last year's \$49,223,936, foresaw 10-20% sales increase in second half over last half of 1954, with "somewhat higher" earnings.

Storer Bcstg. Co. has increased quarterly dividend from 30¢ to 35¢, payable June 14 to stockholders of record June 1—applicable to the 788,250 common shares now outstanding as result of public sale of 262,750 shares in April (Vol. 11:14). Regular quarterly 3½¢ dividend was declared on 1,686,500 shares of Class B, of which pres. George B. Storer owns or controls about 88%. Company also has called for redemption on July 1, 1955 all of its outstanding preferred stock, of which 14,500 shares (96.67%) are held by Jefferson Standard Life Insurance Co.

Carl M. Loeb, Rhoades & Co., which claims to control some 20% of DuMont stock and now has partner Armand G. Erpf on its board, has bought large block of stock in McIntosh Laboratory Inc., Binghamton, N. Y., hi-fi manufacturer, founded and controlled by Washington consulting engineer Frank H. McIntosh, which recapitalized last Jan. and placed part of its stock on market (Vol. 11:2).

Muter Co. first quarter sales were \$3,162,000, net profit \$101,687 (14¢ a share) vs. \$3,187,000 & \$111,173 (15¢) same 1954 quarter.

Sales drops: Sparks-Withington first quarter sales \$6,972,162, down from \$8,273,547 same 1954 quarter; Wells-Gardner first quarter \$4,853,923 vs. \$5,655,991.

\* \* \* \*

**Dividends:** CBS "A" & "B" (new), 20¢ payable June 10 to stockholders of record May 27; Storer Bcstg. Co., 35¢ June 14 to holders June 1; Cornell-Dubilier, 30¢ quarterly & 20¢ extra, payable June 24 to holders June 15; Oak Mfg. Co., 35¢ June 15 to holders June 1.

Webster-Chicago Corp. sales for first quarter rose to \$8,321,000 from \$6,899,000 same 1954 period; earnings after taxes were \$192,000 (37¢ a share) vs. \$205,000 (39¢). Pres. N. C. Owen reported company has gone into use of printed circuits to permit machine assembly of amplifiers, making Webcor first phonograph manufacturer using printed circuits in mass production; lamination div. is now fully automatic; production control dept. is now being mechanized; new Webcor of Great Britain Ltd. now being formed as British sales company. All officers were re-elected at recent annual meeting, with treas. Edward R. Johnson elected v.p. and these new v.p.'s named: Charles S. Castle, mgr. eastern div.; Walter F. Herman, director of operations; Henry R. Lezter, gen. sales mgr.; H. Danforth von Jenef, gen. mgr. govt. div. Named controller & asst. treas. was Henry V. Janowicz.

General Electric has displaced RCA as most popular common stock with monthly investment plan investors, reports *The Exchange*. When pay-as-you-go plan for buying stocks was inaugurated in Jan. 1954, RCA took lead, which it held until March 25, 1955 when GE nosed it out (1930 to 1717 plan purchasers), largely result of 3-for-1 split. Dow Chemical ranked third, General Motors fourth, AT&T fifth; among top 50, Westinghouse ranked 13th, Sylvania 41st, only other electronic firms included.

Paramount Pictures Corp. achieved record for any quarter since its domestic theatres were severed in Dec. 1949 when in 3-month period ended April 2 its estimated earnings were \$2,858,000 (\$1.31 per share on 2,190,021 shares) as against \$1,404,000 (63¢ on 2,217,044 shares) in comparable 1954 period.

Republic Pictures, for quarter ended Jan. 29, earned net of \$383,207 (15¢ per share) vs. \$260,937 (8¢) for 1954 period; gross figures unstated.

CBS Foundation Inc., agency for making charitable & educational grants for CBS Inc. and its divisions, this week announced 20 "Class of 1955" grants of \$2000 each, awarded on unrestricted basis to 16 privately-supported colleges & universities that are alma maters of certain CBS executives, both senior and junior. This year's grants total \$40,000 as against \$32,000 last year. Foundation's formula isn't made public but is based on minimum of 30 months of continuous service and promotion to certain levels. The 1955 list: Augustana College, Sioux Falls, S. D., Sig Mickelson; Brown U, Donald I. Ball; Columbia, Jules Dundes & Benjamin F. Feiner; Cornell College, Mt. Vernon, Ia., Earl H. Gammons; Cornell U, Julius F. Brauner & Charles J. Oppenheim; Creighton, Wm. Dozier; Dartmouth, Robt. E. Kalaidjian; Harvard, Sidney S. Alexander, John J. Carol & Edward L. Saxe; MIT, Wm. B. Lodge; Stanford, Richard W. Jencks; U of Chattanooga, Eugene B. Wilkey; U of Detroit, Arthur Hull Hayes; U of Pennsylvania, Guy G. Della Cioppa; U of So. Calif., H. R. Flynn; Wesleyan U, Edw. G. Reeve; Yale, Wm. H. Hylan.

"Among the other candidates mentioned prominently [for presidency of Montgomery Ward] Frank Folsom, president of RCA, is considered by many a choice candidate who would spark enthusiasm and loyalty throughout the Ward organization [which he once quit in disagreement with Sewell Avery]. But it is known he turned down overtures from the Wolfson interests and it is doubted that he would be interested even in an offer from the present management since he has such strong financial ties with RCA."—*Wall Street Journal*, May 13.

GE's Harry F. Mayer has been named as RETMA's representative on executive committee of Radio Technical Commission for Aeronautics, succeeding Knox McIlwain, Hazeltine Corp. Executive committee has 15 members, representing 7 non-govt. organizations and 8 govt. agencies.

**T**HERE'S MANY A SLIP—but it's apparently definite as anything in politics can be that Richard A. Mack, member of Florida Railroad & Public Utilities Commission and v.p. of National Assn. of Railroad & Utilities Commissioners for 1954-55, will succeed Frieda Henneck next June 30 as a Democratic member of the FCC (Vol. 11:19). Florida's Congressional delegation is backing him solidly, and the White House has informed its members that he's currently undergoing usual security checkup. Endorsers of other candidates have been given to understand by the White House that the job is "committed."

Mr. Mack would be the third figure going from a state utilities commission to FCC, others having been Chairman George McConnaughey and John Doerfer, both Republicans and ex-chairmen of their respective Ohio & Wisconsin commissions. Both know Mr. Mack, who has served on the Florida board since 1947 (as chairman, 1951-52).

The Florida Senators describe him as able, personable and a "sound business man." He is 46, and friends term him "warm-natured." A native of Miami, he was graduated from its public schools, attended Northwestern Military Academy in Wisconsin, was graduated in 1932 from U of Florida school of business administration. He's a Protestant, member of Sigma Nu and of Blue Key honorary society. His wife is the daughter of Col. W. F. Stovall, a Tampa pioneer who founded the *Tampa Tribune*, and they have an 8-year-old daughter, Susan.

Mr. Mack went into the insurance business in Tampa in 1932, returned to Miami in 1935 to join General Motors Acceptance Corp. In 1940, he became credit mgr. of Hector Supply Co., Miami, which he left to become a second lieutenant of infantry. He served until 1946, much of the time in Washington, leaving the army as a lieutenant colonel. He was secy. of Port Everglades Rock Co., Ft. Lauderdale, until 1947 when Gov. Caldwell appointed him to the state commission, to which he was elected in 1948 & 1952. His present term expires Dec. 31, 1956.

**Beg-leave-to-disagree dept.:** Obviously relishing the publicity, Teleprompter chairman Irving Kahn writes Sen. Neuberger (D-Ore.) to object to his bill S-1909 requiring that audience be told when a political speaker is using a cueing device (Vol. 11:19). According to Kahn, mike, control room & transmitter might just as well be considered "artificial aid" which bill says "could be said to mislead the public." Such a law (which obviously hasn't the proverbial Chinaman's chance), in Kahn's words, might "foreclose from consideration some of the nation's most competent political talent who thus far have remained in the background because public speechmaking and TV & radio appearances seem to be so arduous." He suggests Teleprompters might be useful in the halls of Congress.

TV applications on file with FCC now total 157, of which 15 are for uhf stations. This week saw one new application, for Ch. 14 in Owensboro, Ky. by owners of WVMC, Mt. Carmel, Ill., and WIZZ, Streator, Ill. [For details, see *TV Addenda 20-R* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

Private microwaves should be authorized to stations for the present, CBS recommended to FCC this week, suggesting that 4-year amortization period be established. CBS also questioned whether AT&T's proposed 3-year contract period for new off-air service (Vol. 7, 9, 14) would be fair to stations in view of fact that network contracts are for no more than 2 years.

President Eisenhower's address to NARTB convention in Washington May 24 will be televised live by NBC-TV 11:30-11:45 a.m. as part of *Home* show; CBS will carry it on film 5-5:15 p.m.

Avco chairman-pres. Victor Emanuel, v.p.-director James D. Shouse and Crosley Bestg. Corp. pres. Robert E. Dunville all unequivocally denied this week's story (in *Variety*) intimating that the 4 Crosley TV stations are up for sale. Even WLWA, Atlanta, is not for sale, it was stated, although it admittedly isn't as profitable a property as Crosley's WLWT, Cincinnati; WLWD, Dayton; WLWC, Columbus—to say nothing of radio WLW. Formal statement came from Mr. Emanuel: "Avco has no intention whatsoever of selling any of its present properties, either radio or TV. Avco is not negotiating for their sale at present, has not done so in the past, and has no intention of selling any of these properties at any time in the foreseeable future. Indeed, Avco is in the market to build or buy another TV station, and has had an application [for Ch. 13] in Indianapolis for some time."

John Cowles, publisher of *Minneapolis Star and Tribune*, which owns 47% of WCCO-TV there, is still negotiating for purchase of KTVH, Hutchinson, Kan. (Ch. 12), deal understood to depend largely on CBS affiliation contract; it's CBS outlet for Wichita area, owned in part by J. P. & Sidney F. Harris, who publish *Hutchinson News-Herald*, by Bess Wyse, owner of 250-w KWBW, Hutchinson, and by gen. mgr. Howard O. Peterson. Cowles interests also own KVTM, Sioux City, Ia. (Ch. 9), hold majority of CP for upcoming KRNT-TV, Des Moines (Ch. 8), and operate radio WNAX, Yankton, S. D. and KRNT, Des Moines.

Oklahoma City's KTVQ (Ch. 25), second uhf in 2-vhf city to run into fiscal troubles and now operated by trustees (Vol. 11:14), will be taken over under National Affiliated Television Stations (NATS) auspices shortly as one of its first projects in GE-supported program to aid distressed stations (Vol. 11:12). Consultant Robert Purcell, of Los Angeles, has been called in and new management is planned, pres. John Esau having resigned to join *Television Age*. KTVQ has been on air since Oct. 1953. City's other uhf, KMPT (Ch. 19) went off air Feb. 3 after 15 months of operation.

WMFJ, Daytona Beach (250-watts, 1450 kc, ABC) is being sold for \$40,000 by W. Wright Esch, who wishes to devote all time and resources to construction of upcoming WMFJ-TV (Ch. 2), of which he is pres. & 40% owner. Buyers are Harold Kaye & Emil J. Arnold, who together own 50% of WORC, Worcester, Mass. and recently acquired like amount of WLOW, Portsmouth, Va. from former owners of WTOV-TV, Norfolk (11:15). WMFJ-TV target is next July.

FCC rules covering type acceptance and certification of equipment (Vol. 11:2, 6) were amended this week, Commission following recommendations of RETMA in regard to definitions, speed of FCC approval, technical data required, changes in equipment permitted, etc. Amendments are in Public Notice 55-547, Mimeo 19038, available from Commission or from us.

Television System of Mexico, formed by recent merger of Azcarraga-O'Farrill interests (Vol. 11:15), is reported building Ch. 11 satellite in Cuernavaca, which will repeat programs of XHTV, Mexico City (Ch. 4). It's also planning Ch. 3 outlet in Guanajuato area, scheduled to repeat XEW-TV, Mexico City (Ch. 2).

Headquarters of *Television Digest* during NARTB convention will be Suite D-615-17, Shoreham Hotel. Visitors are cordially invited. Note to subscribers: If you want your May 21 copy left in your hotel box, drop us a note.

MARTIN CODEL'S

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

# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY-INDEX OF THE WEEK'S NEWS—May 21, 1955

**TV IN 10 YEARS:** \$3.5 billion gross billings, 1000 stations, 65,000,000 sets-in-use, color dominant, picture-on-wall receivers, 7-8,000,000 yearly set sales (p. 1).

**VIGOROUS STAND AGAINST PAY-TV** taken by CBS and ABC, as tide of public's letters to FCC turns against subscription TV 4-to-1 (pp. 3 & 4).

**YEAR'S NEW STARTERS** probably won't total more than 50, with only 30 or so yet to come; stations which plan to begin before year's end are listed (p. 4).

**NBC-WESTINGHOUSE SWAP** would exchange WPTZ & KYW, Philadelphia, for WNBK & WTAM, Cleveland, with NBC paying additional \$3,000,000 cash (p. 5).

**THE FCC WEEK:** KSLA goes to Shreveport TV Co. in final decision; Ch. 12 granted in Bismarck, N. D.; deintermixture comments filed for 4 cities (p. 6).

**GE-BACKED NATS** lines up 19 stations, discloses terms of one uhf deal; Doherty says only 12-15 uhfs are profitable, most post-freeze vhfs losing (p. 7).

**REPEATS OF TOP SHOWS** strongly supported by ABC's Bob Kintner, who plans to run kines of best U. S. Steel dramas; cites experience of Disneyland (p. 8).

**TOP EXECUTIVES CHANGE JOBS**—Bonfig to CBS, Gifford to Crosley, Cromer to Mognovox, Holpin to Westinghouse; bottle for distribution indicated (p. 11).

**PARTS MAKERS** see good business rest of year for TV set manufacturers; annual electronic components show dominated by high-fidelity (p. 12).

**430 STATIONS ON AIR**, latest starter being WFRV-TV, Green Bay, Wis. vhf, controlled by former uhf operator; more upcoming stations report on plans (p. 9).

**NEW UHF TRANSMITTER** for megowatt installation shown by RCA, simplified circuitry and new tubes cutting initial cost by 25%, operating costs up to 50% (p. 9).

**LIVE COLOR SCANNER**, developed by DuMont as low-cost camera substitute, produces excellent color by applying flying spot techniques to live programming (p. 10).

**TESTIMONY ENDS IN LAMB CASE**, 8 months after hearings began; final decision not due for several months. Mrs. Notvig convicted of lying to FBI & FCC (p. 15).

**SET CENSUS PROJECT** still for off, some research experts saying they think it will die oborning; Politz still testing for NARTB (p. 16).

**NEXT TV DECADE—WHAT CRYSTAL BALL SHOWS:** Exactly 10 years ago this week, on May 25, 1945, the FCC (Paul A. Porter, chairman), as part of an all-inclusive proceeding to allocate the spectrum to various services, called for industry comments on a proposed allocation of TV channels and proposed rules & standards. Six months later, Nov. 21, 1945, the first "final" allocation was promulgated.

The rest is history, and the anniversary is being celebrated at a dominantly-TV convention of NARTB and, incidentally, by ourselves (10th year of publication).

Most striking fact about the 10 years of fantastic development, most of it coming during the last 5 years because of the initial inertia of broadcasters toward the seemingly profitless new art, is that it has wrought a deeper revolution in the life of America than did radio in all its 35 years.

It has achieved much greater dollar volume, too, now ranking third among all advertising media (Vol. 11:15), exceeded only by newspapers and direct mail. Telecasting in all facets now represents at least \$1 billion of a national advertising budget that ran \$8.15 billion last year; the business of set-making, selling & servicing last year represented a retail value of \$2.2 billion (Vol. 11:2) and this year should run about the same; the rest of electronics, growing out of the same basic principles and involving vast military expenditures, runs well over \$6 billion.

What about the next 10 years? Consulting the best authorities we know, drawing upon our own records, adducing from current facts and trends and logic, frankly avoiding prognosis on such incalculables as uhf and subscription TV -- and fully aware we're going out on quite a few proverbial limbs -- this is what we foresee:

The Business of Telecasting, 1965: Advertisers will spend \$3.5 billion on TV annually, as against about \$1 billion now -- that sum covering time sales, talent, production, everything. This figure is based on 3 assumptions: (1) That the Gross National Product, or value of all goods & services, will reach \$535 billion by 1965,

as estimated by Congress' Joint Committee on the Economic Report, up from a current rate of \$370 billion officially reported by the Commerce Dept. this week. (2) That total advertising expenditures will rise another percentage point over next decade -- to 3.25% of GNP as against 2.26% in 1954 and 1.34% in 1945. (3) That TV's take of all advertising expenditures will go from last year's near 10% (Vol. 11:15) to 20%. All figures are in terms of value of the dollar in 1953, as used by Joint Committee.

The Business of Broadcasting, 1965: U.S. radio homes today total 46,600,000, virtually 100% saturation. There are about 90,000,000 home sets and 30,000,000 auto sets. By 1965, with 58,000,000 homes, there ought to be at least 100,000,000 home and perhaps 50,000,000 auto sets. Radios are cheap today, will be all-transistorized and cheaper later, and rate of home set output should be at least 8-9,000,000 annually. While most of the 2700-odd AM stations and 550 FM stations may be able to survive, on basis of their low operating costs and cheap rates for size of audience served and returns produced, it's doubtful whether 4 live radio networks can do so. It's questionable, too, whether radio can maintain the \$608,100,000 level it enjoyed in 1954, down 3.3% from 1953 (Vol. 11:15). Though the parent radio may eventually be separated from its TV offspring, whether voluntarily or by FCC fiat, radio always will be with us -- in home & workshop, in vehicles, in our pockets, on our wrists. And, powered by tiny long-lasting batteries, it won't have to plug into wall outlet.

\* \* \* \*

Sets-in-Use, 1965: 65,000,000 or more in 58,000,000 homes, as against some 35,000,000 in 47,000,000 homes now. The estimated number of homes is based on Census Bureau formula that they're increasing at rate of a little more than 1,000,000 a year. About 60% of all sets-in-use will be color, though production by that time should be virtually entirely color. All programming will be in color, whether network or local, live or tape; black-&-white sets will gradually be relegated to the back room, basement or children's room.

TV Receiver, 1965: Will be picture-on-wall set, with controls and chassis in relatively small cabinet or panel at chairside. Size of flat, wall-mounted screen will be limited only by viewer's preference -- and picture will be produced by electro-luminescence. Entire circuit will be tubeless, printed circuit, completely transistorized, miniaturized -- and automatically produced. As for repairs, once the trouble is located, set will be as easy to fix as changing a light bulb. Portable battery-powered 21-in. color set may measure only about 3-in. deep, weigh 5-10 lb., be as easy to carry as a briefcase. Average retail price may be little more than \$200. Average price of a TV set now is about \$180.

TV Trade Volume, 1965: 7-8,000,000 sets will be sold annually, as now, mainly replacements or second sets, at factory value of about \$1.5 billion which alone will represent some \$2.25 billion in retail trade; plus a servicing bill of \$750,000,000 or thereabouts. Thus, the over-all consumer expenditure will be about \$3 billion out of an estimated total "electronics economy" of \$20 billion (Vol. 11:11).

Telecasting Structure, 1965: About 1000 stations, some of them satellites & boosters, providing a signal to every home in the land, linked by 3 "live" networks as we know them today, with TV tape replacing film and "tape networks" as common as radio's transcription & record services. Directional antennas and small-coverage stations will be shoe-horned into the spectrum to serve local areas on a basis comparable with radio's 250-watters -- and "area" stations will reach out much farther into sparsely settled regions, employing many times the power in use today.

\* \* \* \*

So much for the basic structure, the economics, the receivers. Other aspects:

Transmitting & Studio Equipment: Simpler, more compact, cheaper, more powerful, with portable color camera and associated equipment as easy to handle as film camera, and associated equipment no bigger than sound recorder. Transmitters will use big brothers of the transistor and consume much less power. Remotes will be as simplified as in radio.

Station Rates: Top rate per hour about \$10,000-\$12,000, with NBC & CBS keys in N.Y. (present base rates, \$6200 & \$6000, respectively) leading the way by upping gradually, as now, based on saturation and the powerful pull of color commercials.

Station Values: Key stations in major markets will be big business in every sense of the word, valued more highly in many places than local newspapers. On the basis of gross revenues (now \$20,000,000 or more at N.Y. keys) and net earnings (now 40% and better at some stations), it won't be surprising to see stations sell for as high as \$25,000,000. Record to date: \$9,750,000 for WDTV, Pittsburgh (now KDKA-TV).

Theatres vs. TV: If fee-TV clicks, not much chance for most theatres, certainly not the neighborhoods. The legitimate theatre is already all but dead outside the very big cities. Movie theatre exhibition will be limited to big-budgeted first-run features only, and moviegoing will be an "event" like going to a Broadway play, the opera, championship fight, Kentucky Derby, etc.

International TV: Relays to and from Europe and Latin America will be commonplace, but exchanges will be on delayed tape basis more often than live because of time differentials. Technical standards will differ, but U.S. standards will dominate, as now. Foreign TV stations, now totaling only about 150 (TV Factbook No. 20), will increase many fold until few countries are without TV -- with U.S., British, Dutch, German and Japanese factories main competitors for the business.

**'FALSE PROPHETS' OF PAY-TV ATTACKED:** Recognizing that the chips are down on toll TV, the once-silent networks and stations (Vol. 11:9), CBS particularly, have mounted a full-scale assault on the concept of pay-as-you-look TV.

Both CBS pres. Frank Stanton and ABC chairman Leonard Goldenson broke their silence this week, though their attitude has been known for some time (Vol. 11:14), while the strong antipathy expressed 2 years ago by RCA-NBC chairman David Sarnoff (Vol. 9:18) still stands.

Stanton's scathing attack was delivered at meeting of CBS affiliates in N.Y. May 19 -- and affiliates promptly voted 107-2 to endorse CBS's position.

Stanton's denunciation was keyed to same theme running through letters currently being received from public by FCC -- that pay-as-you-look TV "would highjack the American public into paying for the privilege of looking at its own TV sets."

Striking reversal in sentiment is disclosed in this week's bale of mail delivered at Commission. Until this week, comments were running about 5-to-1 in favor. This week's batch is about 4-to-1 against -- though total is still in favor (about 9000 to 3000). Chances are that a few more weeks will bring totals neck-and-neck. Volume of letters is obviously a matter of promotion & publicity, and study of mail shows that much of opposition was stimulated by exhortations of Alfred Starr during his recent NBC-TV debate with Zenith's H.C. Bonfig who, incidentally, just became a CBS executive (see p. 11). This seesawing by public shows why FCC and staff tell us they're "unimpressed" by mail volume, calling it "results of promotion" (Vol. 11:20).

Stanton's remarks to affiliates, to be amplified upon in formal comments to be filed with FCC June 9, are likely to provoke serious attention at Commission, particularly when he says:

"We could expect to operate profitably under a system of pay-TV. With our programming know-how, facilities and experience, we regard it as more than probable that we would earn our share of the billions of pay-TV dollars. But this is not where CBS believes its best interests lie.

"We are proud of of the progress the broadcasting industry has made in establishing a nationwide free TV service. The pay-TV promoters have continuously predicted the failure of free TV at every point of its development; that it could never support itself without direct tribute from the public. They made these false prophecies 25 years ago and, as recently as 1946 the president of Zenith Radio Corp. flatly stated 'the advertisers haven't sufficient money to pay for the type of continuous programs that will be necessary to make the public buy TV receivers by the millions.' Today there are 36,000,000 TV sets in daily use. Unlike these false prophets, we set no limits to the increased and continually increasing service to the public of free TV."

(For more of Stanton's statement, for Goldenson's remarks and for other subscription-TV developments, see p. 4.)

**FEW NEW STARTERS NOWADAYS, WHAT'S ON TAP:** Only 21 new stations have gone on air thus far this year -- and it looks like only about 30 more will make it before year ends. Six more are due in Canada. Off the air this year to date went 16 -- 14 uhf, 2 mergers of time-sharers -- making 44 mortalities altogether since TV began.

So it looks like the rush for the precious TV channels has slowed to one-a-week rate from onetime one-a-day, the slowdown dictated by economics and competition for the more desirable channels. The 1954 figure of 101 new starters, the 231 of 1953, aren't likely to be repeated.

This year should end, assuming few more mortalities and some revivals, with something like 460 stations on the air. Total now is 430 (see TV Addenda 20-S).

CPs still outstanding number 181 (59 vhf, 122 uhf), of which 28 were granted this year (Hilo & Wailuku satellites of KGMB-TV being already on air) -- and a few more CPs may be expected. Applications pending for new stations total 155 (140 vhf, 15 uhf). But a close scrutiny of the records, especially of promised starting dates of CP holders, checked against known equipment shipments and/or orders, bring us to an actual figure of 34 would-be 1955 starters as of this writing.

These are the stations due on air before end of 1955 and their own stated starting times; we can't vouch for accuracy or completeness of the list, inasmuch as there's many a slip between promise and performance and there may be some new grantees before year is out, as well as revivals of some now off-air stations:

KLFY-TV, Lafayette, La. (Ch. 10). May.  
KOTA-TV, Rapid City, S. D. (Ch. 3). May.  
KLIX-TV, Twin Falls, Ida. (Ch. 11). May.  
KSTF, Scottsbluff, Neb. (Ch. 10). June.  
KCOR-TV, San Antonio (Ch. 41). June.  
WNDU-TV, Notre Dame-South Bend, Ind. (Ch. 46). July.  
WFLB-TV, Fayetteville, N. C. (Ch. 18). July.  
KBST-TV, Big Spring, Tex. (Ch. 4). July.  
WXEX-TV, Petersburg, Va. (Ch. 8). July.  
KRNT-TV, Des Moines (Ch. 8). Aug.  
WCTV, Thomasville, Ga. (Ch. 6). Aug.  
KFJZ-TV, Fort Worth (Ch. 11). Aug.  
KTRE-TV, Lufkin, Tex. (Ch. 9). Aug.  
WHIS-TV, Bluefield, W. Va. (Ch. 6). Aug.  
WJRT, Flint, Mich. (Ch. 12). Summer.  
WCBI-TV, Columbus, Miss. (Ch. 4). Summer.

KFJI-TV, Klamath Falls, Ore. (Ch. 2). Summer.  
WHTN-TV, Huntington, W. Va. (Ch. 13). Summer.  
WTHS-TV, Miami (Ch. 2, educational). Summer or Fall.  
KOKE, El Paso (Ch. 13). Summer or Fall.  
WKRK-TV, Mobile, Ala. (Ch. 5). Sept.  
KGRA-TV, Sacramento, Cal. (Ch. 3). Sept.  
WTTW, Chicago (Ch. 11, educational). Sept.  
KTBS-TV, Shreveport, La. (Ch. 3). Sept.  
WTVV, Tupelo, Miss. (Ch. 9). Sept.  
WITN, Washington, N. C. (Ch. 7). Sept.  
WAIQ, Andalusia, Ala. (Ch. 2, educational). Fall.  
WILL-TV, Champaign-Urbana, Ill. (Ch. 12, educational). Fall.

WCBC, Anderson, Ind. (Ch. 61). Fall.  
WOSU-TV, Columbus, O. (Ch. 34, educational). Fall.  
WDBJ-TV, Roanoke, Va. (Ch. 7). Fall.  
KDLO-TV, Florence, S. D. (Ch. 3). Fall.  
WSPA-TV, Spartanburg, S. C. (Ch. 7)\*.  
WBLK-TV, Clarksburg, W. Va. (Ch. 12)\*.

Canadian

CJON-TV, St. John's, Nfld. (Ch. 6). July.  
CBOFT, Ottawa, Ont. (Ch. 9). Summer.  
CKVR-TV, Barrie, Ont. (Ch. 3). Sept.  
CKRS-TV, Jonquiere, Que. (Ch. 12). Fall.  
CHLT-TV, Sherbrook, Que. (Ch. 7). Fall.  
CKNX-TV, Wingham, Ont. (Ch. 8). Fall.

\* Held up by litigation.

**C**RUX of CBS's **OPPOSITION** to pay-as-you-look TV, as expressed by pres. Frank Stanton this week (see p. 3), was that it would discriminate against those who cannot afford to pay. Here's how he phrased his objections:

"Pay-TV promoters say they would be satisfied if they got \$100 a year from the average family. On this basis, today's TV audience would pay some \$3½ billion a year—more than it pays for shoes or doctors or electricity—for viewing far fewer programs than it now watches without charge. This is 3 times the amount now being paid by the public for all spectator admissions.

"Under the present system of American TV, no set owner is deprived of a program because he is not as prosperous as his neighbor. But, once the turnstile of pay-TV is placed in the living room, the families who rely most on TV for their entertainment and information would be hit the hardest because they would be the ones who, for economic reasons, would have to restrict their viewing most severely. TV would no longer belong to all the people all the time . . .

"If this scheme is authorized and becomes generally established, pay-TV would be able to bid away from free TV every kind of program the public now enjoys. For example: For viewing the World Series at home, a tribute of some \$6,000,000 per game would be levied on the public if each family which watched the Series in 1954 were forced to put up the modest-sounding sum of 50¢ for each game. Thus the people would pay 15 to 25 times as much

as is now being paid by the sponsors who bring them the games free.

"If only 5% of the families who now watch Ed Sullivan's *Toast of the Town* would pay only 50¢ each to see the show, they would spend \$375,000—2½ times as much as the sponsor now pays to bring it to the public free. The other 95% would then have the 'free choice' that pay-TV promoters want to give them: the free choice of not watching *Toast of the Town* or paying to see it. It's the old story of letting the camel get his nose into the tent . . ."

\* \* \* \*

Stanton's vigorous stand raises question whether CBS will use its own facilities to fight toll TV. CBS has asserted networks' right to editorialize, exercising this right during McCarthy censure hearings last year and claiming that TV-radio should have freedom to cover such public matters as the hearings (Vol. 10:35).

Current letters from public to FCC reflect almost exactly the same thinking as Stanton's. There are now almost 40 volumes of letters and cards. Picking one of this week's at random, we counted 282 expressions against toll TV, 66 in favor. Typical phrases: "We paid \$200 for our set and can't afford to pay for programs, too; we're satisfied with today's programs." "We're still paying for our set. Poor folks can't pay any more." Among recent letters supporting toll TV are those of poet-writer Carl Sandburg and playwright Robert Sherwood.

AB-PT chairman Leonard Goldenson confined his opposition to brief remarks during stockholders meeting in N. Y. this week, saying: "Basically, it was concluded that, at the very least, paid and free TV could not co-exist

without resulting in a great loss to the viewer of the availability of varied types of TV programming, and that paid TV would not be in the general public interest and would not be a proper use of a public franchise.”

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American Civil Liberties Union's TV-radio panel has apparently given considerable thought to subject, recommending to whole ACLU that pay-TV be given a trial under these conditions: (1) Carry no commercials. (2) Limited to city with 2 or more channels. (3) For fixed period. (4) Guarantee that programs will offer something not now available.

Despite enormous publicity, precise idea how pay systems would work isn't well understood. For example, *Washington News* TV columnist David Reque started poll this week, asking readers to answer "yes" or "no" to this question: "Should channels be allocated for programs you would have to pay to watch?" Here's how he described paid operations:

"One channel, or maybe more, of those now inactive on your set would be allocated to toll-charge telecasting. Unless you paid to watch its programs, either through a coin machine installed on your set, or by paying a subscription, the picture on these channels would be 'scrambled'. But you'd still have the no-pay channels you now watch." Many others have same misconception—that toll TV would be confined to channels not now used, rather than delivered over presently operating channels.

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Zenith will demonstrate its pay system during NARTB convention in Washington (Vol. 11:19) part-time on closed-circuit, part-time using facilities of WMAL-TV which obtained FCC approval for 8 a.m.-12:30 p.m. tests daily May 21-June 20. Commission stipulated that "these tests shall avoid any action which may create public impression that FCC has or will approve any system of subscription TV." Comr. Webster dissented, telling us: "I think this is premature and improper under these conditions. I think the proper place for demonstrations is during a hearing—so that it can be put on the record. I have no objections to experiments, however."

How much would viewers pay to watch? Interesting comment is given by Martin F. Malarkey, pres. of National Community TV Assn. and operator of systems serving some 7000 homes in Pottsville, Minersville & Schuylkill Haven, Pa. He has had some 5 years experience charging subscribers \$3.75 monthly, giving them choice of 3-5 signals. He says: "If a subscriber had the pay-TV programs added to his bill, I think he'd buy \$1-\$1.50 worth weekly. If he put coins in a box, received no bill, he might go to \$1.50-\$2 weekly."

Sports promoters' enthusiasm for subscription TV got fishy eye from veteran *Washington Post* sports columnist Shirley Povich. Deploring "pay-through-the-nose TV," he wrote: "On a pay-TV basis, baseball could wind up as a game only for the TV screens, minus the noise and hurly-burly of the ball parks. The players would get paid handsomely, the owners would reap big profits, there would be no parking problems and not much fun."

Among organizations taking stand against tollvision recently are national American Legion and Central Trades & Labor Council of Greater N. Y. Chicago City Council, which on April 21 unanimously voted in favor, has now decided to send resolution back to committee.

And veteran broadcaster Edgar Kobak, former MBS president now operating WTWA, Thomson, Ga., said there should be subscription radio if there's going to be subscription TV. Pay radio was pushed at FCC before World War II by Muzak—and Commission is said to have come close to authorizing it.

WESTINGHOUSE will get back \$3,000,000 cash of the \$8,500,000 price it paid Philco just 2 years ago for WPTZ, Philadelphia (Ch. 3) as result of swap deal concluded this week with NBC whereby it takes over network's WNBK, Cleveland (Ch. 3) with radio WTAM (50-kw, 1100 kc) in exchange for WPTZ with radio KYW (50-kw, 1060 kc)—exactly as forecast here last Feb. 12 (Vol. 11:7):

"It's an open secret that the network and Westinghouse have been dickering and that Westinghouse is pursuing a policy of owning stations in areas where it has big manufacturing operations. That was one reason given for paying record \$9,750,000 to DuMont recently for its WDTV, Pittsburgh (Ch. 2), now KDKA-TV . . . it's good guess there will be an added quid pro quo on NBC's part in consideration of fact that Philadelphia area stands 4th, Cleveland 10th in U. S. Census Bureau market rankings."

WPTZ (base rate \$2500 an hour) grossed slightly in excess of \$5,600,000 last year, KYW about \$1,000,000; gross of WNBK (base rate \$1300) is said to have been around \$4,000,000, WTAM also about \$1,000,000. Cleveland topkicks Lloyd Yoder, Wm. Davidson & Theodore Walworth Jr. will probably go to Philadelphia; WPTZ mgr. Roland Tooke and KYW mgr. Frank Tooke (no kin!) are tentatively slated for Cleveland.

NBC's parent RCA, with main plant in Camden and others scattered throughout area, is reputed to be largest employer in Philadelphia area. Westinghouse has big operation there, too, but is also a major factor in Cleveland and has its huge appliance plant in Mansfield, O. Emphasis on plant locations gives rise once again to speculation that Westinghouse will seek its fifth station in Baltimore—presumably WAAM (Ch. 13), which would give it one ABC affiliation as well as the CBS affiliation it has in San Francisco in addition to 3 NBC affiliations.

Westinghouse is still trying to win Ch. 8 in Portland, Ore., where it also has factory, but initial decision favors North Pacific TV group (Mrs. Scott Bullitt). If company misses out in Portland, it won't be surprising if it either applies for a new uhf there or undertakes to buy Storer's KPTV, for pres. Chris Witting has stated that his company plans to join the uhf swim under suitable conditions.

NBC has given up efforts to buy *San Francisco Chronicle's* KRON-TV (Ch. 4), its affiliate there, whose 2-year contract was recently renewed. Network is still awaiting FCC action on projected purchases of 2 uhf stations—WBUF-TV, Buffalo (Vol. 11:9, 11) and WKNB-TV, New Britain-Hartford (Vol. 11:2). It has no intention, said a spokesman, to drop uhf ownership plans.

Merger in Jackson, Miss. was approved by FCC this week (Vol. 11:16), city's uhf WJTV (Ch. 25) to go off air, its ownership (same as *Jackson Clarion Ledger*) to acquire 40% of WSLI-TV (Ch. 12) for \$176,000. Owners of WSLI-TV will in turn pay \$175,000 for physical facilities of WJTV, adopt WJTV call letters. Standard Life Insurance Co. owns 32.4% of WSLI-TV, T. B. Lanford 13.8%, L. H. Sepaugh 13.8%. Also approved this week was deal whereby J. Albert Dear (*Sedalia Capital and Democrat*) will eventually own 50% of Milton J. Hinlein's KDRO-TV (Ch. 6) & KRDO, Sedalia, Mo. (Vol. 11:18).

Network members of NARTB radio board elected this week: Charles T. Ayres, ABC v.p.; Arthur Hull Hayes, pres., CBS Radio; Charles R. Denny, NBC v.p. for owned-&-operated stations and spot sales.

**Personal Notes:** Sidney M. Markley, v.p. & asst. to pres., elected a director of American Broadcasting-Paramount Theatres Inc., succeeding the late Herbert Schwartz . . . Robert H. Salk, ex-gen. mgr. of Katz Agency's now discontinued Station Films Inc., on Aug. 1 becomes sales mgr. of Screen Gems Inc. . . . Frank P. Schreiber, gen. mgr. of WGN-TV & WGN, Chicago, elected v.p. of WGN Inc., now headed by J. Howard Wood, *Chicago Tribune* business mgr. who succeeded the late Col. Robt. McCormick as pres. . . . Robert Dale Martin promoted to director of CBS-TV talent & casting dept., N. Y., succeeding Milo Frank, now holding same job in Hollywood . . . Harold R. Wettersten, from WBKB sales, promoted to sales mgr. of ABC-TV central div., Chicago, under newly appointed director James W. Beach . . . Sylvia D. Kessler, who resigned as chief of FCC Office of Opinions & Review about 2 years ago to join Cohn & Marks, has left that firm to open her own law offices shortly . . . Brendan McInerney, asst. to FCC gen. counsel Warren E. Baker, resigns as of June 1 to practice law in Rochester, N. Y. . . . Edgar W. Holtz, asst. city solicitor of Cincinnati, June 27 becomes asst. chief of FCC's Office of Opinions & Review, reporting to chief John Fitzgerald . . . Sydney Rubin, NBC mgr. of licensing, joins Kagran Corp., now NBC-owned, to which operations of NBC Enterprises' licensing div., headed by administrative v.p. J. M. Clifford, have been transferred; Edward L. Justin is operating v.p. . . . Oliver S. Gramling, asst. gen. mgr. of AP in charge of TV-radio services, elected pres. of Journalism Alumni Assn., Columbia U, from which he was graduated in Class of 1927 . . . Wayne C. Oliver, TV-radio editor of AP, joining *Television Magazine* Aug. 1 as exec. editor . . . Jay Hoffer, ex-WJAR-TV, Providence, named adv. & promotion director of WABC-TV & WABC, N. Y. . . . Norman J. Ostby, Don Lee v.p. in charge of station relations, Hollywood, elected pres. of Southern Calif. Bestrs. Assn., succeeding Robert J. McAndrews, v.p. of John Poole Bestg. Co., Hollywood . . . Frank Crosiar promoted from U of Notre Dame's recently acquired radio WHOT to local sales development director of its upcoming WNDU-TV (Ch. 46), due in July . . . Dean Craig promoted from exec. producer to program mgr. of KRCA, Los Angeles . . . Don Bishop promoted to publicity director of NBC's owned TV-radio stations & spot sales div. . . . G. W. (Johnny) Johnstone, TV-radio director of NAM, leaves Washington after NARTB convention for month's transcontinental business trip . . . George W. Brett, Katz Agency v.p., elected a director of Television Bureau of Advertising; Lloyd Griffin, Free & Peters v.p., named chairman of membership committee for northeast . . . Robert J. Burton, BMI v.p., elected pres. of Radio & TV Executives Society of N. Y. . . . Gordon Lawhead promoted to sales service director of WHBQ-TV, Memphis, with Wilson Northcross succeeding him as program director and Mark Forrester taking over as production director from Northcross . . . Ray Gallagher, ex-KPHO-TV & KTVK, Phoenix, named exec. producer & director of KBTB, Denver . . . Douglas Meservey, pre-war NBC executive, recently in film production, joins Young & Rubicam, San Francisco . . . Robert T. Colwell, of Sullivan, Stauffer, Colwell & Bayles, named to broadcasting advisory committee of U.S.I.A. (Voice of America) . . . Stuart D. Strand, CBS-TV producer, joins E. M. Eisfeld Adv., Miami, as TV-radio director . . . Willard E. Walbridge advanced to exec. v.p., *Houston Chronicle's* KTRK-TV . . . Al Rylander, ex-Columbia Pictures, named to new post of NBC director of exploitation, reporting to Kenneth W. Bilby, public relations v.p.

Lawrence Webb, recently national sales mgr. of WLOK-TV & WLOK, Lima, O., onetime v.p. of WJW, Cleveland, succeeds Thomas F. Flanagan, resigned, as pres. of Station Representatives Assn.

**THREE-WAY OWNERSHIP** of Shreveport's KSLA (Ch. 12) is due to come to an end, with FCC's final decision this week reaffirming examiner's report recommending grant to Shreveport TV Co., denying KCIJ & KRMD. Station had been operated since Dec. 1953 under unique arrangement—the 3 applicants agreeing to operate station jointly until one was victor in hearing. Winner is to pay losers for expenses to date.

Choice of Shreveport TV was predicated on fact that Commission felt it offered more assurance that its program proposals would be fulfilled and because of "diversification"—its principals having no other station ownership. Pres. and prospective mgr. is Don George, movie exhibitor who owns 43%.

One additional CP was granted, Ch. 12, Bismarck, N. D., to North Dakota Bestg. Co. (John Boler, pres.), operator of KXJB-TV, Valley City-Fargo (Ch. 4) and KCJB-TV, Minot (Ch. 13). Grant was over dissent of Comrs. Hennock & Bartley, latter issuing statement expressing fear that multiple-station owner Boler might jeopardize existence of other Bismarck station KFYR-TV (Ch. 5). He said that "public may have been imposed upon," stating that Boler first promised to make Bismarck a satellite of KXJB-TV and feed it live programs, then later filed with FCC proposed program schedule that seems to be mainly devoted to film.

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Commission's "second look" at deintermixture in Madison, Peoria, Hartford & Evansville (Vol. 11:14) brought mountain of comments from uhf operators and vhf applicants in the cities involved—all reiterating, amplifying and supplementing original contentions. Essentially, uhf operators say there is danger that public will lose service because uhf stations are liable to fail when vhf stations start, while vhf applicants claim that public will be deprived of the wide-range coverage vhf stations could provide. Chances are FCC will ponder comments and render decisions in these cases before considering the many other deintermixture petitions on file.

FCC got a bit brusque in one decision this week. In denying request of KWKH, Shreveport, that Ch. 3 grant to competitor KTBS be reversed, Commission said KWKH's charges were excessive and "we wish to state emphatically that Commission hearing procedures are not to be used for unsupported, reckless and unwarranted attacks on the Commission, its members, or its staff, nor should accusations of serious crimes by competing applicants be advanced in pleadings without a substantial basis therefor."

In other actions, FCC: (1) Denied protest of WMBV-TV, Marinette, Wis. (Ch. 11) against merger of WFRV-TV, Green Bay (Ch. 5) and WNAM-TV, Neenah (Ch. 42); WMBV-TV had charged the others with harassing it and with trafficking in licenses. (2) Denied request of WNOW-TV, York, Pa. (Ch. 49) that Ch. 15 or 21 be allocated to York and the request of WTPA, Harrisburg (Ch. 71) that Ch. 21 be assigned to Harrisburg. Shifts would have involved channel changes for several CP-holders and Commission said that "we do not believe that uhf frequencies should be switched from the community where a CP is outstanding in order to make a lower frequency available to another community."

Commission was busy in courts, defending its actions in the McClatchy "newspaper discrimination" case (Vol. 11:10), the grant of WJRT, Flint and the grant of sale of WROW-TV, Albany (Vol. 11:20).

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Second appearance of FCC before Sen. Magnuson's appropriations subcommittee to discuss budget items (Vol. 11:20) was postponed from May 19 to May 25.

**GE-SUPPORTED National Affiliated Television Stations Inc.**, which proposes to assist TV stations with finances, management, programming & sales (Vol. 11:14), released list of 19 affiliates this week, stating that only 3 had asked financial aid. More will be added after NARTB convention consultations, said NATS v.p. Berman Swartz.

Three vhf are in group, 2 of them not yet built: KEYD-TV, Minneapolis (Ch. 9); WHTN-TV, Huntington, W. Va. (CP for Ch. 13); WORA-TV, Mayaguez, Puerto Rico (CP for Ch. 3). Others, all uhf and all on air: WROW-TV, Albany (Ch. 41); KBMT, Beaumont, Tex. (Ch. 31); WBLN, Bloomington, Ill. (Ch. 15); WCMB-TV, Harrisburg, Pa. (Ch. 27); WKNY-TV, Kingston, N. Y. (Ch. 21); WTOM-TV, Lansing, Mich. (Ch. 54); KTVE, Longview, Tex. (Ch. 32); WJMR-TV, New Orleans (Ch. 20); WVEC-TV, Norfolk (Ch. 15); KTVQ, Oklahoma City (Ch. 25); WPPA-TV, Pensacola (Ch. 15); WEEK-TV, Peoria (Ch. 43); KCCC-TV, Sacramento (Ch. 40); KSAN-TV, San Francisco (Ch. 32); KTVI, St. Louis (Ch. 36); KVVG, Tulare, Cal. (Ch. 27).

Those seeking financial aid weren't divulged, though it's known that in court-approved plan for reorganization of Oklahoma City's KTVQ this week NATS advances \$25,000, GE \$38,000 in plan whereby Jack Fariss, local attorney-oilman, cancels some \$100,000 owed to him and acquires all common stock. Consultant Robert Purcell takes over as director for 60-90 days, and R. Mack Lester, ex-mgr. of local radio KTOW becomes gen. mgr., succeeding John Esau (Vol. 11:20). Indebtedness is still about \$300,000. Other terms: NATS management fees run 6% of gross business, rep fees usual 15%; GE gives moratorium of year on equipment payments, except for klystron rentals, and NATS defers payments on film library rentals for 6 months; 90% of net income goes to NATS in retirement of loan, rest set aside for other debtors.

Oklahoma City station deal presumably is pattern for

others. That many stations, both vhf & uhf, are in similar plight was indicated in May 23 statement by Dick Doherty, management consultant retained by NATS, in which he says no more than 12-15 uhf stations are making a "true profit" and that "all of these are in markets without immediate vhf competition." He added:

"The uhf situation is much more deplorable than most individuals realize. Station income of \$5000 to \$6000 per month, and \$60,000 to \$75,000 per year, is not at all uncommon for a considerable number of uhf operations. Obviously no one has found a magic formula by which TV station cash operating costs may be kept at this low level.

"There is no such thing as a profitable uhf station in a market with two vhf's; there are some cases of marginal uhf's in markets with only one vhf competitor.

"According to generalized experience, when a new vhf comes into a previously all-uhf market, the revenue of the uhf station drops by at least 20%-30%; when a second vhf or when two vhf's arrive, the uhf drops 40% to 50%. This is the rather clearly proven record of experience even though there are a few exceptions.

"It is of coincidental economic interest to realize that between 40% and 45% of all the postfreeze vhf stations are currently either losing money or technically breaking even. Many of these are in comparatively small TV markets; some are the 'third' vhf station in markets outside the major metropolitan categories; some are the so-called 'independent' operation even in the top major metropolitan centers of the nation.

"Four out of five uhf stations are actually flirting with bankruptcy within the next 6 months to a year unless they find a financial angel or develop a cohesive, cooperating means to instill life into the total uhf picture."

Sign of the TV times: WMUR-TV, Manchester, N. H. (Ch. 9), whose management was taken over 4 months ago by ex-WJAR-TV mgr. Norman A. Gittleson, reports 46% increase in sales for first quarter of 1955, bringing it within reach of operating black; at same time, radio WMUR upped sales 10.5%.

**Network Accounts:** Eastman Kodak, which sponsored now-discontinued *Norby* as first regular color film series on NBC-TV, backs unusual show on same network starting in Oct.—weekly dramas titled *Screen Directors Playhouse*, Wed. 8-8:30 p.m., thru J. Walter Thompson. Leading members of Screen Directors Guild will participate in series, to be filmed by Hal Roach Studios, and will turn over all proceeds to union's educational & benevolent foundation. Union was associated with similar radio series several years ago . . . GE to sponsor *Front Row Center* on CBS-TV starting June 1, alt. Wed. 10-11 p.m., thru Young & Rubicam; first show is TV version of Broadway hit *Dinner at Eight* . . . Whitehall Pharmacal Co. to sponsor *Name That Tune* on CBS-TV starting Sept. 27, Tue. 7:30-8 p.m., thru Ashley-Steiner Adv. . . Liggett & Myers to sponsor *Julius La Rosa Show* on CBS-TV starting July 9, Sat. 10-10:30 p.m., thru Cunningham & Walsh . . . Ideal Toy Corp. to sponsor *Winky Dink and You* on CBS-TV starting Sept. 25, Sun. noon-12:30 p.m., thru Grey Adv. . . Amana Refrigeration Co. to be alt. sponsor (with Camels) of *You'll Never Get Rich* on CBS-TV starting in fall, tentatively scheduled for Tue. 8-8:30 p.m., thru MacFarland, Aveyard & Co., Chicago . . . Marlboro cigarettes & Revlon to be co-sponsors of *Johnny Carson Show* on CBS-TV starting June 30, Wed. 10-10:30 p.m., thru Leo Burnett Co. & BBDO . . . Maybelline Co. (mascara) buys partic. in 13 NBC-TV color "spectaculars" this fall, thru Gordon Best Co., Chicago . . . General Mills buys partic. in *Wyatt Earp* on ABC-TV next fall, Tue. 8:30-9 p.m., thru Dancer-Fitzgerald-Sample . . . Johnson's

Wax & Pet Milk buy *Playhouse* series from ABC Film Syndication as replacement for Red Skelton Show on CBS-TV, no time set . . . Grand Ole Opry, originated in 1925 and carried for 4½ hours Sat. nights on radio WSM, Nashville (sponsored for half hour on NBC Radio since 1939 by Prince Albert Tobacco), gets showcasing on NBC-TV Sat. June 11, 8-8:30 p.m.

Rate increases: KDKA-TV, Pittsburgh, adds new Class AA hour (7-11 p.m. Mon.-Fri. & 4-11 p.m. Sat. & Sun.) at \$1500, min. at \$400, Class A hour going from \$1400 to \$1300; WMAL-TV, Washington, raises base hour from \$750 to \$900; WTVN-TV, Columbus, raises base hour from \$600 to \$700, min. \$100 to \$125; WMT-TV, Cedar Rapids, new Class AA hour (7:30-9:30 p.m. daily) is \$500, min. \$100, Class A remaining \$400; WGBI-TV, Scranton, raises base hour from \$300 to \$400, min. \$60 to \$80; KPLC-TV, Lake Charles, La., from \$200 to \$250 & \$40 to \$50. Rate adjustments: WEWS, Cleveland, raises base hour from \$950 to \$1050, having cut rate last March from \$1200 to \$950 when it switched from CBS to ABC; KHQ-TV, Spokane, gives up Class AA \$600 hour set last April 1, now has \$550 base hourly rate, min. at \$137.50.

NBC-TV uses closed-circuit hookup in 28 cities May 25, 1:30-2 p.m., to explain to advertising officials results of its \$250,000 research project in Ft. Wayne, called "Strangers Into Customers." Survey measured TV's impact on local residents in the 18 months since its first station, uhf WKJG-TV, went on air. It will also be subject of NBC-TV *Background* program May 29, 4-4:30 p.m.

**Telecasting Notes:** Magic names of major movie companies on their own TV shows is no guarantee of success, despite apparent impressions to the contrary. Spurred by triumph of *Disneyland* as an ideal way to plug theatrical films and get paid for it, such top producers as Warner Bros., 20th Century & Paramount have signed with networks and sponsors for own shows next season, following Disney formula of 45 min. of entertainment, with rest of show consisting of plugs for current movie releases, preview of next week's show and commercials . . . If show is good, formula may be unbeatable. But recent statements of major producers indicate that they view TV as "a substitute for the old 'B' picture" and "testing ground for new actors and story material." Ratings indicate televiewers are already fed up on "B" pictures, and second-class material could easily damage the names of the movie-makers. In coveting success of *Disneyland*, big film producers would do well to remember that Disney never produced a "B" picture. Disney himself sounds warning to other producers in May 18 *Variety* interview: "If you don't entertain them on TV, they won't be looking the next time" . . . CBS uncorked its TV program plans to affiliates at May 19-20 New York conference—giving featured billing to its 90-min. Saturday night "specials," most of them in color and featuring Noel Coward, Bing Crosby, Mary Martin and others (See Color Trends & Briefs & Vol. 11:20). Other highlights are new batch of situation comedies, and "the blockbuster of all giveaway programs—*The \$64,000 Question*" . . . In sports, CBS-TV appears to be cornering the "regional" football telecasts provided for by NCAA on 5 dates set aside for them; while NBC-TV has rights to national college grid games, CBS-TV has signed up for Big Ten series, Pacific Coast Conference series, and also plans to tie up eastern series, all to be televised on regional networks. NCAA track meet and Big Ten basketball will also be on CBS-TV next season . . . Life of TV film commercial is short, reports May 21 *Billboard*. "Generally speaking, it ceases to do an effective job selling after 6 months' exposure," according to *Billboard's* new 530-member "TV Editorial Advisory Board," consisting of top-level representatives of networks, stations, film producers & distributors, ad agencies, sponsors, being polled on various TV questions fortnightly . . . Good idea: "Why isn't there some kind of an award presented every year for the least obnoxious commercial on TV and radio?" asks Faye Emerson in her syndicated column. "And while they're about it, why don't they give a booby prize to the ones that offend good taste? I believe this would improve the whole tone of TV selling" . . . Broadway-to-TV coup: Musical *3 for Tonight*, featuring Marge & Gower Champion, to be televised from Hollywood by CBS-TV June 22, 10-11 p.m., just 4 days after it closes . . . Suggestion by a WRCA-TV secretary, Marilyn Rosenberg, led NBC to extend its key station's sign-off to 1:02 a.m. daily with 2-min. animated film showing sheep hurdling a fence and with sleep-inducing background music . . . Milton Berle setting up motion picture production company in Hollywood, while continuing to do his NBC-TV shows live; first film to be biography of Berle's mother, presumably for theatre showing.

Taller even than WHAS-TV's proposed 2003-ft. tower (Vol. 11:8)—in fact, tallest man-made structure in world—is TV relay tower planned by Belgian ministry of communications. Concrete tower is due to be completed in Brussels by 1958, soaring 2160-2180 ft. above ground. Ministry didn't make clear whether actual telecast transmissions would emanate from tower, but said it would be designed as part of permanent European TV exchange program to eliminate number of smaller relay towers.

**R**EPEATS OF TOP SHOWS, making the most of TV's best programs—a concept drawing increased attention from industry's leaders (Vol. 11:17-20) — has gained vigorous support from ABC pres. Robert E. Kintner, whose network has made very successful use of the repeat principle. Its current repeats of *Disneyland* series are out-pulling first presentation and it plans this summer to run kines of best programs of *U. S. Steel Hour* starting June 28. Here's Kintner's evaluation, responding to our analysis in Vol. 11:17:

"In my own view, there is no basic showmanship reason why repeat performances of live programs should not be given. The analogy you draw with movies and TV film programs is sound—there does not seem to be any particular reticence on the part of the distributors of theatre product, or of the agencies and advertisers in re-showing filmed shows.

"To the point of live repeats: There is, to my knowledge, no aversion among the people associated with TV to offering again a successful live program . . . There is an area of problem in connection with repeats. Many programs are presented each week, and a good number of these are live dramas. Of 7 full-hour dramatic TV programs that are currently produced each week, probably the 'just-right' program, one which combines script, cast, performance, settings, direction and the myriad other facets into a glistening, outstanding production—worthy of repeat—occurs less than once in every 2 weeks.

"Now, assuming that this does take place, and further assuming that the 'just-right' program's author and adapter agree to the repeat performance, we are still faced with a psychological obstacle, which may have more substance to it than mere emotional objection. This is the feeling that some people in our business have about the economic expediency of repeats. This is something which I personally do not agree with; in the case of dramatic live programs, for example, it generally costs as much to do the second program as the original. In the case of good filmed programs, I hold that a good program, like a good book, or piece of music, or a favorite dish, may be savored again and enjoyed as much or more at the second sitting."

Kintner then pointed to Trendex & Nielsen ratings of *Disneyland* series, showing that repeats achieved greater ratings than originals, with but one exception. "This," he said, "is a quantitative public acknowledgment of the programs' intrinsic qualitative content. Such figures will be repeated, I am sure, whenever a fine program which enjoys wide original exposure, followed by favorable reviews, publicity and word-of-mouth, is offered to the public again."

Harry C. Maizlish & Morton Sidney, of KFWB, Hollywood, have pulled out of deal to buy KVOA-TV, Tucson (Ch. 4) with radio KVOA (1-kw, 1290 kc, NBC) and new lineup of buyers keeps the KFWB sales mgr. Frank Oxarart in for 20%. Rest of group proposing to buy out holdings of KTAR Broadcasting Co., Phoenix (controlled by John J. Louis, of Needham, Louis & Brorby) for total of \$450,000 are ex-Congressman Clinton McKinnon, who once owned KCBQ, San Diego, now has weekly there and in Coronado; Bernard Weinberg, adman; Arthur A. Desser, attorney; Harold B. Garfield, druggist—each with 20%. They take over \$225,000 in notes, will pay \$42,000 to present gen. mgr. R. B. Williams, \$10,500 each to Harper M. Phillips & Ben L. Slack Jr., \$3500 to Raymond Holsclaw for their minority stockholdings. While stations have earned surplus of \$52,581, they showed loss of \$9574 on operations in first 3 months of 1955.

**WFRV-TV, GREEN BAY, WIS. (Ch. 5)**, bringing on-air total to 430, starts with ABC & DuMont shows over the week-end, following FCC approval May 19 of stock transfer to owners of off-air WNAM-TV, Neenah (Ch. 42). WNAM's S. N. Pickard now controls over 50%, only others with more than 5% being original WFRV-TV stockholders Clayton Ewing & George Nau Burridge, each with 10.9%. Station has been ready to go for about 4 weeks (Vol. 11:17), but had to wait for FCC to take second look at already-approved transfer because of objections raised by WMBV-TV, Marinette (Ch. 11). It has 25-kw DuMont transmitter & 5-bay RCA antenna on 463-ft. tower of defunct WJPG-FM, located adjacent to that of WBAY-TV (Ch. 2). Neenah studios of WNAM-TV will supplement Green Bay facilities. Don C. Wirth is v.p.-gen. mgr.; Ed Murphy, ex-KSTM-TV, St. Louis, operations director; John Schulz, ex-Chicago NBC-TV Spot Sales, station mgr.; Harry Hill, chief engineer. Base hour is \$300. Rep is Headley-Reed.

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

**KHAS-TV, Hastings, Neb. (Ch. 5)** has ordered RCA transmitter & 12-bay antenna, plans fall start, reports gen. mgr. Duane L. Watts, ex-KHOL-TV, Kearney, Neb. It will use 767-ft. tower. Studio-transmitter house will be built 3 mi. N of city on Hwy. 281. KHAS-TV will be operated by new Nebraska TV Corp., now being set up by grantee Seaton Publishing Co., publisher of *Hastings Tribune*. Seaton Publishing principals also control *Alliance* (Neb.) *Times-Herald* and newspapers in Kan., S. D., & Wyo., as well as radio stations KHAS, Hastings; KGGF, Coffeyville Kan.; KMAN, Manhattan, Kan. Duane B. Allison, chief engineer of KHAS, will also be TV chief engineer. Rep not reported.

**WCTV, Thomasville, Ga. (Ch. 6)** has Aug. 1 target for test patterns, Sept. 1 for programming, reports John H. Phipps, who recently acquired CP from E. D. Rivers Sr. for \$88,700, along with Thomasville radio WKTG from Fred Scott Jr. family for \$100,000 (Vol. 11:20). GE transmitter and 5-bay antenna are on order, with latter due for installation on 600-ft. tower in June. Studio-transmitter building is under construction at new site halfway between Thomasville and Tallahassee, where Phipps operates radio WTAL. He also owns WTYS, Marianna, Fla. Rep not yet chosen.

**WHIS-TV, Bluefield, W. Va. (Ch. 6)** hopes to get on air about Aug., reports pres.-gen. mgr. Hugh I. Shott Jr., for family-owned grantee *Bluefield Daily Telegraph*. RCA 10-kw transmitter is ready for testing. RCA 6-bay antenna & 100-ft. Ideco tower are on hand and tower construction begins next week. It has agreement with NBC, is negotiating for interconnection facilities. Base hour will be \$200. Rep will be Katz.

**KCOR-TV, San Antonio (Ch. 41)** has set June 1 test pattern target, now that it's installing 1-kw RCA transmitter, reports chief engineer Marvin L. Fiedler. RCA pylon antenna is scheduled for installation on 558-ft. Truscon tower week of May 23. It will be 90% Spanish language outlet, using Latin-American films and kines. Base rate will be \$180. Rep will be Richard O'Connell.

Experimental vhf booster for Hawaii was granted this week to Iresco Inc., 2221 Warwick Ave., Santa Monica, Cal., which plans to test re-transmission of Ch. 4 & 9 at 6 points in the Islands.

**SIMPLIFIED & CHEAPER** "megawatt" transmitter is being shown for first time by RCA at NARTB convention in Washington. It delivers 25-kw, can be used with supergain antenna to produce 1000-kw ERP, is expected to sell for approximately 25% less than RCA's previous 25-kw equipment, which basically consisted of two 12½-kw transmitters arranged in parallel. Slated for commercial availability later this year, new TTU-25B utilizes single standard tetrode in each final output stage, with savings of up to 50% in operating costs claimed.

As enumerated by RCA broadcast equipment marketing mgr. A. R. Hopkins, new transmitter has these advantages: requires no more space than 12½-kw equipment, ⅔ reduction in visual amplifier tube requirements, 50% reduction in cabinetry and "average annual savings up to \$20,000 in overall operating costs." Also due for availability this year is package for converting RCA 12½-kw transmitters to the new 25-kw circuit.

Next station scheduled to increase power to 1-megawatt is Portland's KPTV (Ch. 27), nation's first uhf station, now owned by Storer, due to boost to full permitted output June 11, date of Portland's Rose Parade. Most of RCA transmitter equipment for increase to 25-kw power has been delivered, and supergain antenna is due to arrive before end of month. KPTV is expected to be nation's 3rd station to reach 1,000,000 watts, and RCA's second such installation.

**Experimental satellite in Manson, Wash. (Vol. 11:3, 14)**, which is unique in that it "translates" received Ch. 4 signals of KXLY-TV to uhf Ch. 16, was inspected this week by Ben Adler, whose Adler Communications Labs supplied equipment. He reports excellent coverage in Manson area 1-3 mi. from satellite. Some 160 sets have been equipped to receive Ch. 16, owners paying \$67.50 for year's service. New sets being sold have that fee added to price; it's then turned over to a town committee. Adler said no one fears that viewers will "bootleg" signal without paying, adding that "the community spirit appears to be at a terrifically high level." Community antenna operators are naturally concerned about such satellites, and NCTA exec. secy. E. Stratford Smith, who also visited Manson last week, is dubious about their economics. He reports that construction cost was \$16,000 excluding engineering costs; that it would take \$10,000 more for each additional channel; that operating costs are unknown; that support must rely on "honor system" because non-payers can use signal. Most of all, he says, satellite offers only one channel whereas community systems usually offer 3 or more.

Two new vhf applications were filed with FCC this week: For Las Vegas, Nev., Ch. 13, by Moritz Zenoff, owner of radio KBMI, Henderson, Nev., and publisher of newspapers in Henderson & Boulder City; for Carlsbad, N. M., Ch. 6, by KAVE, whose pres. Val Lawrence is gen. mgr. of KROD-TV, El Paso. Applications pending FCC action now total 155 (including 15 uhf). [For details, see *TV Addenda 20-S* herewith; for complete listings of all grants, new stations, applications, etc., see *TV Factbook No. 20* with Addenda to date.]

Less expensive off-air microwave service proposed by AT&T (Vol. 11:18) is fine, RETMA and NARTB told FCC in comments filed at May 20 deadline, but they recommended that stations be permitted considerable leeway in deciding whether to build own off-air microwave or buy service from AT&T.

Comments on uhf boosters, which FCC calls "co-channel amplifying transmitters" in its rule-making proceeding (Vol. 11:14), may be filed until July 21, deadline being moved from May 20 at request of RETMA.

**Color Trends & Briefs:** Most sponsors seem to like color spectaculars—and with only a couple of exceptions they've signed up for another season. On NBC-TV, Oldsmobile has renewed Sat. evening series with \$5,000,000 budget; RCA & Ford, \$5,000,000 Mon. evening show; Sunbeam, Sun. evening "color spreads," to be sold on partic. basis every 4 weeks beginning Sept. 11 for series of 14 shows running right through summer of next year, also with total budget of about \$5,000,000. Hallmark, which occasionally has used color for operas and other "specials," will sponsor 8 Sun. afternoon Maurice Evans color shows at total outlay of some \$2,500,000.

CBS-TV's *Shower of Stars* once-a-month color programs will continue next season—Jack Benny starring in 6 of them—with Chrysler staying on as sponsor. Network revealed a little more this week about its series of ten 90-min. Sat. evening shows, "the majority of which will be broadcast in color." Two will feature Bing Crosby in musical plays, 3 will star Noel Coward with Mary Martin co-starring in first one, 3 will be produced by Paul Gregory. Beginning next fall, CBS says it will telecast at least 2 shows a week in color—in addition to *Omnibus*, with several complete shows in color and segments of others.

Note: Milton Berle told newsmen this week that all of his shows next season may be done in color from NBC-TV Burbank studios.

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An all-industry standard color stripe, to be transmitted during monochrome programs to aid servicemen adjusting color sets (Vol. 11:11), would be preferable to variety of stripes using different standards, FCC told RETMA this week. Commission said it has no objection to stations' transmissions of RETMA-recommended signals and said: "It is gratifying to know that an industry standard has been developed, so that the alternative transmission of a number of different signals is unlikely. The fact that the RETMA standard is not mandatory raises the possibility that alternative signals may be transmitted, with resulting confusion. It may be desirable, when at a later date the usefulness of the RETMA signal has been proven, to consider its adoption into [FCC Rules]."

**UNIQUE TECHNIQUE** of producing live color for limited kinds of programming, using flying-spot scanner principle, will be shown by DuMont during NARTB convention. DuMont's claim is that for price much less than that of conventional 3-tube color camera, a station can present fair variety of live material in excellent color.

As demonstrated to us at DuMont research labs recently, system did produce very good color, and claims of "no registration problems" seemed substantiated. "Vitascan," as DuMont terms new system, works on same principle as its film scanner. CR tube "scans" live scene, and clusters of multiplier phototubes, located about studio, pick up light reflected from scene and feed signals through normal channels to transmitter.

Studio must be "light tight," i.e., permit no extraneous light to enter. At recent demonstration, studio was dark except for dim light emitted by CR tube. Engineers said plan was to install stroboscopic lights at NARTB demonstrations—flashing on and off 60 times a second, supplying adequate light for reading, etc., during vertical blanking period. Experiments have been conducted with both mercury lights and special CR tubes.

Six clusters of multiplier phototubes were used during demonstration. Each had 4 tubes—2 for red, one each for blue and green. Each cluster is located where floodlights would be in normal TV system. In fact, whole arrangement is precise reverse of normal TV—the "cam-

"Color-effects" equipment, which permits telecasters to originate slides and artwork in color without color camera or scanner, is being shown by RCA at NARTB convention in Washington and is now available. Described as an "intermediate step" before addition of complete color facilities, the equipment makes it unnecessary for a station to return to monochrome for station breaks in network color shows. It permits station to use any of a group of 12 pre-selected 2-color combinations as substitute for black and white portions of monochrome picture. Colors in the picture are "produced" rather than "reproduced." All of the equipment elements are standard units which will be required when the station later adds color origination equipment. The color combinations are produced by colorplexer and vary according to the combination of channels into which the blanking and monochrome signal are fed. Other elements of the equipment include color-bar generator, color frequency standard, burst flag generator—at total cost of about \$12,500.

"Color TV is coming faster than many people think," RCA consumer products exec. v.p. Robert A. Seidel told NARDA group in Milwaukee this week. "I am sure you are aware of the fact," he said, "that newly-designed and completely re-styled 21-in. compatible color sets are about to be offered by a number of manufacturers." [So far, Hoffman and Hallicrafters have announced new color models, Vol. 11:17-18.] Advent of color won't hurt black-&-white sales, Seidel said. "The greatest opportunity for increased sales and profits this year, next year, or perhaps during our lifetime, will be in TV," he stated. "It's now a billion dollar industry. With the advent of color, and it's coming fast, it will top \$2 billion annually." Air conditioner, he added, would bring "the second greatest opportunity for increased sales and profits for at least the next 10 years."

Upcoming network color schedules: NBC-TV—May 30, *Producers' Showcase*, "The Petrified Forest," with Humphrey Bogart, Henry Fonda, Lauren Bacall, 8-9:30 p.m.; June 4, *Max Liebman Presents*, "The Chocolate Soldier," with Rise Stevens, Eddie Albert, Akim Tamiroff, 9-10:30 p.m. CBS-TV—June 9, *Shower of Stars*, 8:30-9:30 p.m.

era" (CR tube) emitting light and the "floodlights" (phototubes) picking up light. Number of clusters used is determined by nature of program.

DuMont officials say they don't tout system for big "spectaculars" and the like, but they claim it's a very economical method of presenting commercials, news, debates, panel discussions, etc., where action is confined to limited area. Major claims are economies of installation & operation and absence of registration problems involved in present 3-tube live color cameras. They say one-man operation is possible and tubes are inexpensive.

Stationary light source was used, but plan was to have one on dolly, to be moved like live camera. System may also be used for monochrome.

DuMont officials admit that they hope "Vitascan" will help sell film scanners, of which DuMont has already delivered more than 60; of these, 15-20 are color-equipped.

From price aspect, DuMont stresses that station which already has flying-spot scanner, costing \$40,000-\$45,000, can add "Vitascan" equipment for much less than the \$49,500 it would pay for regular 3-tube live camera. If station already has DuMont color film "Multi-Scanner," the "Vitascan" gear can be added for \$15,692; if it doesn't, cost is \$32,570. Stations with monochrome "Multi-Scanner" can add live monochrome equipment for \$9207; without it, price is \$18,415.

Delivery 30-60 days after convention is promised, and DuMont plans to install system at its own WABD, N. Y. and WTTG, Washington.

**TOP-LEVEL CHANGES—WHAT THEY PRESAGE:** This was a week of drastic changes in the top executive & sales personnel of several important TV-radio manufacturing companies -- and the implications appear far more significant than the mere announcements. They presage an intensified effort by some of the second-rung manufacturers to improve their positions in the market as against front-running RCA, Philco, Admiral, Motorola, GE & Zenith who represent very nearly 60% of the present TV business. Items:

Henry C. Bonfig, third-ranking Zenith executive after pres. E.F. McDonald and exec. v.p. Hugh Robertson, quit job of sales v.p. which last year paid him \$40,000 salary plus \$56,763 bonus, to become pres. of CBS-Columbia Inc. He replaces Seymour Mintz, and has been replaced at Zenith by Leonard C. Truesdell, TV-radio sales v.p.

Chester G. Gifford, who retired recently as pres. of Schick Inc., post now held by ex-RCA consumer products v.p. Joseph B. Elliott, becomes pres. of Avco Mfg. Co.'s Crosley & Bendix appliance divisions as well as an Avco v.p., taking over from James D. Shouse, Avco v.p. & director, who resumes active duties as chairman of the Crosley Broadcasting Co., operating 4 TV stations & one radio -- his original field.

Leonard F. Cramer, ex-Avco v.p. & gen. mgr. of its Crosley-TV-radio div., onetime DuMont v.p., joins Magnavox as v.p. & gen. mgr. of TV-radio-phonograph div.

Dan D. Halpin, who left RCA post of mgr. of TV receiver sales in Aug. 1952 to join DuMont as gen. mgr. of TV sales, resigns to become asst. gen. mgr. in charge of marketing and gen. sales mgr. of Westinghouse TV-radio div., Metuchen, N.J. He succeeds Richard L. Sandefur, resigned. He serves under gen. mgr. Edward J. Kelly, who recently succeeded T.J. Newcomb, retired. At DuMont, his duties are being taken over by Wm. C. Scales, gen. mgr. of receiver sales div. under v.p. Wm. H. Kelley.

It's noteworthy that Truesdell was once Crosley sales mgr., later headed Bendix radio div., joined Zenith in 1946; that Mintz quit as Admiral v.p. in charge of advertising about year ago to go to CBS, where he was at once also elected a v.p. & director of parent CBS Inc., to which posts Bonfig will succeed; that Bonfig joined Zenith 11 years ago after 13 years with old RCA Mfg. Co., which he quit as a v.p.

Bonfig's salary hasn't been disclosed, but he acquires stock options and, as he put it, "the kind of deal I couldn't reject." Mintz plans to acquire an interest in a small electronics factory, owned by a friend; he leaves his job well-fixed by virtue of an option on 2500 shares of CBS stock at 47% granted in March 1954.

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Battle for strong distributorships, long under way and rendered all the more difficult by the well-heeled and well-entrenched positions of old-line firms that give RCA, Philco, Motorola & Zenith such strong competitive positions, is the prime problem facing CBS-Columbia and other "pretenders" to the 9-year-old TV trade. That is main job 57-year-old Henry Bonfig confronts at CBS-Columbia which, despite a tremendous TV-radio publicity machine and the huge finances behind it, has not yet been able to win as much as 1% of the market.

Therein lies the key to the basic competitive problem, not only for TV-radio but appliances handled by the same firms. Crosley tried to hypo TV-radio distribution by way of its prize Bendix washing machine line, which it abruptly pulled away from long-standing distributors who were handling rival TV-radio lines. Admiral is inclining more and more to factory-owned distributorships, with 21 already -- most of any except GE & Westinghouse, which have own national distribution subsidiaries.

The Big 4 -- RCA, Philco, Admiral, Motorola -- and close running Zenith have always insisted on private franchisers, though they keep a few of own. Philco, and to a lesser extent Crosley, manufacture year-round lines for their distributors, designed to equalize seasonal humps. RCA under pres. Frank Folsom has been working toward that end. It's doubtful whether CBS wants to go into "white goods" too.

Veteran of the appliance field, which he first entered in Kansas City in 1924, going in 1927 with Bill Grunow's old General Household Utilities Corp., Chicago, big refrigerator handler, then radios, the popular "Hank" Bonfig faces enormous obstacles in such TV-radio-appliance competition. CBS is a highly profitable concern, apparently bent on being another RCA, but despite its expected \$400,000,000 volume this year (mainly from telecasting), it is still losing money in the set & tube manufacturing businesses -- the tube business mainly because of investment in color.

It's hell bent to win a share of a market it has been unable to dent in the 4 years since it bought out Air King. Bonfig's job is to shore up distribution soft spots, set up new ones, ride the inevitable "tide of color" when it begins to flow, and take the receiver manufacturing phases of CBS's operations out of the red.

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Broader distribution is probable reason behind negotiations for merger of Whirlpool Corp., St. Joseph, Mich. (washing machines) and Seeger Mfg. Co., St. Paul (Coldspot refrigerators & freezers), both major entities in their fields, both part-owned by and suppliers of Sears Roebuck. The news leaked this week that principals are discussing legality of merger with govt. officials. Either or both lines would be hot items for many TV-radio distributors, eager for top-brand "white goods". Both companies are strong ones, Whirlpool sales last year running \$169,453,888, earnings \$2.98 a share, Seeger's sales \$112,564,615, earnings \$5.32 a share.

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TV production continued seasonal decline, totaling 110,651 week ended May 13, compared to 127,067 preceding week and 131,627 in week ended April 29. It was 19th week of year by RETMA calculations and brought production for year to date to about 2,935,000, compared to approximately 2,200,000 in same period of 1954.

Radio production totaled 287,352 (145,757 auto) week ended May 13, compared to 286,284 week ended May 6 and 278,054 week before. For 19 weeks, production was estimated at 5,400,000 vs. 3,750,000 in corresponding 1954 period.

**C**OMPONENTS MAKERS, those under-publicized but usually reliable barometers of TV trade trends, generally foresee 1955 as another year of solid growth for their set manufacturer customers—equal to, perhaps exceeding, the nearly 7,500,000 TVs produced and sold in 1954—on the basis of parts orders currently on their books. They're a pretty optimistic bunch, by and large, and their optimism was reflected this week at the annual Electronic Parts Show at Chicago's Conrad Hilton Hotel, which proved to be biggest ever (290 exhibitors, 10,000 registrants).

Several important parts makers tell us they look for sizable increases in TV set production in last 6 months of year. All noted increases in orders last 3 months—a welcome indication that set makers at long last were reducing their huge inventories of components.

Parts and set manufacturers make common cause on one complaint—profits are too low, even though unit sales remain high and are even expanding on some items. And they apparently don't see much prospect of raising parts prices to get more profit.

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Veteran parts maker Leslie F. Muter, pres. of Muter Co. & RETMA treas., comments thus on current state of parts industry: "I think we're all going along quite well, and don't have too much room to complain. We're getting volume, better than a year ago in most cases, which I think is basically due to high-fidelity and such allied fields. But the continued high level of TV business has also been a big factor—bigger, I think, than many of us would have predicted a year ago.

"With those low price tags, our set-manufacturing friends are going to move a lot of receivers this year.

Second sets are going into homes with some regularity now, and that's bound to increase business for everybody, including us. The whole picture adds up in my mind to a 7,000,000-plus year for TV production and retail sales. Now if something can be done about low profits on parts . . ."

Matt Little, pres. of Quam-Nichols Co., big speaker manufacturer, goes along with Muter—with this reservation: "I just hope the TV manufacturers don't overproduce in the last 6 months to spoil what could be a very fine year for everyone. As long as they watch that inventory, and I have every reason to believe they will, all of us will have at least as good a year as 1954."

Harry A. Ehle, v.p. of International Resistance Co., sees the tremendous number of new electronic products being introduced almost daily as one of biggest reasons for his prediction of bullish future. He cautions all levels of trade to prepare for diversification of product to eliminate seasonal peaks and valleys in sales.

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Interest at parts show itself was centered on high-fidelity. Many jobbers reported sales of "hi-fi" components this year running 25-50% over 1954, which in itself was big year in this field. More manufacturers have entered field with higher-quality products, for, as Little said: "The public has been trained to demand better sound and is getting it from the manufacturers. High-fidelity is getting to mean precisely that, even though we have no fully-acceptable definition of the term; the old days in which anything could be palmed off as high-fidelity are gone."

Lots of interest, too, in color—though consensus of jobbers was that a real lift from color couldn't be expected until 1956, at the earliest. By the same token, some parts manufacturers expressed view that they could help speed lower color prices by continuing their research on automation and other production short cuts with objectives of reducing cost of components even further.

**Topics & Trends of TV Trade:** Long-awaited 1955 *Consolidated Consumer Analysis*, released this week and covering 20 markets where newspapers conducted own consumer buying surveys in Jan. (Vol. 11:15, 20), reveals important data on TV purchase plans this year, rate of saturation and ownership by makes. Here are percentages of families, both TV & non-TV owners, planning to buy set this year (saturation as of Jan. in parentheses):

Sacramento, 15.7% (60.8%); Modesto, 12.4% (59%); Newark, 11.8% (92.9%); Fresno, 11.7% (66.4%); Washington, 10.8% (81.6%); Portland, Ore., 10.5% (64.9%); Milwaukee, 9.1% (93.1%); San Jose, 8.9% (82%); Honolulu, 8.7% (62.9%); Cincinnati, 8.6% (90.7%); Portland, Me., 8.4% (77.9%); Seattle, 8.1% (74.8%); Long Beach, 7.4% (90.8%); Duluth-Superior, 6.8% (75.3%); Phoenix, 6.5% (81.5%); Indianapolis, 6.3% (88.6%); Columbus, O., 5.3% (93.8%); St. Paul, 4.9% (89.2%); Omaha, 4.5% (88.7%); Salt Lake City, 4.5% (87.1%).

RCA ranks first among set ownership in 16 of those 20 markets; Hoffman is tops in 2 (Fresno & Modesto); Admiral, one (Phoenix); Philco, one (Sacramento).

Newspapers in some of the markets asked additional TV questions of consumers; for example, *Milwaukee Journal* last week published replies to queries on second-set ownership (Vol. 11:20). Copies of the consolidated report, which gives basic data on all 20 markets, are available from *Milwaukee Journal* promotion dept., which coordinated information.

Individual copies of respective market studies are available from these newspapers: *Portland (Me.) Press Herald* and *Evening Express*, *Columbus Dispatch* and *Ohio State Journal*, *Cincinnati Times-Star*, *Indianapolis Star* and *News*, *Duluth Herald* and *News-Tribune*, *St. Paul Dispatch* and *Pioneer Press*, *Omaha World-Herald*, *Salt Lake Tribune & Deseret News*, *Seattle Times*, *San Jose Mercury* and *News*, *Sacramento Bee*, *Fresno Bee*, *Modesto Bee*, *Long Beach Press-Telegram*, *Honolulu Star-Bulletin*, *Phoenix Republic* and *Gazette*, *Oregon Journal*, *Newark News*, *Milwaukee Journal*, *Washington Star*.

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GE sees resurgent demand for 14-in. receiver, as second sets loom increasingly important in TV market. This week, it brought out a 32-lb. table model at \$99.95, in Boston and Buffalo (and shown to press in N. Y.) as first cities in distribution expected to become nation-wide by July. It reportedly will cost distributor about \$72, dealer about \$80—somewhat lower profit margins than on 17 & 21-in. receivers. Paul H. Leslie, monochrome TV sales mgr., told us that GE's decision to resume 14-in. was motivated by marketing research indicating that comparatively few set owners are replacing their small-screen sets and demand is for a low-priced second set instead.

"We expect to sell very few to initial buyers," he said. "This set is designed to be taken from room to room or to the summer camp or any place where a portable radio goes." Sets come in brown metal at \$99.95, slightly higher for 2-tone ivory and gray. They're about 10½-in. high, 13¾-in. wide, 17-in. deep. They contain GE's first vertical chassis (more are expected in GE's new line to be introduced in July at National Assn. of Music Merchants show), are more than 50% printed-circuit, have 16 tubes (6 of them multi-purpose). They have 41-mc IF circuit, built-in antenna & all-channel tuner.

Note: Olympic Radio has been merchandising 14-in. table model at \$99.95 for last 8 months (Vol. 10:36).

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RCA will show new TV line, which reportedly includes its first vertical chassis sets, at meeting of field reps June 6-8 in Barbizon Plaza Hotel, N. Y. Regional meetings will be held June 10-12 in San Francisco, June 14-16 in Chicago, June 17-19 in New Orleans.

**S**HIPMENTS of TVs to dealers in first 3 months totaled 1,968,347, compared to production of 2,188,252, according to RETMA state-by-state report released this week, supplementing recent 9-year tabulation, 1946-54 (Vol. 11:19). They compared with 1,655,839 shipped in first quarter of 1954, when production was 1,447,110. New York led, with 187,003; California second, 144,335; Pennsylvania, 125,252. March shipments were 690,097, compared to 640,771 in Feb. and 582,839 in March 1954. Here's state-by-state report for quarter (county-by-county tables available to members from RETMA on request):

State	Total	State	Total
Alabama	35,180	New Hampshire	7,271
Arizona	10,941	New Jersey	60,216
Arkansas	24,124	New Mexico	6,320
California	144,335	New York	187,003
Colorado	14,339	North Carolina	51,752
Connecticut	26,981	North Dakota	7,729
Delaware	3,855	Ohio	100,647
District of Columbia	19,628	Oklahoma	29,675
Florida	61,153	Oregon	25,787
Georgia	40,268	Pennsylvania	125,252
Idaho	9,380	Rhode Island	9,416
Illinois	108,071	South Carolina	29,607
Indiana	52,994	South Dakota	6,211
Iowa	32,215	Tennessee	43,755
Kansas	29,057	Texas	114,675
Kentucky	37,014	Utah	7,812
Louisiana	39,687	Vermont	7,729
Maine	15,502	Virginia	37,479
Maryland	26,388	Washington	34,009
Massachusetts	55,860	West Virginia	22,025
Michigan	78,431	Wisconsin	43,883
Minnesota	36,326	Wyoming	1,970
Mississippi	18,526		
Missouri	54,829	U. S. TOTAL	1,962,726
Montana	6,468	Alaska	2,360
Nebraska	18,670	Hawaii	3,261
Nevada	2,332		
		GRAND TOTAL	1,968,347

Convention of National Community TV Assn. in New York's Park-Sheraton Hotel June 6-8 will have as principal speaker FCC Comr. John C. Doerfer, who has shown a particular interest in community systems. Arthur Gladstone, of Commission's Common Carrier Bureau, will describe FCC's policy on microwaves for systems. Program includes panel sessions and speeches on taxes, promotion & advertising, satellites & boosters, govt. regulation, technical developments. Exhibitors include: Ampli-Vision div. of International Telemeter, Blonder-Tongue Labs, Entron, Federal Telephone & Radio, Jerrold, Phelps-Dodge, Philco, Plastoid, RCA, Rego Insulated Wire, Spencer-Kennedy, Times Wire & Cable, U. S. Wire & Cable, Vision Wire, Westbury Electronics.

Bill to remove excise taxes from repair and replacement parts for TV-radio sets, to specifically exempt non-entertainment TV & radio from tax and to lift tax from certain TV-radio components and parts "where the cost of compliance and enforcement is not warranted by the negligible revenues produced" was introduced May 19 by Sen. Martin (R-Pa.) for himself and Sen. Dirksen (R-Ill.). The bill, S-2009, is identical to section of last year's HR-6440 which died when Congress adjourned (Vol. 10:34).

Another microwave application to serve community antenna systems was filed this week—Antennavision Service Co., 612 Security Bldg., Phoenix, Ariz., seeking relay on Heliograph Peak to bring Phoenix station signals to towns of Clifton, Plantsite, Stargo & Morenci. Pres. of Antennavision is Paul Merrill, mgr. of Gila Bestg. Co., operator of AMs in Coolidge, Globe, Safford & Winslow, Ariz. Application specifies Philco TLR-3AP equipment, construction costs of \$18,382.

Admiral and Federal Trade Commission may settle complaint charging misrepresentation in ads on 21-in. sets (Vol. 11:14, 17, 20) without need for hearing, it was indicated this week following cancellation of hearing scheduled May 17 in Chicago. Admiral lawyers and FTC attorney Edward K. Downs will confer later on terms.

Raytheon pres. Charles Francis Adams Jr., taking cognizance of persistent "merger" rumors, states in current house organ "there is nothing of the sort in sight."

**Trade Personals:** Henry C. Bonfig's resignation as Zenith v.p. & director of sales (see p. 11) became effective May 18 when TV-radio sales v.p. Leonard C. Truesdell succeeded him; Bonfig will vacation until early June, when he assumes presidency of CBS-Columbia Inc., and until then retiring pres. Seymour Mintz will remain on job . . . Frank Folsom, RCA pres., leaves this week-end for 4 weeks in Europe, will also go to Cairo and Istanbul; v.p. Mannie Sacks will join him in about week . . . Sam F. Arn Jr. promoted to sales mgr. in expansion of Packard-Bell technical products div.; Hugh Vick, ex-Northrop Aircraft, named chief of contracts administration section . . . Harry L. Thorson, mgr. of GE TV camera tube project, appointed mgr. of transmitting tube project engineering at Schenectady . . . Fred C. Zusi promoted to head new DuMont systems-engineering group, supervising sales of electronic equipment for automatic production & quality control . . . Nat Marshall, ex-mgr. of broadcast sales, promoted to asst. director of General Precision Labs' engineering products div.; Joseph Belcher promoted to mgr. of industrial TV sales . . . Jack L. Hobby, Raytheon staff asst. for public relations, will become mgr. of publicity & institutional adv. and head house organ *Raytheon News*, in new setup after Richard Axten takes over June 1 as director of public relations . . . Bernard B. Cohen, ex-Emerson & Tele-tone, named works mgr., General Transistor Corp., Jamaica, N. Y. . . . Ray McCadam promoted to western district sales mgr., GE tube dept., Los Angeles . . . Jerome K. Levy, gen. mgr. of Audio & Video Corp., N. Y., elected a v.p.; Robert Winston elected sales v.p. of National Musitime Corp., div., Ray Rand sales v.p. of A-V Tape Libraries Inc. . . . Edwin J. Bradley, ex-Airpax Products Co., Middle River, Md., appointed sales mgr. of Color Television Inc., San Carlos, Cal., now largely in military electronics production . . . Albert Benjaminson named chief engineer, Granco Products, Long Island City, N. Y. . . . Richard Berggren, ex-Stiller-Rouse & Assoc. Adv., Los Angeles, named Hoffman Radio adv. mgr., reporting to E. A. Tischler, new adv. director of parent Hoffman Electronics; Deane Aylesworth continues as adv. mgr. of Hoffman Labs . . . G. Warren Kimball promoted to mgr. of battery & renewal components marketing, RCA tube div.

**DISTRIBUTOR NOTES:** Walther Bros., Philco distributor in New Orleans last 27 years, switches to RCA, replacing Television & Appliance Distributors Inc. . . . Crosley-Bendix appoints Graybar, Buffalo . . . Stromberg-Carlson appoints Southern Electric Corp., Staunton, Va. (L. J. Kiger, pres.) . . . Sentinel appoints Ralph Lay Co., 5627 Manchester Ave., St. Louis . . . CBS-Columbia Boston factory branch promotes Arnold Mackowsky to sales mgr. . . . Gross Distributing Corp., Newark (Stromberg-Carlson) appoints C. Edward Erbe as sales mgr.

Lansdale Tube Co., Lansdale, Pa., operated as Philco subsidiary since 1947, becomes Philco division under name of Lansdale Tube & Transistor Co. Wm. J. Peltz, v.p. of operations for TV div., has been promoted to v.p. & gen. mgr. of new div.

Construction of Motorola's \$1,500,000 transistor plant in Phoenix began this week as exec. v.p. Robert W. Galvin dug first shovel of dirt. New 57,600-sq. ft. building is slated for completion by end of year, initially will employ 300-500.

Louis A. Connelly, 59, mgr. for last 13 years of govt. dept., RCA engineering products div., died of heart attack May 20 at his home in Medford Lakes, N. J. He had been with RCA and predecessor companies since 1924, always on govt. sales, won company's highest citation recently for extraordinary service during Korean War. Surviving are his wife and 2 daughters.

**Electronics Reports:** Complaint that aircraft manufacturers are using govt. procurement policies to put themselves in the electronics business (Vol. 11:7,17) drew strong rebuttal last week from a leading airframe maker and a top Air Force procurement official. Addressing National Conference on Aeronautical Electronics, August C. Esenwein, Ft. Worth v.p. of Convair (whose parent General Dynamics Corp. is due to take over Stromberg-Carlson; see Vol. 11:18) said aircraft industry has too many of its own research, development and production problems to try to take over the function of electronic subcontractors.

"Never has our problem been one of too little work, work to be husbanded selfishly in our own plant," he said. "Rather, the greatest problem has been one of finding capable, qualified, enthusiastic and uncommitted vendors. Our sister divisions at San Diego and Pomona have had the same trouble . . . which is why, in certain instances, they have had to do some of the electronics work themselves."

Air Force policy is opposed to aircraft manufacturer competition with established electronics suppliers, said Brig. Gen. C. H. Mitchell, director, procurement & production, Air Materiel Command headquarters. "There must be some compelling reason for an airframe manufacturer to build his own component equipment," he declared. "This should happen only by default of the electronics industry. However, it is not the policy of the Air Force to encourage or condone airframe manufacturers entering the electronics business—or the same policy in reverse."

Sperry Gyroscope Air Force contracts mgr. Norman L. Winter urged that electronics companies be given bigger role in new "weapons system" procurement contracts. He said each program should be examined carefully to see whether an aviation or an electronics company would be better equipped to manage the program. To date, the bulk of weapons system management contracts have gone to airframe manufacturers, giving them full responsibility for design and integration of all components going into the military end-product, and important responsibility for procurement of these components.

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Consolidated Electronics Industries Corp., Waterbury, Conn., controlled by North American Philips Co., will buy all assets of Alliance Mfg. Co., Alliance, O., leading manufacturer of antenna rotators, small motors for phonographs, fans & bathroom heaters. It's paying \$3,650,000 in notes convertible into 200,000 shares of Consolidated within 3 years. Transaction is to be concluded by June 30, subject to stockholders' approval. Consolidated, formerly Reynolds Spring Co., sold its automotive business last Dec. and acquired a number of Philips properties (Vol. 11:2), including military electronics. Consolidated reported net profit of \$301,000 for first quarter 1955. In last quarter 1954, company sustained operating loss of \$274,000 plus loss of \$731,000 on sale of its assets. Net sales for 6 months ended March 31 were \$2,934,000, net loss \$704,000.

Original "Tinkertoy" automatic production line in Arlington, Va.—which gave modular design of electronics its greatest impetus when shown for first time in 1953 (Vol. 9:38)—has been leased by National Bureau of Standards and Navy to Aerovox Corp., which succeeds Kaiser electronics div., Willys Motors Inc. as operator of the line. Key personnel formerly associated with Kaiser have been employed by Aerovox to operate and expand the system. Emphasis will be placed on production of modules for experimental use by interested electronic equipment manufacturers. The Navy, which is encouraging use of modular-design concepts in fleet equipment, reports that electronic devices turned out on the Arlington automatic assembly line have proved equal or superior to conventional equipment.

**Financial & Trade Notes:** Television-Electronics Fund Inc., reporting total net assets of \$96,182,331 (8,489,045 shares) as of April 30, up from \$79,231,366 (7,275,625 shares) as of Jan. 31, reports that it added these stocks during the quarter: 9200 shares of Babcock & Wilcox at market value of \$869,400; 10,000 Barry Controls Inc. "B," \$145,000; 3000 Bell & Howell, \$115,875; 16,200 Bullard Co., \$607,500; 9000 Continental Telephone Co., \$219,375; 12,000 Elgin National Watch, \$250,500; 4000 Lockheed Aircraft, \$187,000; 16,100 Pullman, \$970,025; 10,000 Servomechanisms Inc., \$112,500; 1200 Topp Industries Inc., \$7950.

Also acquired were 7400 shares of recently offered (Vol. 11:17) Gross Telecasting Inc., valued at \$142,450. Fund also holds 800 Consolidated TV & Radio Broadcasters Inc. (Bitner stations), at \$20,800, and increased its holdings in Storer Bestg. Co. from 5000 to 20,000 shares at \$505,000.

Fund added to holdings in these stocks during quarter: ACF Industries, Addressograph-Multigraph, Allis-Chalmers, American Broadcasting-Paramount, American Chain & Cable, Beckman Instruments, Borg-Warner, Bulova Watch, Carborundum Co., Chance Vought Aircraft, CBS "A," Columbia Pictures, Consolidated Electronics Industries, Consolidated Engineering Corp., Cornell-Dubilier, Corning Glass, Curtiss-Wright, Douglas Aircraft, Eastman Kodak, Eaton Mfg., Electric Controller & Mfg., ElectroData, Food Machinery & Chemical, Garrett, General Dynamics, General Tire, Goodyear, Hazeltine, Indiana Steel Products, IBM, International Nickel of Canada, I-T-E Circuit Breaker, Magnavox, Maxson, Minneapolis-Honeywell, Minnesota Mining, National Acme, National Cash Register, North American Aviation, Northrop Aircraft, Oak Mfg., Paramount Pictures, Penn Controls, Photon, RCA, Reliance Electric, Remington Rand, Ryan Aeronautical, Square "D," Stewart-Warner, Taylor Instrument, Texas Instruments, Tung-Sol, 20th Century-Fox, United Aircraft, Walt Disney Productions, Westinghouse Electric, Worthington.

Part of holdings were sold in Aerovox, AT&T, Bendix Aviation, Borg (Geo. W.), Clark Controller, Clevite, Cutler-Hammer, DuMont "A," Emerson Radio, General Con-

trols, GE, Hammond Organ, International Resistance, Raytheon, Robertshaw-Fulton, Stromberg-Carlson, Technicolor, Thompson Products, United-Carr Fastener, Western Union, Westinghouse Air Brake, Zenith. Having disposed of American Bosch Arma in preceding quarter, it also sold its 1900 shares of American Bosch preferred, 1952 series, retaining in portfolio of preferred stocks Eastern Industries, 75 Giannini, 2000 Raytheon.

(For similar report on Oct. 31-Jan. 31 quarter, see Vol. 11:10, p. 13.)

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Daystrom-Weston merger (Vol. 11:14) was approved May 17 by stockholders of both companies. Weston stock will be exchanged for Daystrom on one-for-one basis, and Weston will become wholly operated subsidiary of Daystrom. For fiscal year ended March 31, unaudited Daystrom figures show estimated sales of \$73,800,000, compared to \$62,473,000 preceding year. Net income was \$1,690,000 (\$2.56 a share) compared to \$1,459,000 (\$2.33). Weston's 1954 sales totaled \$28,672,800 vs. \$32,409,800 in 1953. Net income was \$1,056,714 (\$2.47 a share) vs. \$1,025,930 (\$2.40) in 1953. Daystrom pres. Thomas Roy Jones predicted 70% of company's sales this year will be in electronics, electrical and related field.

Reeves-Ely Laboratories Inc. 1954 sales dropped to \$35,332,365 from record \$39,630,155 of 1953, reports pres. David T. Bonner, but net income went up to \$2,295,688 (\$2.16 per share) from \$1,823,174 (\$1.71). Backlog at year's end was \$51,000,000, and working capital was \$15,387,430 compared with \$12,244,152 at end of 1953.

Jerrold Electronics Corp., Philadelphia, major manufacturer of community antenna and master antenna systems, has filed with SEC proposed issue of \$2,750,000 of 6% convertible subordinate debentures due 1975 and 200,000 shares of common; underwriting is headed by Van Alstyne, Noel & Co. and Butcher & Sherrerd, Philadelphia.

Storer Broadcasting Co. reports net income of \$811,989 (\$1.44 a share) for first quarter vs. \$803,235 (\$1.43) in 1954 quarter. Gross revenues were not disclosed. (For 1954 and preceding years' balances, see Vol. 11:15, p. 16.)

**LAST TESTIMONY** in Lamb case was concluded May 20 after 56 days of hearings extending over 8 months as Toledo broadcaster-publisher-industrialist Edward Lamb reaffirmed from the witness stand "every non-Communist affidavit I ever made" and declared "I do not retract by one iota or comma" any affidavits made to FCC. Actual hearing record—which now contains about 1,500,000 words—won't be closed until both sides meet with examiner Herbert Sharfman to dispose of certain motions, discuss various stipulations, etc. This shouldn't take longer than one day.

Next step will be for each party to file proposed findings (for which 20 days is permitted by Commission rules), then examiner's initial decision—likely to take several months—followed by filing of exceptions by both sides, then final decision by FCC.

At this week's hearing, former Attorney General J. Howard McGrath, Lamb's business partner and attorney, testified on "issue No. 2" in Lamb case—the accusation that bribe had been offered for false testimony against Lamb. McGrath testified that Emmet Lee Wheaton Jr., Toledo, had signed statement that Wm. G. Cummings, self-styled ex-FBI undercover Communist and FCC's first witness against Lamb, told him it would be "worth \$1000" if he could remember that Lamb had attended the dedication of Communist headquarters in Toledo in 1944. McGrath emphasized that he was not accusing FCC of proposing or condoning an attempted bribe.

Proceedings this week also heard Pittsburgh Mayor

David L. Lawrence, 32nd witness in the hearings, testify he had known Lamb since 1937 as staunch enemy of Communism, that he first met him in Pittsburgh when Lamb was labor lawyer fighting to keep Reds out of United Steelworkers Union.

In a related development, a Federal jury in Washington, deliberating only 20 minutes, found Mrs. Marie Natvig guilty of 3 counts of lying to FBI and FCC officials. Trial did not deal with the truth of what she said about Lamb in either her original or her turnabout testimony. She faces up to 15 years in prison and \$6000 fine, was released on bond pending probation report. Her attorney, who argued Mrs. Natvig was "confused" while on stand at FCC hearing, said verdict would be appealed. In summing up to jury, Justice Dept. attorney said she committed "one of the most vicious things she could have done" if she lied in linking Lamb to Communists. He said evidence seemed to show that she did.

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Sylvania has no present intention of seeking new financing this year, pres.-chairman Don G. Mitchell told *Wall Street Journal* this week, apparently prompted by inquiries about its atomic energy activity. He said Sylvania is one of leaders in field of atomic fuel & components, under contract with AEC. While this business is not profitable, it isn't losing either, he said, and over next 5 years he said company's atomic energy activities could become as big as Sylvania is today (1954 gross: \$281,641,987, net \$9,480,941, or \$2.92 per share).

**NOT ON AGENDA** of NARTB convention, apparently still as far off as ever, is matter of a continuing market-by-market or county-by-county census of TV homes acceptable to all segments of the industry. Though it's one of industry's real needs, NARTB officials deny dawdling—but fact is that it has been in the works now for 3 years and only action thus far has been to have Politz undertake pre-test methods and make pilot studies in undisclosed markets.

Next step is another progress report, to be submitted to TV board at June 23 meeting in Hot Springs, Va., and at the convention pres. Harold Fellows is expected to repeat "hope" that a workable system will be in operation before the 1956 convention.

Some of the leading research people in the industry now frankly say they think the project may die aborning, and at the moment they don't seem overly concerned. The telecasting industry is so vital, time so scarce on networks and major stations, outlets so few, jobs for sponsors so well done on TV, that agencies simply take-or-leave the network figures (covering their affiliated stations), the figures claimed by stations, or other proffered statistics.

Networks don't release their figures. Station estimates are carried in some trade journals—"certified". Some big agencies, like J. Walter Thompson, which conducted 4 surveys on "Where the Sets Are," covering only metropolitan trading areas of 340 top markets, compile their own figures.

Last county-by-county census released by NBC was dated May 1, 1953, covered radio as well as TV ownership; one by CBS was dated Nov. 1, 1953, based on a Nielsen study. Since then, *Television Magazine* has been publishing monthly projections which have been gaining considerable acceptance. Another index to gains in audience, but by no means synonymous with sets-in-use, is monthly report by RETMA on shipments to dealers; it's released by states only, though compiled on county-by-county basis, with latter figures not for publication.

NARTB research mgr. Richard M. Allerton is in charge of the long-projected all-industry census which, it had been expected, would be backed by the networks, RETMA, AAAA, ANA. Committee has Robert D. Swezey, WDSU-TV, New Orleans, as chairman, and members are Hugh Beville, NBC; Donald Coyle, ABC; Oscar Katz, CBS; Edward Eadeh, DuMont; James Anderson, Crosley; Campbell Arnoux, WTAR-TV, Norfolk; Richard Borel, WBNS-TV, Columbus; Kenneth Carter, WAAM, Baltimore; Clair R. McCollough, WGAL-TV, Lancaster; J. Leonard Reinsch, WSB-TV, Atlanta; Donald Thornburgh, WCAU-TV, Philadelphia; Lee Wailes, Storer.

First "permanent" CBS-TV affiliates advisory board was elected at convention in N. Y. May 19, each member to serve 2 years: Howard Lane, KOIN-TV, Portland, Ore., chairman; Richard A. Borel, WBNS-TV, Columbus, secy.; Paul Adanti, WHEN-TV, Syracuse; Glenn Marshall Jr., WMBR-TV, Jacksonville; T. B. Lanford, WJTV, Jackson, Miss.; Bruce McConnell, WISH-TV, Indianapolis; Wm. B. Quarton, WMT-TV, Cedar Rapids; Clyde Rembert, KRLD-TV, Dallas; James Russell, KKTU, Colorado Springs; Rex Howell, KFXJ-TV, Grand Junction, Colo.; Frank E. Busby, WTVY, Dothan, Ala.

CBS newsfilm div. named supplier of film news coverage of North & South America and Far East for Independent Television News Ltd., British service headed by Aidan Crawley to serve upcoming commercial Independent Television Authority.

Screen Tests to Order Inc., 550 Fifth Ave., N. Y., set up as companion service to Stock Shots to Order Inc.'s TV film dept., headed by Raymond Pheelan.

ABC has been in the black since first of year, and second-quarter earnings will be substantially higher than same period of 1954, thanks mainly to TV billings, AB-PT pres. Leonard H. Goldenson reported to stockholders at May 17 annual meeting. He said TV network time sales booked thus far this year exceed total for all of 1954. ABC in past year has "gained increased stature as a major network," he stated, citing such upcoming new programs as *Mickey Mouse Club*, *Warner Brothers Presents & Bishop Sheen's Life Is Worth Living* (shifted from DuMont) and sponsorship renewals as "evidence of greater critic, public and sponsor acceptance and the ability to deliver audiences through improved ratings." Goldenson reaffirmed the company's interest in phonograph & electronic fields; it's still surveying prospects of entering record field, and holds one-third of Microwave Associates, Boston. Upward trend of 1954 in movie business is continuing, with earnings for first 17 weeks running well ahead of similar 1954 period, though second quarter is seasonally weak because of lack of good pictures. AB-PT expects to complete required theatre divestiture program by Sept. 3, then will "give consideration" to purchase of additional theatres. (For Goldenson's remarks on subscription TV, see p. 4.)

"Children's programs are improving every year," according to survey of TV in all 48 states by General Federation of Women's Clubs, which expressed regret, however, that most of them "seek only to entertain." As reported by Federation's communications dept. chairman Mrs. Dexter O. Arnold, huge 500-woman survey and monitoring operation found: (1) Amount of objectionable language on children's programs is "insignificant in comparison with the amount of inspiring language." (2) "Children's programs seem to have neglected opportunities for presenting material of educational value. [The] problem is not what they present, but what they fail to present." (3) Early-evening shows "best meet the challenge of elementary school children," but there's lack of material for junior high age group. (4) Shows most consistently approved: *Disneyland* (100%), *Howdy Doody*, *Pinky Lee*, *Movie Marshal*.

Urging FCC to defy Pentagon's unwritten ban on towers higher than 1000 ft., Broadcast Bureau this week recommended that KSWB-TV, Roswell, N. M. be permitted to build 1610-ft. tower at new location despite opposition of military representatives on Washington Airspace Subcommittee (Vol. 11:11). Broadcast Bureau argued that military & civil aviation spokesmen appearing at FCC hearing on the tower proposal presented no evidence that new tower's height and location would make it a hazard, and pointed to evidence that present location is greater hazard than proposed one.

ABC-TV will begin colorcasting "only when color TV becomes commercially feasible and enough sets are in the hands of the public," AB-PT pres. Leonard Goldenson told stockholders meeting this week. He pointed out that *Disneyland* and *Warner Bros. Presents* series are being filmed in color for eventual re-runs on color TV.

Out-of-court settlement of \$1,000,000 suit against NBC by John J. Dickerson, ex-New Jersey GOP chairman, was reported "for a substantial amount" May 17, one day after case went to trial. Defamation suit resulted from 5 Robert Montgomery newscasts in 1952 dealing with state probe of gambling and corruption in Bergen County.

Headquarters of *Television Digest* during the NARTB convention are Suite D-615-17, Shoreham Hotel. Visitors are cordially invited.

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

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JUN 8 1955

# Television Digest

with **ELECTRONICS REPORTS**

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## SUMMARY - INDEX OF THE WEEK'S NEWS—May 28, 1955

**AWARENESS OF INFLUENCE** characterizes NARTB convention as members seek to insure unfettered growth under friendly governmental aegis (p. 1).

**NETWORK PRESIDENTS** proud of TV accomplishments, stress essentiality of networks on eve of govt. investigations, disclose exciting program outlook (p. 2).

**"LINCOLN-DOUGLAS" DEBATES** on TV proposed by Stanton for 1956 Presidential campaign, cueing evaluation of political "free time" controversy (p. 4).

TV's **SELLING POWER**, moving merchandise faster than any other medium, illustrated in presentations by NBC and TvB (p. 6).

**SUBSCRIPTION TV** finds few zealots among NARTB members, as efforts at "revolt" fail; proponents seek support for tryout; CBC turns thumbs down (p. 6).

**LOW-POWER & LOW-PRICE** transmitters and studio gear featured at NARTB show, as manufacturers anticipate FCC approval of small stations & boosters (p. 8).

**BIG APPLIANCE DEAL**, involving consolidation of RCA, Sears, Whirlpool, Seeger, perhaps others, awaits Justice Dept. opinion (p. 12).

**INCREASE IN EARNINGS** reported for most leading TV manufacturers in first quarter over year ago; outlook favorable for second quarter (p. 15).

**FCC GRANTS CPs** for Memphis & Hawaii, asks Supreme Court to reinstate multiple rule (p. 9). Richard A. Mack of Florida named to succeed Comr. Hennock (p. 16).

**5-MEGAWATT UHF** power ceiling to be proposed by FCC with drive to improve uhf sets, as Lee urges long-range reallocation; uhf operators map new strategy (p. 10).

**FIRST TV OUTLETS** go on air in Lafayette, La. & Rapid City, S. D.; Norfolk uhf resumes after 7-month silence. Peoria station buys first new RCA "megawatt" (p. 11).

**POPULAR-PRICED COLOR SETS** awaited by telecasters weighing purchases of color equipment; competition growing in color film chains (p. 11).

**NARTB CONVENTION—THE SUMMING UP:** A TV industry deeply conscious of its strength and concomitant responsibilities and a radio industry now optimistic about its economics after several shaky years met this week at NARTB convention in Washington, left with feeling that affairs are in safe hands among the governmental regulators.

Economic background of convention had several distinct characteristics -- pioneer telecasters are beginning to get some competition, seeing more coming as new vhf grants are issued, are working harder to maintain leadership; uhf operators with little or no vhf competition are doing well, but others see no succor except in drastic remedies; the myriad small radio operators, who comprise bulk of NARTB membership, look with envy at successful telecasters and wait for the day when they can assume in TV the same satisfying role they have attained in radio. Against that background, here are what we consider to be the major developments:

\* \* \* \*

Govt. Regulation: "Freedom" was the watchword from every govt. spokesman, from President Eisenhower down. The President was very explicit, stating: "We must grow up with this great force, assuring the freedom of people to express their proper opinions, with the whole industry governed by the same rules that govern newspapers, the normal rules of decency and good taste. As long as those are observed, any proper opinion -- any opinion -- can be expressed before the public." CBS pres. Frank Stanton spoke for the industry later when he said: "I am happy to hear those words, and CBS will not forget them."

FCC is considered more solid and safe than ever, with a chairman and majority who reiterate a "hands off" policy with every public utterance -- enhanced this week by appointment of Richard Mack who comes to FCC with record of stability (see p. 16).

Congress is a somewhat less certain quantity. Though Rep. Priest's remarks were unsettling to some, Sen. Magnuson's speech was calm and careful -- and no one expects crippling legislation to emerge from current Senate study. But networks' present freedom from licensing was questioned by keynote speaker Mark Ethridge, who

asked: "Does the economic and social impact of television make it desirable to review the question of network regulation -- certainly not with the end of making them common carriers, but in the light of the apparent inconsistency of regulating the faucet but not the pump, and in the light of the fact that television has given the networks more power than ever?"

\* \* \* \*

Subscription TV: Pro-toll converts among broadcasters are few indeed. Many operators dismiss pay-TV as something FCC or Congress couldn't conceivably approve. Others are alarmed at momentum it has achieved in some quarters, are trying to alert colleagues before it's too late. Some, among telecasters in economic difficulties or radio operators not yet in TV, are intrigued by pay concept, would like to "give it a try" -- if a "safe" test can be devised (p. 6).

TV's Selling Power: Two sales presentations, Television Bureau of Advertising 5-city survey of grocery shopping and NBC's "Strangers Into Customers", documented an advertising impact even greater than most telecasters realized (p. 6).

Color: Conversion to color is considered inevitable by virtually everyone -- but only a handful of telecasters are buying color equipment, while majority finds no incentive to colorcast until mass-priced receivers are on the horizon. Furthermore, there's fear of obsolescence as equipment continues to be refined (p. 11).

Hometown TV: Though there's still need for more strong outlets in most metropolitan areas, much attention was focused on another potential direction for TV's expansion. Difficult as it is to foresee today, there are those who predict that TV will burgeon as a small-city service, following in the path of radio's postwar expansion from 1056 stations in 1945 to 2835 authorized today.

New formula is needed, one comparable to small-town radio. On the technical side, FCC is preparing it now, drawing up new set of rules for low-power stations and boosters. Equipment makers seemed ready, showing widest variety of low-cost transmitting and studio gear -- some of it made even more attractive by novel "easy payment" plans. Programming and sales side of the small-city TV formula are still relatively undeveloped, crying out for pioneering and imagination (p. 8).

Equality of TV opportunity: Deficit-ridden uhf operators -- those with heavy vhf competition -- listened glumly as FCC Chairman McConnaughey proposed to let them buy 5-megawatt transmitters, to be available in about 2 years at a cost of perhaps \$300-\$400,000. Those wondering if they'd still be in business next month were not impressed by his plan for FCC-sponsored "improvement" of uhf receivers, his enumeration of what Commission is doing to "help uhf," nor Comr. Lee's long-term proposal for re-allocation. Meeting between convention sessions, group of hard-pressed uhf telecasters mapped strategy for last-ditch defense against bankruptcy (p. 10).

It's safe bet Washington won't be convention city again for a long time. Physical layout was completely unsatisfactory -- with shuttling between Shoreham and Sheraton Park Hotels, with exhibits in hard-to-get-at and stifling Shoreham garage and with many delegates forced to room at distant downtown hotels. With sigh of relief, members decided to convene next year in Chicago, where they met last year.

**NETWORK PRESIDENTS SCAN TV HORIZON:** Expressing unabashed pride in their contributions to TV in 10 short years, the 4 TV network presidents also showed keen and serious awareness of TV's unprecedented role in the American scene as they outlined plans for the future, in speeches at NARTB convention.

Presidents of the two most powerful networks, CBS's Frank Stanton and NBC's Sylvester L. Weaver, literally thrilled the not-easily-impressed audience when they projected network programming as far ahead as they could see.

With measured emphasis, the serious-miened Stanton stated: "The strongest sustained attention of America is now, daily and nightly, bestowed on television as it is bestowed on nothing else." In view of this, he said, "the policy of 'giving the public more and more of what it likes' is no longer good enough because it no longer goes far enough. TV could scarcely have gotten started by giving the public what it didn't like -- but the day for a closer inspection of the relationship between TV and its enormous public is now, in my opinion, at hand."

Stanton then disclosed CBS's plan to enlist "outside help" to determine how TV can best "satisfy the public taste and raise it a little, too." CBS will form a committee, "composed of distinguished members of the public representing the arts, religion, labor, industry, education, social and political scientists and television critics." Its job will be to "develop a list of the most difficult, vexing or perplexing questions on which public opinion of all degrees should be solicited as to the role of TV in our society -- and then let these questions be turned over to an experienced professional group for a field study to collect the answers the public gives back." CBS will underwrite cost -- coming to at least \$100,000.

\* \* \* \*

The gangling Pat Weaver, with his love of the word "excitement" and his capacity for generating a lot of it, opened this kind of vista: "In our future TV week, we might have 6 or 7 hours of special programming. First, a 3-hour, all-evening entertainment spectacular. Then a one-hour telementary. Telementaries give background and orientation on a subject like Pete Solomon's 'Three-Two-One-Zero' on the hydrogen bomb or his forthcoming 'Nightmare in Red' on Russia, or our 'India' and 'Tomorrow' telementaries. These are great lasting productions taking as much as a year to prepare and execute. Then we'll have one news-in-perspective show, a form that still escapes all of us, in my opinion. It would represent a relevant, important subject made into a special major report to the people and would be done in time to be hot. This would marry our 'Background' and 'Comment' shows with Ed Murrow's 'See It Now', but with less feature story feeling and more miracle-type coverage." All this, he said, can come only from networks.

If networks went out of existence, Weaver went on, there would be a shift of money from stations "who have proved that they will spend part of their money back in public service -- a shift to program companies and syndicates who will spend their money on shows aimed at the lowest cost-per-1000. Once the hit half-hours develop good ratings, then they will program the cheap half-hour after them in order to hold enough audience at the lower program cost to get a great buy -- and you have set up the chain reaction that will take this great instrument of ours and depress it to a living room toy -- panels, quizzes, B pictures, audience participations, trivia, escape, breaking through the nadir of nepenthe! We are not like the movies -- merchants of dreams, salesmen of escape. We primarily deal with reality. We are communicators, like newspapers and radio at its best."

\* \* \* \*

ABC's Robert Kintner, given the topic "The Business of Television," delivered a thumping defense of TV, of commercials, of networks -- and a ringing denunciation of subscription TV and the limitations of FCC's allocation plan.

"The loss of TV," Kintner said, "even in its present development, would represent an estimated loss of \$40 billion in terms of sales of goods and services which can be credited to TV today...I think that there can be no question on the rightness of advertiser support of TV. Its basic rightness needs no real argument. The American system works, and works well."

Though ABC-TV suffers from lack of "accessibility" to more markets -- out of 233 TV markets, only 42 have 3 or more stations--Kintner warned that legal restrictions on networks aren't the answer. Instead, he said, accessibility should be provided via channel allocations changes; he cautioned that "any Congressional committee, or the FCC should go slowly in further restricting relationships between networks and stations." (For Kintner's views on allocations, see p. 10; on pay TV, p. 6.)

Pioneer TV inventor Dr. Allen B. DuMont reviewed development of TV since its "first seed" appeared with discovery of selenium 138 years ago, then stated: "Perhaps the future technical changes in receivers and equipment are of lesser importance than the world-wide spread of TV itself. Whether the receiver is thin and hangs on the wall like a picture -- whether the picture itself is in color or black-&-white, these things are not as important as the fact that Czechs, Russians, Chinese, Germans, Frenchmen and Indians may watch international sports events, deliberations before the United Nations, and other events of world-wide importance. A world-wide TV network is a certainty some time in the future."

**TV's MIGHTY POLITICAL POWER IN FOCUS:** You'll be hearing a lot about the ground rules for TV as the 1956 political campaigns approach -- with Congress, FCC, networks et al certain to plunge headlong into "equal time" issue. TV's critical influence in making or breaking a candidate grows greater each year -- and this week it impelled CBS president Frank Stanton to suggest Congress amend Section 315 of Communications Act to permit him to offer free network time to Presidential candidates of 2 major parties for series of electronic "Lincoln-Douglas" debates, without necessity of making same offer to candidates of all minor parties (16 of them in 1952).

It's certain to evoke deepest sort of controversy among politicians & broadcasters, whose opinions are sharply divided. As against those who favor more liberal "free time" policy, there are those who say proposals such as Dr. Stanton's place too much power in hands of networks & stations, that they discriminate against legally constituted minority parties.

Divergence of FCC opinion was manifested this week at NARTB convention panel. Miss Hennock, only commissioner favoring free time for political candidates, urged creation of joint Congressional-Presidential committee to make recommendations on subject, even recommending "public treasury" share the cost of financing free time, if necessary. She was challenged by Comr. Doerfer, who commented that under her theory a candidate "shouldn't have to pay for public halls, newspaper space or a brass band." He said that in England the BBC allowed only total of 5½ hours of free time to hundreds of candidates in recent campaign.

Stanton proposes to invite 2 candidates to participate in its sustaining public service programs, and in addition would make "perhaps 2, perhaps 3 hours available free in prime evening time during the 1956 campaign for a modern-day electronic version of the 'Lincoln-Douglas' debates." Proposal drew quick approval of affiliates, to whom it was first broached last week.

Stanton thus explained reasoning behind his proposal: "TV as a full-fledged member of the free press, with perhaps more impact and more excitement than any other part of the press, does have an enormous responsibility in providing information and enlightenment during election campaigns. More and more not only do the politicians look first to TV, but also the voters themselves are turning to TV for the faces and facts upon which they can make the judgment which they finally record in the voting booth."

Both political parties generally endorsed idea as a step in right direction. Spokesman for Democratic National Committee told us: "The idea is promising as far as it goes. However, some safeguard will have to be provided so that a strong, legitimate third party is not frozen out." GOP spokesman commented in same vein.

Sen. Magnuson (D-Wash.), chairman of Interstate & Foreign Commerce Committee, termed Dr. Stanton's proposals "farsighted," said they were "well worth considering because, although it sounds good to say you give equal time to candidates, from practical experience it doesn't work out that way." Interviewed on CBS-TV's "Morning Show," he said he favored changes in provisions of Communications Act, stating:

"I don't know just how we're going to spell it out, whether we'll spell it out in X number of hours or give it to the political parties to distribute among their candidates, but we're going to have to meet the problem -- and I'm glad to see Mr. Stanton was farsighted enough, as head of a big network, to realize it." A bill (S-636) to raise the limit on expenditures by each national political committee to \$12,300,000, partly to account for higher cost of TV, is under consideration of the Senate Rules subcommittee. NARTB pres. Harold Fellows has endorsed it in principle.

N.Y. Times' astute political writer James Reston took up whole problem of TV & politics in 1956 in May 26 column, said: "There is general agreement here that the ability-to-pay principle is not just in a democracy, and that the injustice is likely to increase in direct ratio to the rise in TV costs, but the problem cannot be solved merely by changing the rules to give the Democrats and Republicans free time and blocking out all others." Without mentioning Miss Hennock's proposal, he suggested creation of a Presidential commission, with representatives of public, broadcasters, FCC & major parties, "to explore the problem."

**Personal Notes:** Joseph H. McConnell, ex-NBC pres. resigning as pres. of Colgate-Palmolive Co., named gen. counsel & director of Reynolds Metals, succeeding the late Judge Robert B. Patterson . . . Harry G. Ommerle, CBS-TV program director, named N. Y. v.p. in charge of network programs, coordinating N. Y. programming and reporting to Hubbell Robinson Jr., national v.p. in charge of network programs . . . George Bristol promoted to director of CBS-TV sales presentations . . . Glenn Boundy elected Storer engineering v.p. this week in wake of last week's elevations of Stanton P. Kettler from southern district v.p. to v.p. in charge of operations, succeeded by George B. Storer Jr. in former post, and of John E. McCoy from secy. & house counsel to v.p. in charge of law, finance & engineering . . . H. Leslie Atlass, CBS central div. v.p., to be awarded honorary degree June 5 by Lincoln College, Lincoln, Ill., his home town, where he and his brother Ralph started WBBM in the '20s; presentation will be by Carl Haverlin, pres. of BMI, a Lincoln scholar, who also holds honorary degree from that institution . . . Fred Thrower, v.p.-gen. mgr. of WPIX, N. Y., elected a director of WGN Inc., Chicago . . . Earl H. Gammons, CBS Washington v.p., presented Distinguished Service Certificate by President Eisenhower May 23 for service as 1951-53 vice-chairman of President's Committee on Employment of the Physically Handicapped . . . Charles Moos promoted to NBC labor relations mgr., reporting to personnel director B. Lowell Jacobsen . . . Thomas W. Sarnoff, NBC Hollywood, married May 21 to Janyce Lois Lundon; at home after July 1 at 2000 No. Beverly Dr., Beverly Hills . . . Sol Cornberg, NBC director of studio & plant planning, leaves July 1 for England to serve as consultant to Sidney L. Bernstein, chairman of Granada Theatres Ltd., one of 4 companies granted commercial license by Independent Television Authority, will design TV studio facilities in Manchester . . . Ben Park, NBC-TV network program mgr., Chicago, named director of public affairs, reporting to v.p. Davidson Taylor . . . Patrick J. White promoted from commercial mgr. of KTBS to station mgr. of upcoming KTBS-TV, Shreveport (Ch. 3), due in Sept., reporting to pres.-gen. mgr. E. Newton Wray; Mrs. Marie Gifford will be TV commercial mgr.; Charles Saltgaver, production director . . . Larry Stevens, local sales mgr. of KGMB-TV, Honolulu, resigns to open own ad agency there in early summer . . . Milton F. Komito, ex-WAKR-TV, Akron, named gen. mgr. of WTAP-TV, Parkersburg, W. Va., succeeding Ted Eiland, now gen. mgr. of WJNO-TV, Palm Beach . . . Wm. Craw-

ford resigns as sales mgr. of WABD, N. Y. . . . Wm. P. Breen promoted to new post of southeastern sales supervision in expansion of NBC film div.; John F. Tobin named northeastern sales supervisor, Edward A. Montaus central region, Robert R. Rogers N. Y. City . . . Soren H. Munkhof resigns as gen. mgr. of Hearst's WTVW, Milwaukee, to become consultant for Jerome Sill's upcoming WAGE-TV, Marquette, Mich. (Ch. 6), due in July; he's succeeded by Harry Peck, ex-gen. mgr. of AM affiliate WISN . . . George Greaves, gen. mgr. of radio KNBC, San Francisco, promoted to staff asst. to Thomas C. McCray, gen. mgr. of KRCA, Los Angeles and Pacific div., NBC radio; W. K. McDaniels promoted from sales mgr. to KNBC gen. mgr. . . . Milton Brown promoted to NBC mgr. of program publicity, succeeding Don Bishop, now publicity director of NBC's owned stations, spot sales & WRCA-TV . . . John J. Schneider promoted to v.p. of Biow-Biern-Toigo; he's pres. of National TV Film Council . . . Howard E. Walpert resigns as sales mgr. of WHUM-TV, Reading, Pa., to join TV-radio dept. of Arndt, Preston, Chapin, Lamb & Keene Adv., Philadelphia . . . A. Prose Walker, mgr. of NARTB engineering dept., married last week end to Ellanie Lezos, of GE Washington office . . . B. P. Timothy resigns as gen. sales mgr. of Avery-Knodel Chicago sales office, plans to enter into station ownership in West or Southwest . . . Frank G. Silvernail, BBDO, elected chairman of American Assn. of Advertising Agencies' broadcast media committee; Jane Daly, Earle Ludgin & Co., elected vice chairman; John F. Devine, J. Walker, mgr. of NARTB engineering dept., married this tee, C. Burt Oliver, Foote, Cone & Belding, vice-chairman . . . John H. Allen, ex-Lever Bros., named TV-radio program director, Tatham-Laird Inc. . . . Buckingham Gunn named v.p. & TV-radio director, Clinton E. Frank Adv., Chicago; he's replaced in Foote, Cone & Belding TV-radio dept. by Wm. Hyer, film package producer . . . E. L. (Spike) Colburn, ex-Television Programs of America, named exec. sales director of KBTB, Denver . . . Wm. Patterson appointed TV-radio v.p. for east, John Gaunt for west, Grant Adv. . . . Edwin M. Fisher, ex-*Television Magazine* v.p., joins TV div. of rep Bolling Co.

TV Inc., co-op film purchasing firm with 62 stations as members, this week elected new officers: pres. & chairman, Joe Floyd, KELO-TV, Sioux Falls, S. D.; exec. v.p., W. D. (Dub) Rogers, KDUB-TV, Lubbock, Tex.; secy., Jim Manning, KXLF-TV, Butte; treas., Ed Craney, KXLF-TV.

**National Affiliated Television Stations Inc. (NATS)**, GE-supported organization which proposes to assist TV stations with finances, management, programming & sales (Vol. 11:12,14,21), this week released list of 16 new affiliates (14 of them vhf, including 2 CP-holders), in addition to the 19 disclosed last week. According to NATS v.p. Berman Swartz, new affiliates are: WFIL-TV, Philadelphia (Ch. 6); KMBC-TV, Kansas City (Ch. 9); WNEM-TV, Bay City, Mich. (Ch. 5); KBMB-TV, Bismarck (CP for Ch. 12); WRBL-TV, Columbus, Ga. (Ch. 4); KIEM-TV, Eureka, Cal. (Ch. 3); WINT, Waterloo, Ia. (Ch. 15); KHOL-TV, Kearney, Neb. (Ch. 13); KBES-TV, Medford, Ore. (Ch. 5); KCJB-TV, Minot, N. D. (Ch. 13); WSIX-TV, Nashville (Ch. 8); WOAY-TV, Oak Hill, W. Va. (Ch. 4); WDBO-TV, Orlando, Fla. (Ch. 6); WWLP, Springfield, Mass. (Ch. 61); WTWV, Tupelo, Miss. (CP for Ch. 9); WSBA-TV, York, Pa. (Ch. 43).

Operating in black for first full year in its 6-year history, *Los Angeles Times'* independent KTTV showed profit of \$225,833 last year, compared to loss of \$607,699 in 1953 and \$896,940 in 1952. Last year's gross revenue totaled \$5,640,555, compared to \$4,011,981 for 1953.

Citations at NARTB convention: To Mark Ethridge, publisher of *Louisville Courier-Journal* (WHAS-TV & WHAS) and 1936 pres. of old NAB, annual convention keynote award, previously bestowed on RCA-NBC's David Sarnoff and CBS's Wm. S. Paley; to James C. Hagerty, White House press secy., "TV Pioneers" award of *Sponsor Magazine* for making possible televising of presidential press conferences, with citations to TV newsmen Bryson Rash of ABC, Lewis Shollenberger of CBS, Julian Goodman of NBC, who worked with him on technical aspects; to Mr. Hagerty again for same reason by Radio & TV Executives Society of N. Y., presented at White House May 22 by WQXR's Elliott Sanger & NAM's G. W. (Johnny) Johnstone; to ex-President Herbert Hoover, Radio Hall of Fame citation by Radio Pioneers, with citations to NBC pres. Pat Weaver, CBS network radio sales v.p. John J. Karol, Jack Benny, Fred Allen. Placed in Radio Hall of Fame was Joseph Henry, pioneer physicist (1797-1878).

Most valuable sales research book of the year, just off the press: *Sale's Management's "Survey of Buying Power"* (Bill Bros. Publishing Corp., \$4.).

**POWERFUL SALES stimulus of TV** advertising, how it moves merchandise faster than any other medium, was graphically illustrated in 2 separate but closely-related film presentations at NARTB convention. First was NBC's "Strangers Into Customers," a comprehensive survey of TV's impact on Ft. Wayne since its first station, uhf WKJG-TV, went on air in Nov. 1953. Second was Television Bureau of Advertising's 5-city survey of grocery shopping revealing TV as dominant influence in sales in 12 out of 15 food categories.

NBC's \$250,000 Ft. Wayne project, which research director Hugh Beville termed "the major achievement of my 25 years as a broadcast researcher," was truly an eye-opener. Largest research project ever undertaken by NBC, survey was conducted by W. R. Simmons Co. research firm in 2 parts—the first in Oct. 1953, month before station went on air, the second among same interviewees 6 months later. Major findings:

(1) After getting TV, consumers increased total exposure to all media by 41%, with TV getting lion's share; set owners watched TV average of 173 min. per day, compared to 94 min. for newspapers, magazines & radio combined. (2) TV accounted for 7 out of every 10 advertising impressions absorbed. (3) TV increased average brand-awareness by 45%, brand-product association by 59%, trademark recognition by 68%. (4) TV-advertised brands increased share of purchasers by 19% in typical package-goods field, while non-TV brands fell off 11%. (5) Most-advertised brands on TV increased business 48%, while brands with small TV schedules increased only 28%. (6) Four dealers out of 10 stocked new brands as result of TV advertising, with retailers favoring TV over newspapers almost 3 to 1 and over magazines almost 10 to 1 as "doing the best job of moving goods." Project was under supervision of NBC research mgr. Thomas E. Coffin.

**NO TOLL TV FRACAS** developed at NARTB convention — because rank-&-file endorses board's stand and because sizeable portion of membership is indifferent about the whole issue. A few minor efforts to precipitate debate aborted.

NARTB pres. Harold Fellows obviously spoke for majority when he stated: "There are times when it is not prudent, or for that matter fair, to try the issues in public before they have been considered by the established Federal authority in the matter."

As for networks' stand, CBS and ABC have already made positions clear (Vol. 11:21), ABC's pres. Robert Kintner again stating opposition in address during convention. NBC's attitude, as stated by RCA-NBC chairman David Sarnoff 2 years ago and quoted in current *Newsweek* article, remains unchanged. It's understood that NBC will take position in formal comments to FCC June 9 (a) that subscription TV is designed to make a "Hollywood cash box" out of TV; (b) that there can be no "peaceful coexistence" between free and fee TV because top-rated network shows would inevitably move over to pay-as-you-look.

"No fee-no see" will be NBC's war-cry, counterpart of CBS's slogan "TV can't exist half fee and half free." It won't be surprising if NBC, as well as CBS, opens up facilities for more debates on subject (Vol. 11:21)—impressed by reversal of sentiment expressed in letters to FCC as result of recent Bonfig-Starr debate (Vol. 11:21).

Kintner stated he had no doubt that paid TV could outbid free for best programs and that "the result would be not only a serious effect on advertising—a basic part of

Another aspect of Ft. Wayne survey, sociological impact of TV, was to be shown on NBC-TV's *Background* May 29. Filmed separately by NBC as a parallel project to sales promotion, it showed among other things that quality reading went up, light fiction & love stories down; attendance at club meetings & bridge parties decreased; clergymen found it harder to get contributions while sets were being paid for; husbands spent more evenings at home; scholarship in schools improved.

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TvB presentation by pres. Oliver Treyz, titled "Television—the Selling Machine," revealed that in just-completed survey conducted for it by Nielsen in Syracuse, Tarrytown & Peekskill, N. Y., and Fresno & suburban San Francisco, grocery shoppers were asked to reveal which advertising medium influenced them most to buy specific brands. TV was found to be first in brand purchases of soaps & cleansers, baked products, dairy products, cereals, coffee & tea, frozen foods, soups, pet foods, drugs, soft drinks, cigarettes & paper products—all but 3 of the categories covered. TV's influence was represented in 54% of dollar volume of all items purchased, magazines 27%, newspapers 11%, radio 8%.

Treyz further illustrated TV's potential selling power by another recent Nielsen survey of sudsless detergent field. It showed 15,100,000 families, 13,100,000 of them TV owners, use automatic washing machines. By buying 10 spot announcements a week on 126 member TV stations alone, said Treyz, a detergent manufacturer could achieve 42,000,000 "sales impacts" at cost of only \$1.37 per 1000, far lower price than any other medium.

Of the 13,000,000 U. S. homes which do not now have TV set, said Treyz, 10,200,000 are in TV areas, 2,800,000 out of TV signal range. He said average TV viewing is now 5 hours, 15 min. per day, "meaning that the average TV set, like its owner, also works 40 hours a week."

our economy—but a more limited use of TV facilities that would not be in the public interest."

"I am afraid," he added, "that we have not been too successful in bringing home to the public the economic and social implications of subscription TV . . . If you merely assume that the public will be against paid TV per se, you may be in for an awakening." He described telephone survey conducted by ABC in March "before the hullabaloo really began" in Baltimore, Los Angeles & New York. Most of the 800 polled hadn't heard of pay TV. Opinion was 2-to-1 against it, he said, "but the significant part of the survey, in my judgment, was that the 'against' answers were much higher among people who actually understood subscription TV than from those who had heard nothing about it."

"We do not consider this survey definitive," he went on, "but I think it does point out the need to expose free broadcasting as a part of our economic system, and as a principal method of all-day-long entertainment and information. There is need to do it quickly."

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There were several attempts to inject toll-TV controversy into NARTB deliberations. During FM session, Ben Strouse, operator of WWDC & WWDC-FM, Washington, and major stockholder of off-air WFMZ-TV, Allentown, Pa. (Ch. 67), submitted following resolution which was rejected: "It is correct as a matter of law, principle and public interest for a broadcast licensee to make a direct charge to a listener for a service rendered by the broadcaster over his licensed frequency."

Gene O'Fallon, owner of KFEL-TV, a former NARTB member, circulated petition asking repudiation of NARTB stand, working under acgis of International Telemeter. He

reported following signers: Ernest M. Thwaites, KFUN, Las Vegas; Jack Wallace, of CP-holder KBST-TV, Big Spring, Tex. (Ch. 4); Franz Robischon, KWRN, Reno; Richard Davis, CP-holder WELI-TV, New Haven, Conn. (Ch. 59); Frank J. Collins, WTVU, Scranton, Pa. (Ch. 73); John Doley, WACH-TV, Newport News, Va. (Ch. 33); Lewis O. Seibert, KGKL, San Angelo.

At NARTB business meeting, Edgar Kobak, WTWA, Thomson, Ga., tendered his proposal that toll radio be added to toll TV consideration (Vol. 11:21), but resolution was tabled. Dave Baylor, KCSJ-TV, Pueblo, Colo. (Ch. 5) sought to introduce resolution in favor of pay TV but submitted it after deadline, was informed it was out of order.

UHF Industry Committee, meeting in session separate from NARTB convention, first considered pro-pay stand, finally settled on this statement: "The Committee reaffirmed its position that subscription TV should be fully considered by the FCC in order to determine its capacity to provide additional program service for the public and revenues for all stations in a practical manner and consistent with the best interest of the public and broadcasters. The Committee does not endorse or oppose subscription TV."



Zenith continued its skillful promotional campaign, inviting broadcasters and press to demonstrations in hotel suite—and a veritable "Who's Who" of Washington correspondents showed up. Some, like N. Y. *Herald Tribune's* Roscoe Drummond, were quite impressed. He said pay TV should be permitted a test in the marketplace—"Why not let the consumer decide?" His paper took slightly different tack in editorial, stating: "Certainly the fact that TV has managed in a very brief time to become the prime American entertainment medium is a powerful argument against altering the current arrangement. Furthermore, the possibility that many programs which are now free might suddenly become subject to extra charges cannot be overlooked. Nevertheless, if a substantial number of viewers are interested in subscription TV, there seems no good reason why it cannot exist side by side with commercial TV."

*Washington News*, though its TV columnist's poll showed public 7-to-1 against and its movie columnist put pay TV in class with "such enlightened projects as the poll tax, infanticide, lynching bees and hillbilly music," plumped for a tryout, editorializing: "Soap operas and ancient cowboy movies needn't be put out of the TV business. Lots of people seem to like them. But others want to look at something else and are willing to pay for it. They ought to be granted the opportunity."

Zenith publicist Millard Faught says that a tryout is all Zenith wants, but "it shouldn't be so hedged with restrictions that it isn't fair." He said Zenith would like to introduce it to at least one large and one small city. He estimated Zenith has spent \$7-8,000,000 on project to date.

Stung by CBS's attack (Vol. 11:21), Zenith pres. E. F. McDonald shot back with assertion that people wouldn't pay a nickel for any CBS show on pay system; that networks shouldn't be permitted to go into subscription business. And he opened up on a front recently quiet—an attack on commercials—with declaration that pay-as-you-look TV would carry no advertising.

CBC has rejected toll TV for Canada, chairman A. D. Dunton telling House of Commons committee that study indicates that it's complicated, expensive and impractical—and that public reaction would be unfavorable.

Paramount Pictures' International Telemeter, while pushing for FCC approval of tollcasting, is still considering closed-circuit system which needs no Commission approval. Spokesman said Telemeter estimates it would cost about \$100 per home to wire up a town.

**Network Accounts:** Walt Disney's next big ABC-TV project is 90-min. preview of his Disneyland Park near Anaheim, Cal. July 17, Sun. 7:30-9 p.m., tour through fabulous combination "amusement park, world's Fair & museum." Sponsors are American Motors, thru Geyer Adv.; Swift & Co., thru J. Walter Thompson & McCann-Erickson; Gibson Greeting Cards, thru A. A. Christiansen Adv., Chicago . . . Procter & Gamble to sponsor Janis Paige's *The Four of Us* on CBS-TV starting Sept. 10, Sat. 9:30-10 p.m., thru Young & Rubicam . . . Kellogg Co. to sponsor *Wild Bill Hickok Show* on CBS-TV starting June 5, Sun. 11:30-noon, thru Leo Burnett Co. . . . Toni to sponsor *Dollar a Second* on NBC-TV starting July 5, Tue. 9:30-10 p.m., thru Weiss & Geller . . . Carter Products & Geritol to be alt. sponsors of Marie Wilson's *Miss Pepperdine* on CBS-TV starting in fall, Tue. 8:30-9 p.m., thru Sullivan, Stauffer, Colwell & Bayles and Edward Kletter & Assoc. . . . Sheaffer Pen & Maytag to be alt. sponsors of *Joe and Mabel* on CBS-TV starting in fall, Tue. 9-9:30 p.m., thru Russel M. Seeds & McCann-Erickson . . . Procter & Gamble and Borden Co. to sponsor *America's Greatest Bands* as summer replacement for *Jackie Gleason Show* on CBS-TV starting June 25, Sat. 8-9 p.m., thru Compton Adv. & Bryan Houston Inc. . . . Lentheric & Emerson Drug to switch *Chance of a Lifetime* from DuMont to ABC-TV starting July 3, Sun. 9-9:30 p.m., thru Cunningham & Walsh and Lennen & Newell . . . Campbell Soup to cancel *Dear Phoebe* on CBS-TV, retaining Fri. 9:30-10 p.m. segment for undetermined new show . . . Colgate-Palmolive (Lustre net hair spray) buys 2 partic. a week for 13 weeks on CBS-TV's west coast *Panorama Pacific* starting June 15, Mon.-thru-Fri. 7-9 a.m., thru Lennen & Newell . . . NBC-TV switches Art Linkletter's *People Are Funny* to Sat. 9-9:30 p.m. in fall, replacing *Imogene Coca Show*, which will be moved to another period . . . CBS-TV may change format of *Morning Show*, Mon.-thru-Fri. 7-9 a.m., to emphasize news rather than entertainment; host Jack Paar this week asked to be relieved on show, saying his forte was entertainment.



CBS Radio & affiliates board this week proposed an equal rate for day and night every day in week. It would involve increasing weekend rates 5% to equalize them with weekdays and bringing down night rates to daytime level. Statement said "new proposal would merely serve to eliminate the complicated and cumbersome discount structure that prevails under the present system. It would in no regard lower the time cost to the advertiser . . . It would eliminate such factors as day-night conversions in station payments." Network also advanced proposal for reduction of payments to stations, to be offset by increased number of 70-sec. station breaks and increase in co-op programming which stations can sell locally.

Mutual's plan to hypo time sales, as proposed to affiliates meeting in Washington May 22, involves: (1) Additional 5-min. programs, on which stations need only carry commercials, which will be fed to affiliates each day via closed circuit, recorded and carried as run-of-schedule announcements. (2) Greater use of 6-sec. IDs, on which stations will be paid on double-up arrangement on basis of one-min. commercial program. (3) Chopping up 5-min. of commercial time on daytime partic. 30-min. programs into varied lengths to permit more flexible sales patterns. Affiliates will vote on proposals at future meeting.

NBC Radio to spend \$1,675,000 during June to promote its upcoming Monitor round-the-clock weekend service which debuts June 12 (Vol. 11:15). Promotion includes 248 announcements on NBC-TV, 336 on radio network, plus newspaper & magazine space.

**Telecasting Notes:** "Our program standards should not rely on mass ratings alone to judge their effectiveness. That concept must be extended by thinking more in terms of fundamental perception. We should, with equal force, represent the best standards of entertainment, the press, the educational institution, the church, the public forum and a multiplicity of other entities." So said John Fetzer in his farewell remarks on retiring as chairman of NARTB code review board this week. He said code now has 250 station members, plus the 4 networks, and its internal operations are "running smooth as silk" . . . TV code was likened to legal, medical or journalistic codes of ethics by Fetzer, in what was to us one of most significant speeches at convention. These older professions, he said, have learned that it's better to write their own ground rules than to wait until someone else writes them . . . "I raise a voice," said Fetzer—"querulous though it may sound, and perhaps itself tinged with guilt and misgivings—against the disturbing evidence that, to some in our industry, a dollar is a more important commodity than self-respect. It is not. A dollar in TV does not buy self-respect; on the contrary, self-respect attracts dollars." Telecasters who have adhered most faithfully to the code, he added, are those who generally have been commercially successful. "This must represent some sort of equation that should be of more than passing interest to all broadcasters: If you have a code, and you live up to it, you are more apt to be liked by more people" . . . CBS-TV's 90-min. Sat. night special programs (Vol. 11:20-21) have tentatively been titled *Jubilee*; network also plans special 90-min. color shows on Tue. & Thu., but probably not on regular basis . . . NBC takes jibe at CBS in trade ads featuring reproduction of *Variety* May 11 headline: "CBS-TV to 'Spec It Up,' Too" . . . Hailing CBS program plans, *New York Times* TV-radio critic Jack Gould wrote May 22: "The significance of the impending [NBC-CBS] battle from the viewer's standpoint is that the historic pattern of broadcasting is now all but junked. Well-ordered little hours and half-hours that come around each week with monotonous regularity may still be with us, but their days are numbered. TV has dipped its toes in the show business; now it is taking the big plunge" . . . Black-&-white spectacles are on NBC program for summer—called "summer specials," series of 4 shows will be in Sat. & Sun. night spots usually occupied by Max Liebman color shows. First will be *Remember—1938*, with Groucho Marx, Ethel Barrymore, Oscar Levant June 19. Others will be musi-

cal version of *Trilby*, with Carol Channing & Basil Rathbone, and musical *One Touch of Venus*, brought to New York after run at Dallas State Fair, and starring Russell Nye . . . Another TV hit becomes movie: Rod Serling's *Patterns*, first presented on NBC-TV's *Kraft Theatre* Jan. 12 and repeated Feb. 9 (Vol. 11:7) will be produced in New York as theatrical film starring Van Heflin and directed by Fielder Cooke, who directed original TV play . . . Sid Caesar and TV-movie writer Charles Peck form new company to film series of hour-long TV documentaries on O.S.S. activities during World War II . . . TV sells furs—\$2,000,000 worth of rabbit, raccoon and opossum—and has practically cleaned the market out of wolf tails and used furs, according to pres. Louis A. Cohen of American Fur Merchants Assn. The cause of it all—fur hats inspired by *Disneyland's* Davy Crockett.

Rate increases: July 1, WDSU-TV, New Orleans, raises base hour from \$700 to \$850, min. \$150 to \$180; WABT, Birmingham, has added new Class AA hour (7-9:30 p.m. daily) at \$750, min. at \$185, Class A hour remaining \$650; KTVT, Salt Lake City, has raised base hour from \$550 to \$600, min. \$100 to \$125, and added new Class AA min. only rate (7:29-9:30 p.m. daily) at \$150; KEDD, Wichita, Kan. has added new Class AA hour (7-9:30 p.m. daily) at \$425, min. at \$85, Class A hour remaining \$375; WKJG-TV, Fort Wayne, has new Class AA hour (7-10 p.m. daily) at \$400, min. at \$80, Class A hour remaining \$350; WSBT-TV, South Bend, base hour from \$300 to \$400, min. \$60 to \$80; KGNC-TV, Amarillo, hour from \$250 to \$300, min. \$50 to \$70; KGLO-TV, Mason City, Ia. hour \$200 to \$250, min. \$40 to \$50; KOAM-TV, Pittsburg, Kan. hour \$200 to \$250, min. \$40 to \$50; KGBT-TV, Harlingen, Tex. hour \$200 to \$250, min. \$40 to \$50; KOAT-TV, Albuquerque, hour \$160 to \$200, min. \$26 to \$35; June 15, WLEX-TV, Lexington, raises base hour from \$150 to \$165; also June 15, combination hour for Phoenix's KOOL-TV & Tucson's KOPO-TV goes from \$573.75 to \$637.50, min. \$55.25 to \$124.10.

NBC-TV previews its *Wide, Wide World* series on "Producers Showcase" June 27, Mon. 7:30-9 p.m., featuring 17 live pickups from U. S., Canada & Mexico. Canadian origination will be from Shakespearean Festival at Stratford, Ont., Mexican from Tijuana. A favorite project of NBC pres. Pat Weaver, series is expected to get regular network position on Sun. this fall; AT&T is still reported interested in sponsoring.

**LOW-POWERED** and low-priced TV transmitting equipment for boosters & satellites and small local stations got plenty of attention at NARTB convention this week, as manufacturers showed new transmitters and other gear—even a complete TV station with 2 studio cameras and film equipment for as little as \$50,000.

Equipment makers are betting on outcome of 2 pending FCC rule-making proceedings—involving on-channel boosters and low-power stations. Eventual approval of these proposals in some form is virtual certainty, and manufacturers were getting ready this week, hawking their wares and arousing plenty of interest.

How big will the low-power TV market be? Leonard Rooney, mgr. of new product sales for Sylvania (which operates 2 experimental satellites and one booster in Emporium, Pa., and plans to manufacture low-power equipment) gives these estimates: Nearly 1400 low-power stations may be built in next 5 years, representing \$32,500,000 in total equipment sales, with

transmitters accounting for about one-third of that figure. He breaks down potential into: (1) 375 satellites operating under present power-height rules, with no local originations. (2) 600 low-power stations, under proposed rules, "repeating" most programs as satellites but capable of inserting local commercials. These stations would cost \$35-\$40,000 each. (3) 400 boosters (amplifying transmitters) costing about \$15-\$20,000 each.

Out to get some of this business is a group of newer and smaller companies, and companies which previously haven't been identified with transmitter sales. One big name company planning to offer complete low-power TV station packages is Philco, which will include transmitters built by Adler Communications Labs, cameras by Kay-Lab.

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Banking heavily on low-cost low-power stations, Dage Television div. of Thompson Products Inc. showed its 200-watt transmitter, available in package as complete local station with 2 live vidicon cameras and film chain—including everything needed for year's operation, even down to make-up kit—for \$51,383. Package with film camera only is \$34,904, with one live camera \$45,865. Also featured by

Dage was remote-control vidicon camera chain, said to be only one of its kind.

Plunging heavily into telecasting equipment is telecaster-manufacturer Sarkes Tarzian, who announced availability by next fall of 200-watt vhf transmitters at \$7500-\$7900, 500-watt vhf at \$14,500, 100 & 250-watt uhf at \$8000-\$13,900. Novel plan of Sarkes Tarzian Inc. is a proposed combination TV & AM station which can be set up for \$50,000, including programming aid, etc. Idea is to simulcast local TV-radio programs, with one man controlling all equipment, making it possible to sell combination TV-AM time at about twice AM rate. For existing AM stations, it would cost about \$40,000 to add TV.

Other new Sarkes Tarzian equipment shown at NARTB convention included automatic 100-slide projector at \$1295—especially suited for local commercials in satellite operation—in which entire day's slides may be set up in advance, any slide selected by remote control. Also shown was vidicon film chain at \$3600, studio vidicon chain with 5-in. viewfinder at \$4500. Complete live-film-slide station, less transmitter, was priced at \$25,000.

Adler Communications Laboratories, which is operating experimental booster in Waterbury, Conn., and built satellite in Manson, Wash., showed 150-watt transmitters for \$13,865 in uhf, \$7500 in vhf. For complete 20-watt "translator" satellite, which picks up signals on one channel, converts them to another without demodulating, price is \$13,500, with all necessary equipment, including 100-ft. tower. Complete 150-watt uhf station would cost \$21,000 installed (not including originating equipment), with annual power bill of \$800-\$1000. ACL points out that big advantage of "translator" type satellite is original low cost combined with unattended operation.

Among other low-power transmitters featured at convention show were DuMont's vhf 50-watt transmitters priced at \$9500 and capable of being increased to 150 watts, and Gates' vhf 100-watt unit at \$5250.

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Studio equipment designed for low-cost community operation was featured by several manufacturers, including Kay Lab, which showed entirely new broadcast line, available on lease. Dual camera chain, with associated equipment, would cost \$20.70 a day, film chain with projectors and sync generator \$16.50. Under lease plan, \$5000 worth of equipment may be leased for \$229 a month on 24-month lease, and at end of period can be purchased for \$750 or lease renewed at \$20.83 a month. Kay Lab showed vidicon camera chain with 5-in. viewfinder, rear turret and zoom controls at \$6500, designed for studio or remote use. It also showed vidicon film chain at \$4766.

Unattended and one-man control was keynote of "station automation" displays. Vandivere Laboratories Inc. showed its Program Sequencer (Vol. 11:13). GE had tape-controlled system which automatically handles all station breaks, commercials and film & slide programming, making attended operation unnecessary. GE broadcast equipment gen. mgr. Paul Chamberlain predicted most stations would be using automation systems for film and slide programming within 3 years. For one-man operation, Teleprompter Corp. demonstrated system whereby announcer controls entire telecast. By manipulating small hand control while on camera, he runs Teleprompter at desired speed—and Teleprompter in turn cues recorded commercials, films and slides, which may be inserted at any prearranged points in the program.

Prodelin Inc. showed unusual plastic-enclosed uhf antenna designed for small stations. Designated "Cover-Loop," it's available in gains of from 2 to 8, beginning at about \$1200 for 2-gain. It requires no painting or de-icing. Prodelin pres. L. A. Bondon estimated \$17,000,000 would be spent on low-power telecasting equipment.

**T**WO GRANTS were awarded this week by FCC, which felt that NARTB convention in Washington was fine thing because Commission stayed at home and got a lot of work done. Grants were a final decision favoring WREC over WMPS for Memphis' Ch. 3 and a CP on Ch. 12 to KMVI, Maui, Hawaii, which proposes to repeat programs of KONA-TV, Honolulu.

Commission gave nod to Hoyt Wooten's WREC because of better record of radio performance and ownership-management integration, saying WREC "is the more reliable applicant in its sense of responsibility in the fulfillment of the public trust."

In one unique action, Commission voted to reserve Ch. 13 in Monroe, La. for educational use—with Comrs. Hyde, Doerfer & Lee dissenting.

TV set maker H. L. Hoffman, operator of KOVR, Stockton, Cal. (Ch. 13), petitioned FCC to shift channel's assignment to San Francisco-Oakland and designate his station a San Francisco operation.

Appeal to Supreme Court, asking reversal of Court of Appeals decision voiding multiple ownership rules (Vol. 11:9), was sought by FCC this week as it asked high court for writ of certiorari. Acting on appeal of Storer Bestg. Co., appeals court had ruled that Commission has no right to set numerical limit on number of stations anyone can own and that every application is entitled to a hearing. At same time, Commission turned down Storer's petition asking that his old Ch. 10 application for Miami be reinstated, citing rights of other Ch. 10 applicants and Storer's failure to complain when application was dismissed. Also turned down was petition of WWTW, Cadillac, Mich. (Ch. 13) that WJRT, Flint (Ch. 12) be stayed from building near Saginaw.

WITV, Ft. Lauderdale, asked Commission to amend its rules to provide that "no license shall be granted to a TV station that broadcasts the programs of more than one network if there is another TV station in the same area ready and willing to affiliate with and broadcast the programs of the second network."

KWTX-TV, Waco, Tex. (Ch. 10) dismissed its anti-trust protest against power increase granted KTBC-TV, Austin (Vol. 11:18) after obtaining ABC affiliation.

NBC's purchase of WKNB-TV, New Britain, Conn. (Ch. 30) and radio WKNB (Vol. 11:2,5) was set for oral argument June 20 before full Commission, with objectors WNHC-TV, New Haven (Ch. 8) and WTAR-TV, Waterbury, Conn. (Ch. 53) participating. Issues in hearing will be whether overlap between NBC's New York stations and the New Britain outlets violates duopoly rules and whether NBC's purchase would substantially restrain TV competition in New Britain area. NBC's proposed move of the channel from New Britain to Mt. Higby was not made issue of hearing. Comrs. Webster & Bartley dissented and voted for full evidentiary hearing; Comr. Henock, in written dissent, urged fullscale hearing to show "horrendous impact on our society" of NBC's proposed purchase of WKNB-TV and Philadelphia's WPTZ, both in area contiguous to New York.

Proposed Armed Forces TV station on Guam (Vol. 11:16) drew objection this week from pres. Harry Engel of radio KUAM, Agana, Guam, who claimed in letter to FCC that low-power Ch. 8 outlet there would constitute "unfair competition." He asked Commission to "deny the request of the Armed Forces Radio Service" for use of Ch. 8 on Guam. Actually, FCC has no jurisdiction over military use of frequencies but acts in advisory capacity.

**F**IVE-MEGAWATT power ceiling for uhf will soon be proposed by FCC, and Commission will request "information concerning the possibility of improving the sensitivity of uhf receivers," Chairman McConnaughey revealed in May 24 address to NARTB. Leading transmitter makers tell us they can make 3-5 megawatt installations available at \$300-\$400,000 in 2 years or less, if there's any market for them.

Though uhf problems weren't on NARTB agenda, the Washington convention served as a backdrop not only for McConnaughey's proposals but for these other developments aimed at "equality of opportunity" among all TV channels:

(1) FCC Comr. Lee urged complete reallocation of radio spectrum as "long-range permanent solution" to uhf and other allocations problems. He presented a sample allocation plan, which would include 47 contiguous TV channels, beginning at 60 mc (Ch. 3) and running to 342 mc. His sample was submitted "solely to stimulate interest," he said, adding that final solution may require 3-15 years.

(2) Group of 45 uhf operators, meeting under aegis of UHF Industry Coordinating Committee, headed by Harold Thoms (WISE-TV, Asheville, N. C.) and Fred Weber (WFPG-TV, Atlantic City, now off air), worked up new proposal, undisclosed but presumed to relate to allocations, to present to FCC, and started concerted drive for moratorium on equipment and film payments and for greater availability of network programs.

(3) Chairman Magnuson (D-Wash.) of Senate Commerce Committee announced that his committee's TV hearings—centered around plight of uhf—won't begin until after Congress recesses this summer, but there was speculation that it might be fall or even winter before sessions get under way.

(4) ABC pres. Robert E. Kintner called for "quick action" on deintermixture, on market-by-market basis.

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McConnaughey's announcement of an FCC drive to improve uhf sets came as a surprise. Apparently this was a very recent proposal at the Commission, and ideas on how it is to be carried out aren't yet very well formed. Its purpose, apparently, is to use "moral suasion" to induce manufacturers to develop better receivers.

The 5-megawatt ERP proposal is due to come out in form of rule-making soon. We checked 2 top transmitter makers, neither of whom saw any insurmountable technical obstacles—high-power tubes already being under development, presumably for military requirements. RCA has triode in the works which could deliver 60-100 kw transmitter power, 3-megawatt or greater ERP with high-gain antenna. It would require expenditure of another

\$300,000 to complete the development, and this would have to be justified by demand. RCA spokesman said company hasn't decided whether to go ahead with it, though interest has been expressed by NBC, Storer and Wilkes-Barre's WBRE-TV. It probably could be ready in 1½-2 years.

GE says it can supply 5-megawatt unit "about one year after FCC approval" if there's any demand for it—"but there's no stampede even to 1-megawatt now." GE would get this power by using four 30-kw klystrons in transmitter, with 50-gain antenna, would require orders from about 5 stations to justify development. A company spokesman pointed out that GE's 1-megawatt installation in Wilkes-Barre could be boosted to about 2-megawatts by using 50-gain antenna.

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Magnuson told May 26 convention luncheon that his committee's forthcoming hearings won't be "looking for the villain in the piece," but will look into state of competition in TV industry, availability of programs, affiliation practices of networks. "We will hold hearings," he said, "when we are ready to hold constructive hearings and only then." He said he had written to Chairman Byrd (D-Va.) of Senate Finance Committee urging exemption of all-channel sets from Federal excise tax.

Commission appeared at brief public hearing this week before Sen. Magnuson in his capacity as chairman of independent offices appropriations subcommittee, to justify House-approved appropriation of \$6,870,000 for fiscal 1956, including an extra \$90,000 for processing backlog and \$80,000 for an FCC network investigation (Vol. 11:14). At a preliminary closed meeting with Sens. Magnuson and Dirksen (R-Ill.), McConnaughey apparently dropped his proposal for a much larger-scale investigation of entire TV-radio industry (Vol. 11:16) in return for Magnuson's support of the \$80,000 appropriation for more limited study of networks.

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Kintner, whose ABC network has most to gain from any deintermixture plan, told NARTB members that only 42 of the nation's 233 TV markets have 3 or more stations. "Under present allocations," he said, 165 markets will continue to be monopoly and duopoly in the vhf channels for the foreseeable future." He recommended area-by-area deintermixture as "a practical and immediate solution to permit a greater variety of national programming and a greater choice to which the public is entitled," referring to Boston, New Orleans, Miami, Pittsburgh and St. Louis as major markets where deintermixture can be accomplished. He also asked speedy FCC action on drops—allocation of new vhf channels which will fit in the suburbs of major markets. As a third "partial solution" he urged careful consideration of switching educational vhf allocations to commercial operation in certain markets, substituting uhf channels for the educators.

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Noting success with remote control of non-directional AM stations—630,970 hours of operation with lost-air figure of only .04%—NARTB engineering mgr. A. Prose Walker told conference this week that petition for remote control of directional and high-power stations would be filed with FCC in Aug. or Sept. He said that 19 lower-powered directional stations have operated experimentally with no problems and that experiments would be undertaken with at least one 50-kw station. "Modern transmitters and directional arrays," he said, "have reached such a high degree of stability as to warrant a change in the rules now requiring that first-class operators remain on duty." Walker declared that "there is a critical shortage of skilled engineers in this country today, and it ill behooves us not to devote our attention to more efficient methods of operation." Almost 700 radio stations have obtained FCC permission to operate by remote control.

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Renewed interest in FM has been sparked by FCC's new multiplex rules, with quite a few stations visualizing new methods of getting on more profitable basis. This was evident at NARTB FM sessions and multiplex equipment exhibits and demonstrations. Multiplex Development Corp. pres. Wm. S. Halstead told engineering session cost will be so reasonable the broadcaster can realize his investment in less than year, that equipment will be available on 60-90 day basis, that "multiplexing will open up a whole new industry." Some panel speakers disagreed, urging operators to "keep FM in the broadcasting business."

Automatic programming of radio stations 15 hours daily, via tape, will be possible in near future, according to Ampex research engineer Philip Smaller, who told NARTB engineering conference that tapes handling 9 hours are now commercially available.

**F**IRST TV stations went on air this week in 2 small communities, and a uhf station resumed operation after being off air 7 months. KOTA-TV, Rapid City, S. D. (Ch. 3) opened up an entirely new TV area, KLFY-TV (Ch. 10) brought first local service to Lafayette, La., and WTOV-TV (Ch. 27) started up again in Norfolk area—bringing total on air to 433, of which 108 are uhf.

Rapid City, 220 mi. from nearest station, will get its first programs late in June, following month of test patterns. It has 500-watt RCA transmitter, 3-bay antenna on 300-ft. Fisher tower formerly used for FM. Owner is local clothier Helen S. Duhamel, who recently bought local radio KOTA. Gen. mgr. is Leo Borin; Wm. F. Turner, business mgr.; N. Heffron, program director; Bob Musfeldt, chief engineer. Base rate is \$150. Rep is Headley-Reed.

KLFY-TV started test patterns this week in Lafayette, 52 mi. from nearest outlets in Baton Rouge. CBS-affiliated, it has 5-kw DuMont transmitter, 12-bay RCA antenna on 483-ft. Trilsch tower. Earlier this year, DeClouet family which owns KLFY bought out *Lafayette Advertiser's* KVOL-TV, with which it shared CP (Vol. 11:4). Wm. Patton is gen. mgr.; John H. Selleck, program director; Maurice Wynne, chief engineer. Base rate is \$200. Reps are Venard, Rintoul & McConnell, and Clarke Brown for south.

WTOV-TV resumed operation May 25 under new owner Temus Bright, having been dark since last Oct. (Vol. 10:40). It's second uhf in area to return to air, New-

**Color Trends & Briefs:** Color still awaits the mass-priced receiver. Though excellent choice of good live & film originating equipment dominated exhibits at NARTB convention this week, and though telecasters with well-saturated black-&-white markets look to color to strengthen their rate cards, no great rush to buy equipment developed. Instead, the heretofore modest flow of purchases is likely to continue.

There's no question that bigger telecasters would commit themselves heavily in color equipment if they felt confident that by so doing they would stimulate rapid growth in color set distribution. Price of today's sets, they say, offers little prospect of that.

Greatest activity continues in film chains—film being cheapest and easiest way for stations to originate color. RCA and DuMont have had market mostly to themselves up to now, with Philco playing a smaller role. GE has finished its developmental work, is making determined effort to catch up. In addition, many smaller companies have found RCA's 3-vidicon approach within their capabilities and are chipping away at major manufacturers' dominant position. Dage, GPL & Telechrome showed vidicon color cameras, some proposing them also for limited live use. Tel-Instrument offered associated equipment, such as color bar and sync generators, while Raytheon and Motorola presented color-handling microwave equipment.

RCA had most extensive exhibit, demonstrating live, film & slide equipment, feeding signals to numerous home-type receivers. GE showed its live "Chromacoder" camera but put most emphasis on continuous-film CR scanner.

DuMont's new "Vitascan" equipment for presenting live shows with CR scanner (Vol. 11:21) drew much comment—of all kinds. Some operators are ready to sign contracts, visualizing equipment as relatively inexpensive way of producing certain kinds of live shows. Others dismissed it as "a scientific curiosity" due to fade away.

Though telecasters haven't rushed to buy extensively,

port News' WACH-TV (Ch. 33) having resumed with simulcasts in Aug. 1953 (Vol. 10:31). WTOV-TV is operating with syndicated film and live news, weather and sportscasts. Temporary studios are at Portsmouth transmitter site. Bright recently acquired WTOV-TV for \$95,000, including \$63,000 in RCA equipment notes (Vol. 11:6, 11). A. V. Bamford, ex-Oakland radio operator, is gen. mgr.; Ray Spearenberg, program director; Lee Marshall, production mgr.; Henry G. Root, chief engineer. Base hour rate is \$350.

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Another 1-megawatt station—probably this summer—will be Peoria's WTVH-TV (Ch. 19), which bought first of RCA's new 25-kw uhf transmitters, displayed at NARTB convention (Vol. 11:21). Used with supergain antenna, transmitter will deliver full 1,000,000 watts ERP. New transmitter is priced at \$186,000, compared to \$122,500 for RCA's 12½-kw uhf plant. RCA has also priced new 25-kw amplifier addition to 1-kw transmitter at \$163,500, and equipment to convert 12½-kw transmitter to 25-kw at \$70,000, less credit for returned parts. Supergain antenna to achieve megawatt power is priced at \$49,000.

Increase to 1-megawatt by KPTV, Portland (Ch. 27), scheduled for June 11 (Vol. 11:21) was postponed this week when huge supergain antenna was accidentally dropped by crane during final stages of construction at RCA's Camden plant. KPTV now says earliest shipment date will be June 10, with boost to 1,000,000 slated tentatively for July 1. Only equipment shipment reported this week was 2-kw RCA standby transmitter, sent May 25 to KWK-TV, St. Louis (Ch. 4).

they're deeply interested nonetheless. For example, several of the larger ones, like Storer, brought along reels of color film, had competing manufacturers run it through chains. Each equipment maker claimed distinct points of preference in the results.

Basic appeal of color, whether to telecasters or to public, can't be denied. For example, during awkward lull while stopwatches were ticking toward on-camera time before his convention speech, President Eisenhower leaned over to RCA's Gen. Sarnoff and said that it was too bad telecast wasn't in color. Note: White House has a color set.

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Color is key to success of TV in secondary markets, Harold Hough, WBAP-TV, Fort Worth, told NARTB session May 26. Secondary market TV, he said, must depend on local advertising for sizable share of its revenue—and color is the answer. "Forget about the outlay of color TV," he said, "it can be installed cheaper than you think. It can be operated as simply as the black-&-white—but the impact, once it is under way, and that will not be as long as you expect, will be the salvation for TV in those markets . . . We know that color TV will revolutionize all advertising—and I do mean all."

Upcoming network color schedules: NBC-TV—May 30, *Producers' Showcase*, "The Petrified Forest," Humphrey Bogart, Henry Fonda, Lauren Bacall, 8-9:30 p.m.; June 4, *Max Liebman Presents*, "The Chocolate Soldier," Rise Stevens, Akim Tamiroff, Eddie Albert; June 7, President Eisenhower addresses West Point commencement exercises, 10-10:30 a.m.; June 8, *Home* segments, 11:02-11:04 & 11:50-11:57 a.m. CBS-TV—June 9, *Shower of Stars*, Edgar Bergen, Dan Dailey, Betty Grable, Harry James, Tony Martin, Ethel Merman, Red Skelton, Marilyn Maxwell, Jack Oakie, 8:30-9:30 p.m.

RCA shipped 3-V color film cameras May 20 to KMJ-TV, Fresno and to upcoming WXEX-TV, Petersburg-Richmond (Ch. 8), due this summer.

**BIG APPLIANCE DEAL COOKING; LABOR PEACEFUL:** A Justice Dept. opinion as to whether it violates the anti-trust laws is awaited as the major element in one of biggest appliance consolidations in years, involving RCA, Sears, Whirlpool, Seeger Refrigerator Co. and possibly others. All sorts of rumors have been rampant, making it difficult to separate fact from fancy, and principals are understandably reluctant to discuss it, but this is expected to materialize if Justice says it's legal:

Whirlpool Corp., St. Joseph, Mich., largest manufacturer of automatic washing machines, would merge with Seeger and perhaps others, into a single corporation, of which RCA would own about 20% and would contribute production of its RCA Estate Appliance Corp. (gas & electric ranges) into a common appliance pool. Sears owns about 28% of Whirlpool, which supplies it with Kenmore washer, and about 30% of Seeger, which furnishes it with Coldspot refrigerator, and Sears would continue as a stockholder in new entity. RCA's washer line probably would be RCA-Whirlpool.

Battle for distributors, already pitched in TV-radio industry as evidenced in executive changes last week (Vol. 11:21), would be intensified under such consolidation. RCA distributors presumably would handle the RCA-Whirlpool line, though it was considered possible that in some cases, existing Whirlpool distributors would get the RCA franchises. RCA officials declined comment.

Ephraim Jacobs, chief of Justice's anti-trust legislation & clearance branch, who must give unofficial opinion on legality of proposed deal, refused to discuss case, in accordance with Govt. policy. "We and the companies which make use of our clearance service regard the procedure as completely confidential," he said. "They come to us in the knowledge that this relationship will be so respected."

Elisha Gray II, pres. of Whirlpool, commented: "We have been conducting discussions with many companies, exploring possible avenues of expansion. I would not bet a nickel on the outcome of any of those discussions; that's how indefinite and inconclusive they are at this time."

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Brief highlights of other major trade developments this week:

LABOR: RCA and 7 IUE locals signed contract for 4-7¢ hourly wage increase, plus improved pension & fringe benefits, covering 14,000 workers in Camden & Moorestown, N.J., Cincinnati & Los Angeles. Union gave up earlier demand for guaranteed annual wage, apparently indicating that issue won't be pressed in electronics industry this year. Several hundred workers in GE's TV-radio dept. walked off jobs for 2 days this week in protest against suspension of 6 union stewards, but company officials said production wasn't seriously affected.

NEW MODELS: Midyear TV lines start appearing next week when Admiral holds annual distributors' convention, to be followed by other manufacturers in June and July (for list & dates of meetings announced thus far, see p. 13). Full new lines, rather than fill-ins, will be the rule, with several manufacturers promising radical changes in engineering & styling. Major trends are expected to be greater use of vertical chassis sets, more printed circuits, prices at approximately current level. There was also some unconfirmed speculation in trade that RCA and Philco would make sharp price cuts on 24-in. models in effort to capitalize on replacement market.

FAIR TRADE: New plea to Congress to strengthen fair trade laws was made by American Fair Trade Council, which urged crackdown on manufacturers & distributors who knowingly sell fair-traded merchandise to discount houses. Its statement was in support of bill (S-2055) by Sen. Capehart (R-Ind.) to permit any person or firm to sue for injunction and treble damages against manufacturer or distributor who ships fair-traded items to retail price-cutters. Meanwhile, Rep. Celler (D-N.Y.), chairman of House Judiciary Committee, told Maurice Mermey, director of Bureau of Education on Fair Trade, that national fair trade laws wouldn't be repealed in 1955.

PRODUCTION: TV output totaled 120,144 units week ended May 20, compared to 110,651 preceding week and 127,067 week ended May 6. It was 20th week of year by RETMA calculations and brought production for year to date to about 3,050,000, compared to approximately 2,350,000 in corresponding period of 1954.

Radio production totaled 280,445 (137,073 auto) week ended May 20, compared to 287,352 week ended May 13 and 286,284 week before. For 20 weeks, production was estimated at 5,720,000 vs. 4,000,000 in corresponding 1954 period.

**Topics & Trends of TV Trade:** Annual distributor conventions for introduction of fall TV lines (see p. 12) get under way next week, starting with Admiral's meeting June 2-3 at Chicago's Conrad Hilton & Blackstone Hotels, confabs continue through July. Other manufacturers who have announced dates thus far:

RCA, meeting with field reps, June 6-8 at Barbizon Plaza Hotel, N. Y.; Zenith, June 9 at Conrad Hilton, Chicago; Philco, June 26 at Fontainebleau Hotel, Miami Beach; GE, July 19 at National Assn. of Music Merchants convention in Chicago's Conrad Hilton Hotel; Motorola, July 21 at Conrad Hilton. DuMont will introduce new line at 5 regional meetings: June 14 at Hotel Statler, N. Y.; June 17 at Chicago's Edgewater Beach Hotel; June 20 at Statler, Los Angeles; June 23 at Broadmoor Hotel, Colorado Springs; June 27 at Dinkler Plaza, Atlanta.

Most lines which have been introduced by then will be shown to dealers week of June 20 at American Furniture Mart and Merchandise Mart in Chicago's summer markets. Total of 15 manufacturers will exhibit, with following lineup:

Furniture Mart—Admiral, Bendix Radio, Hallcrafters, Philco, RCA, Sparton, Zenith. Merchandise Mart—Capehart-Farnsworth, CBS-Columbia, Crosley, GE, Magnavox, Motorola, Raytheon, Westinghouse.

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Annual plant shutdowns for vacations, traditional in industry to fulfill union contracts and give manufacturers chance to check inventory in preparation for fall lines, include these companies, as reported to RETMA by members:

Set manufacturers: Avco, June 27-July 10; Bendix Radio, June 27-July 10; Capehart-Farnsworth, July 18-31; CBS-Columbia, July 4-17; DeWald Radio, July 25-Aug. 7; Emerson, Aug. 1-14; GE, July 4-17; Hallcrafters, July 4-17; Hoffman, July 18-31; Magnavox, July 4-17; Motorola, June 27-July 10; Olympic Radio, July 1-17; Packard-Bell, June 30-July 17; Philco, July 18-31; Pilot Radio, July 4-17; RCA, July 18-31; Raytheon, July 1-17; Sentinel, July 4-17; Stromberg-Carlson, July 4-17; Sylvania, July 18-31; Trav-Ler, July 4-17; Wells-Gardner, July 4-18; Westinghouse, dates undetermined; Zenith, July 4-17. Admiral, not an RETMA member, usually closes down first 2 weeks of July.

Tubes: CBS-Hytron, July 4-17; DuMont, July 4-17; Eitel-McCullough, Aug. 1-14; Federal, July 4-17; Machlett Labs, Aug. 1-14; Sylvania, July 4-17; Thomas Electronics, July 4-17; Tung-Sol, July 18-31; Westinghouse, July 4-17.

Components and others: Alliance Mfg. Co., July 4-17; American Condenser, July 4-17; American Phenolic, July 4-17; David Bogen Co., July 4-10; Clarostat, July 11-17; Erie Resistor, July 4-17; Hazeltine, July 25-Aug. 7; International Resistance, July 25-Aug. 7; Quam-Nichols, July 4-17; Radio Condenser Co., July 18-31; Weston Electrical, July 18-31. Among those not shutting down are P. R. Mallory, Muter Co., Oak Mfg. Co., Sprague Electric.

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Another aircraft company acquires electronics business: Bellanca Aircraft Corp., New Castle, Del., purchases National Electronics Laboratories Inc., Washington, D. C. manufacturer of aviation electronics and radar equipment in exchange for 16,000 shares of Bellanca common stock.

**DISTRIBUTOR NOTES:** Admiral appoints Pittsburgh Products Tri-State Co. Inc., 500 Fontella St., Pittsburgh (Richard W. Evans, v.p.-gen. mgr.), replacing own factory branch established several months ago. Admiral gen. sales mgr. H. D. Conklin said move "is in accordance with Admiral's policy of appointing independent distributors wherever possible" . . . Sentinel Radio appoints Main-Line Distributors Inc., Chicago, replacing own factory branch . . . Sampson Co., Chicago, relinquishes Capehart-Farnsworth line . . . Admiral appoints Carl Lantz as gen. mgr. of Chicago factory branch, succeeding Wm. F. Hand, promoted to regional sales mgr.; Charles M. Svoboda, from Los Angeles branch, succeeds Lantz as gen. mgr. of San Diego div. . . Zerega Distributing Co., Seattle (Motorola) appoints Charles W. Schuchart Jr., ex-Westinghouse Electric Supply Co., as sales mgr. . . Fridley Bros. Inc., Kansas City (CBS-Columbia) appoints Ted Gilmore gen. mgr., replacing Wm. Burns, resigned . . . Hoffman Sales Corp. of St. Louis appoints Joseph McFarland, ex-Graybar, as sales mgr. . . Federal Distributing Co., Des Moines (Sylvania) appoints John O'Neil sales mgr. for Des Moines territory, Guy Leatherby for Davenport, both succeeding the late Peter Prescott.

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Zenith attorney Thomas C. McConnell admitted error this week in charging that RCA counsel John T. Cahill, in contesting Zenith's anti-trust suit against RCA, quoted portions of recently-released report of Attorney General's Committee to Study the Anti-Trust Laws (of which Cahill is member) nearly a year before its publication. Mr. McConnell wrote Rep. Celler (D-N. Y.) that he erred last week in his widely publicized testimony before Celler's Judiciary subcommittee, and conceded that Cahill had actually quoted from report of special committee of American Bar Assn., as Cahill claimed. Celler inserted McConnell's letter in his subcommittee's hearing record, along with comment that McConnell "misled this committee" and "deserves condemnation and criticism." Cahill said "this kind of irresponsible conduct is typical of Mr. McConnell's tactics."

Color converter employing motor and disc, developed by Airtronic Research Inc., Bethesda, Md. (Vol. 10:6), will be made by Color Converter Inc., Columbia City, Ind., licensed by Airtronics. The \$149.95 device includes 2 units—electronic section attached to back of set and motor-disc assembly placed in front of picture tube. Latter weighs 15 lbs., has diameter about 30-in., produces 14-in. color picture, can be removed when not in use. Company, owned by James D. Adams & M. V. Lowe, says it has production capacity of 800 units daily. When demonstrated last year, device suffered from serious flicker and low brightness, but developers claim improvement has been made. They say 1000 converters have been made.

Canadian RTMA's annual meeting June 2-3 at Sheraton Brock Hotel, Niagara Falls, Ont. will be highlighted by panel on color developments. Participants are RETMA chairman Max Balcom; J. Alphonse Ouimet, CBC gen. mgr.; B. W. Radcliffe, commercial v.p. of RCA Victor Co. Ltd.; Ralph A. Hackbusch, pres. of Hackbusch Electronics Ltd. Panel chairman is Ivor M. Leslie, v.p.-gen. mgr. of Crosley div., Avco of Canada Ltd.

**Trade Personals:** Fritz P. Rice, DuMont director of manufacturing & purchasing, promoted to new post of operations director, consumer products, supervising production & sales of receivers & picture tubes . . . Reese B. Lloyd, Philco director of industrial & personnel relations, promoted to operations v.p. of TV div., succeeding Wm. J. Peltz, now v.p.-gen. mgr. of new Lansdale Tube & Transistor Co. div.; Wm. H. Mattison, TV production mgr., promoted to production v.p. . . . Lester Krugman, ex-Bulova, onetime exec. on Emerson Radio account at Grey Adv., joins Emerson in new post of marketing v.p., supervising adv., sales promotion, public relations & marketing research; Michael Kory, Emerson sales director, elected a v.p. . . . John J. Hemberger named administrator, black-&white picture tube sales, RCA tube div. . . . Warren H. Rymer appointed Hoffman Electronics east central district mgr., Kansas City, succeeding Byron Brown, who joins Hoffman Labs, Los Angeles . . . Gramer Yarbrough promoted to sales mgr., American Microphone Co., Pasadena, Cal. . . . Melvin L. Hayden, ex-Westinghouse Electric Supply Co., Boston, named adv.-sales promotion mgr., National Co., Malden, Mass. (communications equipment) . . . Thomas B. Moseley, ex-DuMont, named director of sales & contract negotiations, Continental Electronics, Dallas.

National Assn. of Electrical Distributors, at 47th annual convention this week at Chicago's Conrad Hilton Hotel, elected following officers: pres., Lester E. Barrett, Barrett Electrical Supply Co., St. Louis; v.p.'s, Ralph J. Brown, GE Supply Co., Bridgeport, Conn.; J. P. Hamblen, Southern Electric Supply Co., Houston; George Albiez, Englewood Electric Supply Co., Chicago; Irving P. Bean, Bean Electric Co., Seattle.

Albert C. Embrechts promoted from v.p.-gen. mgr. to pres. of IT&T's International Standard Trading Corp., which develops and coordinates automation practices and equipment within IT&T system; technical director Eric M. S. McWhirter & sales mgr. John T. Benjamin, were elected v.p.'s.

Sir Robert A. Watson-Watt, the Briton credited as discover and developer of radar, has been named chairman & pres. of Logistics Research Inc., Redondo Beach, Cal., designers and manufacturers of electronic computers.

Bell Telephone Labs names military communications systems director Estill I. Green to post of v.p. in charge of systems engineering, promotes research v.p. Dr. James B. Fisk to exec. v.p.

Dr. Bernard Kopelman from Sylvania's metallurgy research laboratory, named chief engineer of company's atomic energy div.

Extensive study of corporate mergers between 1948 & 1954 has been released by Federal Trade Commission in 233-p. report which notes that mergers & acquisitions are currently nearing postwar peak rate of 1946-47 but are well below pre-depression rate of late 1920s. Report makes no recommendations for solutions. Only allusion to TV-radio-appliance trade is brief reference to Avco's addition of household appliances & farm equipment lines.

Color in Britain within 3 years is expected by B. V. Soames-Charlton, of Pye Ltd. research labs. He said system will be simpler than that of U. S. but will give adequate color, and sets will sell for about \$420. He doubted that BBC will tackle color in less than 5 years but expected new ITA to inaugurate it in 3.

International Resistance Co. has purchased EMEC Inc., Seattle, manufacturer of magnetic clutches for electronic applications.

New ad agency appointed by General Precision Labs: Geer, DuBois & Co., 40 E. 49th St., N. Y.

Huge new electronics manufacturer—Sperry Rand Corp.—will be formed July 1 as result of overwhelming approval of Remington Rand-Sperry Corp. merger by both companies' stockholders at meetings this week (Vol. 11:12). Remington Rand chairman Gen. Douglas MacArthur and pres. James H. Rand will be chairman and vice chairman of new firm, which will have assets of about \$484,000,000 and estimated annual sales totaling nearly \$900,000,000—just about 10% smaller than RCA in size & sales. Sperry pres. Harry Vickers becomes pres. & chief executive officer, Sperry senior v.p. John Sanderson v.p.-secy., Remington exec. v.p. Bernard O. Reuther v.p.-treas. Under terms of consolidation, each share of Sperry stock will be converted into 3¼ shares of Sperry Rand, each share of Remington Rand to be exchanged for 2 new shares. Both Sperry and Remington Rand will retain their old corporate names for advertising and trade purposes. In first quarter statement just released, Sperry reported net profit of \$6,683,359 (\$1.46 a share) on sales of \$103,683,000, compared with \$5,579,314 (\$1.33) and \$120,414,000 for first quarter 1954.

FCC's patent-filing proposal, which would have required licensees to file vast amount of patent information with Commission (Vol. 10:50, 11:2-4), has been sharply revised as result of strenuous industry opposition, and in new form removes most of the objections. New proposal would require no reports by those who control less than 10 communications patents, and reduce information required by eliminating reports of patents not directly connected with transmission or reception as well as reports on licensees' use of patents. Comments on new proposal are due June 30.

Lack of national TV distributors organization has impelled NARDA to set up a "distributor-booster" category in its group, to be composed of TV-radio distributors "who feel NARDA's work in building better dealers deserves their support." It's regarded as first step in bringing distributors into full membership in dealers' organization. Participation by distributors at outset will involve annual contribution of \$50, entitling them to most NARDA services and invitations to annual convention.

Picture tube sales in first 3 months totaled 2,608,753, valued at \$52,027,429, compared to 1,962,864 worth \$41,995,088 in first quarter of 1954, reports RETMA. March sales were 882,268 worth \$17,246,843, compared to 859,529 in Feb. and 759,468 at \$15,904,687 in March 1954. Receiving tube sales in first 3 months were 117,557,439, valued at \$84,906,835, compared to 76,385,978 worth \$56,862,951 in first 1954 quarter. March sales were 41,080,881 worth \$29,922,192 vs. 38,526,796 at \$28,107,186 in Feb. and 29,063,484 at \$22,130,627 in March 1954.

NARDA has taken policy stand against centralized servicing "as a device which diminishes the worth of the retailer to the total merchandising picture; which causes separation between his customer and the retailer, and which fails to allow ample recognition to the established type of merchant."

Rep. Williams D-Miss.) last week introduced legislation (HR-5947) to ban sales by manufacturers to discount houses; it was referred to House Interstate & Foreign Commerce Committee, where it stands little chance of favorable action.

RETMA publishes 3rd edition of its popular 16-p. booklet, *Things You Should Know About the Purchase and Servicing of Television Sets*, available free from RETMA or local Better Business Bureaus.

Motorola & Admiral will move from American Furniture Mart to 11th floor of Merchandise Mart, Chicago, though latter's space won't be occupied until June 1956.

**Financial & Trade Notes:** "Earnings reports of most leading TV manufacturers for the first quarter of 1955 showed good year-to-year gains, and similar favorable comparisons are indicated for the June quarter," reports Standard & Poor's May 25 survey of electrical products industry. "However, results in the final half of 1955, particularly in the last 3 months, are not expected to exceed those of a year earlier. Thus, normal seasonal improvement (starting in the fall of the year) will be considerably less pronounced this year than in 1954 . . .

"Earnings of TV producers this year will generally show a modest improvement over the 1954 level, due to a more even production flow and good early-year improvement . . . Dividends may be increased by some TV and appliance manufacturers. Payments by most others should be in line with the 1954 experience."

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United Business Service devotes its May 23 investment report in large part to "Television Brought Up to Date," adds CBS "A" to its "supervised list," recommends it along with Motorola & RCA for new purchases, suggests to its subscribers they maintain holdings of Philco. It lists this handy table of leading TV stocks:

	Earnings Est. 1955	Per Share Actual 1954	Recent Price	Dividends Past 12 Mos.	Yield %	Price Earnings Ratio
Admiral Corp.	\$2.75	\$2.78	26	\$1.00	3.8	9.5
Am. Broadcasting-Para.	2.00	1.06	31	1.00	3.2	15.5
Avco Mfg.	10.35	10.37	7	10.40	5.7	20.0
CBS "A"	2.30	1.56	28	10.80	2.9	12.2
DuMont Laboratories "A"	Nil	0.32	\$16	Nil	Nil	-----
Emerson Radio	c1.10	c0.97	14	0.60	4.3	12.7
Hoffman Electronics	2.50	2.08	28	1.00	3.6	11.2
Magnavox Co.	b3.00	b2.77	36	1.50+	4.2	12.0
Motorola, Inc.	4.50	3.91	52	1.50	2.9	11.5
Philco Corp.	3.50	1.70	40	1.60	4.0	11.4
Radio Corp.	3.10	2.66	49	1.35	2.8	15.8
Raytheon Mfg.	a1.85	a1.39	23	Nil	Nil	12.4
Sylvania Electric	4.00	2.93	48	2.00	4.2	12.0
Zenith Radio	14.00	11.53	130	3.25	2.5	9.3

† Based on estimated 1955 earnings. ‡ Indicated rate. + Plus 5% stock. \$ American S.E. a Year ending May. b Year ending June. c Year ending Oct. f Year ending Nov.

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National Telefilm Assoc., film syndication firm headed by Ely Landau and 65% owners of GE-supported National Affiliated Television Stations Inc., which has been set up to help stations achieve profitable operations (Vol. 11:14), offers 312,500 common shares at \$5, thru underwriter Charles Plohn & Co., in prospectus dated May 19. After offering, firm will have 650,000 common shares outstanding. Net proceeds of issue, estimated at \$1,260,000, will be used to pay off loan of \$334,153, with balance to be used for working capital. Prospectus says money will be available for "acquisition of distribution rights, retirement of film acquisition loans and repurchase of the lenders' participations in the gross proceeds of related films, or other corporate purposes, including the possible financing of film production." For 8 months ended March 31, company had net loss of \$156,658, prospectus reveals. For fiscal year ended last July 31, net loss was \$139,830.

Dividends: Philco, 40¢ payable June 13 to stockholders of record June 6; Sylvania, 50¢ July 1 to holders June 10; Stromberg-Carlson, 40¢ June 30 to holders June 15; Wells-Gardner, 15¢ June 15 to holders June 3; Radio Condenser Co., 5¢ June 20 to holders June 1; Hazeltine, 35¢ June 15 to holders June 1; GE, 40¢ July 25 to holders June 17; Sprague Electric, 30¢ June 14 to holders May 31; General Precision Equipment, 60¢ June 15 to holders June 6; National Co., 10¢ June 30 to holders June 25, 10¢ Dec. 30 to holders Dec. 25, plus 2% stock Sept. 30 to holders Sept. 25; Famous Players (Canada), 37½¢ June 29 to holders June 3; Electronic Assoc., 100¢ stock July 1 to holders June 20.

Decca Records Inc. reports first quarter net income of \$816,339 (50¢ a share) compared to \$635,238 (42¢) for first quarter 1954.

Among officers' & directors' stock transactions reported by SEC for March: Gordon T. Ritter sold 100 Arvin, holds 624; Irving B. Babcock sold 1500 Avco, holds 4897; Edward K. Foster bought 200 Bendix Aviation, holds 400; J. L. Van Volkenburg bought 1000 CBS "A" by joint tenancy, holds 102 personally and 1000 by joint tenancy; Seymour Mintz bought 300 CBS "A," holds 300; Adrian Murphy bought 1989 CBS "A," holds 1989; Arthur G. B. Metcalf sold 2334 Electronics Corp. of America, holds 22,333 personally and 142,000 thru trust; John H. Briggs bought 1115 Gabriel Co., holds 37,000; Harry S. Samuels bought 1900 Gabriel Co., holds 5000 personally and 700 with wife; Lawrence B. Richardson sold 300 General Dynamics, holds 4930; Charles D. Dickey bought 500 GE, holds 7500; Clarence H. Linder bought 1070 GE, holds 2640; John D. Lockton bought 1500 GE, holds 2019; Philip D. Reed bought 3300 GE, holds 6300; Walter O. Menge bought 100 Magnavox, holds 100; E. W. Engstrom bought 100 RCA, holds 600; Robert A. Seidel bought 180 RCA, holds 680; Paul F. Hannah bought 2000 Raytheon, holds 2236; Charles M. Hofman sold 760 Raytheon, holds 640 personally and 1569 jointly with wife; Harold C. Mattes sold 1000 Raytheon, holds 9234; Frank J. Healy bought 181 Sylvania, holds 2722; Don G. Mitchell sold 100 Sylvania, holds 2461; R. D. Blasier bought 150 Westinghouse, holds 833; Leslie E. Lynde bought 725 Westinghouse, holds 1510.

Capehart-Farnsworth Co. had net loss of about \$26,000 in first 4 months of 1954, with most of loss occurring in April, annual meeting of IT&T stockholders was told this week by pres. Gen. Wm. H. Harrison. He "hopes and expects" that company will "about break even" for all of 1955. Capehart-Farnsworth last year lost \$800,000-\$900,000 before taxes, he said. Farnsworth Electronics Co., research & industrial subsidiary formed out of original Capehart-Farnsworth subsidiary, had profit of \$320,000 before taxes in first 4 months this year, he noted.

American Electronics Inc., Los Angeles, in May 10 prospectus offers \$1,250,000 in 5% convertible debentures due May 1, 1967 through Van Alstyne, Noel & Co. and Crowell, Weedon & Co. Firm is vendor to Hughes Aircraft and other aeronautical firms and to govt., had net sales of \$5,461,074 and profit of \$273,057 in 1954. It owns Pierson Electrical & Engineering Corp. and Electroflow Inc.; latter last Feb. entered into merger agreement with Berlant Associates and Tri-D Sound Corp., whereby it proposes to enter magnetic tape recorder field.

Westinghouse reports first quarter sales of \$367,705,000, earnings of \$12,782,000 (75¢ a share), both sharply below the \$406,537,000 & \$26,286,000 reported for first quarter 1954. Pres. Gwilym A. Price blamed decline of backlogs for apparatus and industrial equipment, but said this trend has been sharply reversed recently. Consumer products sales, he added, are up considerably over first quarter 1954.

American Phenolic Corp. earned \$204,451 (51¢ a share (after taxes of \$190,000 on sales of \$6,006,243 in first quarter, compared to \$121,016 (30¢) after \$134,000 on \$6,261,035 in corresponding 1954 period. Backlog of orders totaled \$6,300,000 as of March 31. Working capital increased by \$127,413 during quarter.

Warner Bros. Pictures profit of \$2,081,000 (84¢ a share) in 6 months ended Feb. 26 was highest for any half-year since its separation from theatre-exhibitor operations in Feb. 1953. Film rentals & sales totaled \$35,079,000. Profit in corresponding period year ago was \$1,618,000 (65¢), rentals & sales \$34,059,000. Taxes were \$2,100,000 vs. \$1,700,000 year ago.

Oak Mfg. Co. first-quarter earnings were \$441,998 (84¢ a share) vs. \$240,971 (46¢) first 1954 quarter.

Richard A. Mack of Coral Gables, Fla., was nominated May 27 by President Eisenhower to 7-year term as a Democratic FCC member (Vol. 11:19-20), succeeding Comr. Frieda B. Hennock, whose term expires June 30. Member and former chairman of Florida Railroad & Public Utilities Commission and 2nd v.p. of National Assn. of Railroad and Utility Commissioners, he'll be 3rd member of FCC picked from ranks of state utility commissioners by an Administration whose policy toward business is laissez-faire—others being Republicans Chairman McConaughy and Comr. Doerfer, who formerly headed Ohio and Wisconsin utilities commissions. Appointment of the 46-year-old Mack was hailed in statements by his sponsors, Florida Democratic Sens. Holland & Smathers, latter being member of Interstate & Foreign Commerce Committee, which will hold hearings on appointment. Smathers said he has "known Richie personally for almost 25 years," termed him "eminently qualified" and "a loyal and faithful Democrat." Committee Chairman Magnuson (D-Wash.) said that hearing probably will be held in "a couple of weeks," that he doesn't know Mack. There was speculation that Administration's announcement was timed by GOP to make political capital by disclosing Comr. Hennock's successor during week of NARTB convention, when many of nation's broadcasters were in Washington. Comr. Hennock, a New York lawyer, hasn't revealed her plans.

First tower over 1000 ft. to receive aeronautical clearance in more than 6 months is 1110-ft. structure proposed by KWVL-TV, Waterloo, Ia. (Ch. 7), which got OK from Washington Airspace Subcommittee May 24. Military members of subcommittee have been blocking approval of all tall towers on grounds that they are hazardous to air navigation (Vol. 11:11). Two of the rejected tower proposals have already been given hearings by FCC, at which military and aviation industry spokesmen have appeared to state their opposition, and FCC's Broadcast Bureau last week backed applicant in one of these cases (Vol. 11:21). Third case—that of WSLA, Selma, Ala. (Ch. 8)—is scheduled for June 16 hearing. KWVL-TV plans to move to new tower Aug. 1, increase power to 316-kw at same time. Station hopes to serve Dubuque and Mason City, as well as Waterloo, from new tower.

Two microwave applications for links to serve community antenna systems in Rapid City, S. D. with signals of Denver stations (Vol. 10:39, 51) were set down for FCC hearing July 5. Commission informed Bartlett & Reed Management and Blackhills Video Co. that neither had proved its proposed service would be in public interest. In any event, Commission added, 2 such systems might be a wasteful duplication. All aspects of proposals are to be explored at hearing: need, technicalities, personnel, rates, regulations, operational practices, qualifications of applicants. Big microwave system to serve community systems in Wyoming is being planned by Pioneer Transmission Corp., Worland, Wyo. (H. B. Van Buskirk & J. R. McKibbin), proposing to serve existing and proposed systems in Worland, Lander, Riverton, Thermopolis, Rock Springs, Rawlins & Green River.

Evil effects of TV are being discovered in Russia, as they were here when the medium was in its infancy. Answering questions raised "in connection with the spread of TV in the USSR," Radio Moscow this week told worried listeners: (1) "TV must be used intelligently without disturbing the daily routine of children." (2) "TV rays have no effect whatever on the human organism."

Brand Names Foundation Inc., in first service to TV, provides 275 stations with kits pointing up benefits of brand buying. Kit includes 2 animated cartoon spots and fact sheets for use in integrated commercials.

Radio is making spirited comeback, despite inroads of TV, NARTB convention was told. Increasing demand for sets, new programming concepts and revisions of rate structures have been major factors, speakers stressed. NARTB pres. Harold Fellows said that in face of 25% decline in network time sales in 1952-54, some 1012 out of NARTB's 1220 AM members increased sales or held their own, during 1954. He attributed radio's comeback to improvement of management and selling techniques. In keynote award speech, Mark Ethridge (WHAS-TV & WHAS, Louisville) said: "I don't think radio has ever had better days program-wise and public service-wise than it has now. It is more of the people than it has ever been; it is closer to them than it has ever been. And they bought more sets in the first quarter of this year than they bought in the first 17 weeks of last year." Radio Advertising Bureau pres. Kevin Sweeney said plans call for enlarging sales staff to 12, expanding sales committees to 115 cities and devoting \$120,000 annually to "wider and deeper research to strengthen radio's competitive position." (For proposed rate structure changes by CBS and MBS, see p. 7.)

Are broadcasters in danger of losing their "Magna Carta"—Title III of Communications Act, which establishes principle of free broadcasting? Chairman Priest (D-Tenn.) of House Interstate & Foreign Commerce Committee senses "a growing feeling among many members of Congress that more regulation of the broadcasting industry is called for in view of changed circumstances." In address to NARTB convention May 24, he said the frequency of complaints about TV & radio from the public—and from congressmen—is increasing "day by day." He cited complaints about caliber and amount of advertising, prize fight "blackouts," programming, and stated: "If Congress were confronted today anew with the problem of writing a broadcast law designed to safeguard the public interest, it is questionable whether you, the broadcasters, would be successful in persuading the Congress to give you the same degree of freedom that Congress gave you in [the Radio Act of] 1927 and again in [Communications Act of] 1934." He warned broadcasters to "prove by your deeds that the principles of the charter granted to you should be left intact."

Lamb hearing record was closed May 24 following brief procedural session with examiner Herbert Sharfman by attorneys representing broadcaster-publisher-industrialist Edward O. Lamb and FCC Broadcast Bureau. Both sides agreed to submit proposed findings within 60 days. On May 26, appeals court upheld lower court decision which dismissed Lamb's long-ago attempt to block hearings on the Communist-association charges. Meanwhile, Commission dismissed Lamb's application to sell radio WHOO & WHOO-FM, Orlando, Fla., at request of prospective purchaser Mowry Lowe, who backed out after 9-month purchase agreement expired. FCC had held up approval of sale pending decision on charges against Lamb.

Relected to TV board of NARTB at convention this week, for 2-year terms: Kenneth L. Carter, WAAM, Baltimore; Campbell Arnoux, WTAR-TV, Norfolk; Wm. Fay, WHAM-TV, Rochester; Ward L. Quaal, WLWT, Cincinnati. Joseph E. Baudino, Westinghouse, was elected to fill unexpired term of John Esau, resigned to join *Television Age*.

New Yorker Magazine's profile of NBC-TV's Pat Weaver, titled "The Communicator" and carried Oct. 16 & 23, later made available as reprint, has won for its author Thomas Whiteside the Benjamin Franklin Award of U of Illinois for best biographical writing of the year.

Licensed TV sets in Britain totaled 4,503,766 at end of March, up 96,373 in month.