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# WEEKLY **Television Digest**

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**The authoritative service for executives in all branches of the television arts & industries**

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**SET MAKERS GROPE FOR NEW PRICE APPROACH:** RCA, GE, Westinghouse lead parade of manufacturers supplanting list prices with new ad terminology that evaluates products for consumer guidance (p. 8).

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**FORD PLAN FOR TV PROGRAM FORM:** Father of the "narrative-on-needs" concept of TV program-plan reporting to FCC, Comr. Fred Ford has come to his colleagues with proposal which may weld them into final decision. Commission has been split several ways, couldn't see how Ford's ideas could be implemented. So colleagues asked him to show them how.

In closed sessions, Commission has discussed proposal—and impression we glean is that combination of Ford and other views will emerge. Ford would have TV stations report yearly on what they've done in preceding 6 months to ascertain program needs of their communities and their plans to meet them. He would abolish "composite week" by which telecaster is supposed to show "typical" week's program in various categories—entertainment, news, agriculture, etc. However, he would have composite week showing breakdown of time devoted to commercials & programs.

Among other requirements of Ford plan: report on station personnel & program facilities; station's program policies and report on changes in policies; description of manager's powers & "autonomy"; call station's attention to NAB Code; report on procedure for handling complaints; give breakdown between commercial & program time.

It's understood that Ford believes program-form for radio is "something else"—that he thinks FCC knows very little about radio, that he'd like Commission to conduct an en banc program inquiry just as it did in TV, to learn realities of modern radio. He's reported saying that FCC's official knowledge of radio program encompasses Amos 'n' Andy and Mills Bros.

**MORE VHF SHORT-SPACE DROP-INS?** "Back door" vhf co-channel & adjacent-channel mileage cuts just authorized by FCC (Vol. 2:31 p6), with Comr. Lee as lone dissenter, may be precursor of more. In these, existing stations were permitted to move to improve facilities, cover more people. Last week, Ch. 13 KHOL-TV Kearney, Neb. & WIBW-TV Topeka were granted waivers allowing 188.3 mi. separation instead of 190—to improve coverage.

Brand-new short vhf drop-ins, the 8 proposed last year and still pending (Vol. 17:31 p2)—Baton Rouge, Dayton, Birmingham, Jacksonville, Knoxville, Johnstown, Charlotte, Oklahoma City—don't go through so readily, because no existing station is using channels involved, and thus there isn't same push. They're still "cold," in that respect. Nonetheless, view around Commission is that the 8 are still likely to go through.

But that isn't end of it. One position at Commission, minority now is this: All-channel-set law is fine—8-10 years from now. That is, it's expected to foster growth of uhf, produce more stations, more competition. But, meanwhile, back at the network sales offices, ABC-TV still doesn't have coverage parity with CBS-TV & NBC-TV. Therefore, why not grant the 3rd vhf in top 50 or 75 markets, cutting mileages as need be—but not to less than, say, 150 miles? This isn't imminent, of course, may not even be probable. But you'll hear more about it in next few years. In his dissent, Comr. Lee voiced view of many—deep concern about mileage reductions, wondering where they'll stop, fearful of degradaton of vhf service. But—he was alone.

**SET MAKERS SEEK 2 YEARS UNTIL 'U-DAY':** July 1964 should be target for complete conversion to vhf-uhf set production, under new all-channel-receiver law, according to consensus reported to FCC last week—and Commission appears ready to agree.

EIA exec. vp James D. Secrest and consumer products staff dir. L. M. Sandwick were pleased to tell top Commission staffers that all 21 TV set makers and all 4 tuner producers—including non-EIA members—cooperated in survey, not an obstructionist in the lot.

FCC staff conferees, including attorney Henry Geller and engineers James Barr & Julian Dixon, were impressed with spirit of manufacturers, indicated they'd recommend Commission accept industry findings—though of course they wish for earlier target. Seldom has there been so much govt.-industry sweetness following a conflict.

Next move is EIA engineering conference in N.Y. Aug. 7, submission of results to Commission Aug. 14, meeting with FCC representatives Aug. 22. At last week's EIA-FCC meeting, Commission engineers made only a few suggestions for Aug. 7 conference agenda—notably that ease-of-tuning be explored thoroughly.

Without identifying firms, EIA gave FCC a digest of each company's recommendations. "U-Day" cut-off dates ranged from Aug. 1963 to June 1965, with heavy concentration around July 1964. Secrest summarized:

"The July 1964 date coincides with the period when new models are announced to the trade; 1963 models are already in production & distribution, and the designs for the 1964 models, to be announced in the summer of 1963, have been frozen by many manufacturers. To change this pattern would be both expensive & disruptive to the normal trade pattern."

Much depends on speed of tuner makers, too, Secrest noted. Once engineering standards have been set by FCC, producers have to gear to increase production of uhf tuners—or combination vhf-uhf tuners—at about 15 times current 7% of total rate. Same goes for set makers who produce their own tuners.

New law should be bonanza for the 4 tuner manufacturers, incidentally—having a law guaranteeing market for their product, more expensive than vhf-only. Standard Kollsman, General Instrument, Oak & Sarkes Tarzian split the market now. We don't know share of business each has—though some set makers believe they run in foregoing order. They're all aiming to do a job. GI, for example, just announced design of push-button unit (Vol. 2:31 p8) and others are striving for easy-tuning units. One uhf converter maker participated in EIA survey, said he'd have no trouble meeting demand now and in future.

Passage of all-channel law has already hiked rate of vhf-uhf set production, according to set makers—from roughly 7% to 10%, and figure may go to 15% before long.

Though July 1964 undoubtedly will be okay with FCC, EIA was asked to calculate costs of switching a year earlier—but figure is expected to be prohibitive. FCC aims to put subjects on agenda of meeting 2nd week in Sept., shoot for final rules by end of this year.

**COURT HITS CATV ON 'DUPLICATION':** The first adverse court decision received by CATV industry, affecting its distribution of station signals, was handed down last week.

In Federal Dist. Court in Boise, Judge W. T. Sweigert ruled on "duplication" only. He held that Cable Vision Inc., Twin Falls CATV system, violated "contractual exclusive rights" between KLIX-TV and networks & film distributors when it distributed in Twin Falls the Salt Lake City signals duplicating programs being telecast by KLIX-TV. He decided that Cable Vision was "tortiously interfering" with these rights and, in addition, was "unfairly competing to the detriment of KLIX-TV." He said he's prepared to issue preliminary injunction stopping duplication.

Attorney for Cable Vision, E. Stratford Smith, acknowledged that decision was "damaging" to CATV but that "it's highly susceptible to appeal." He said appeal procedure hadn't been selected yet—whether to ask Judge Sweigert to reconsider or to go directly to 9th Circuit Court of Appeals in San Francisco.

Lawyers don't agree on precise meaning of decision. For example, Sweigert said CATV was interfering with KLIX-TV's "contractual exclusive right to the first run of network & film programs in the community of Twin Falls." Attorneys say they don't know whether this means delayed duplication of KLIX-TV programs (as opposed to simultaneous) is okay and whether it means that CATV can be enjoined only in Twin Falls itself—CATVs in other communities unaffected.

It's agreed that decision affects directly only Idaho, at most, if in fact it's not limited only to Twin Falls. In other states, new suits would have to be brought and concluded to achieve similar injunctions. Of course, Sweigert decision would be cited as precedent if it holds up under appeal.

Sweigert's basic tenet was this: CATV subscribers watch Salt Lake City signals of same programs offered by KLIX-TV. Therefore, KLIX-TV's audience is reduced and its advertising support is weakened.

Judge noted FCC policy on stations vs. CATV—that Commission seeking legislation giving it power to control duplication and he said that KLIX-TV "asserts a contractual exclusivity which is expressly permissible, valid and in conformance with present national policy." "It appears," he said, "that community antenna services, although now beyond the reach of the FCC, do not hold under the national policy any favored status that would exempt them from ordinary common law responsibility to others—broadcasting stations or otherwise." Decision had nothing to say about "property rights" in signal itself, something telecasters are fighting to establish in other cases.

It will take time before uncertainties are smoothed out of case. Meanwhile, stations elsewhere will be encouraged to take action in those cases, relatively few, where CATV systems haven't agreed to stop duplicating. Decision doesn't affect other aspects of CATV signal pickup & distribution.

NAB Pres. LeRoy Collins termed decision a "landmark," said he was gratified and that ruling "should have important & far-reaching implications."

**CATV GROUP ATTRACTS \$10 MILLION & NBC VP:** Dallas industrialist Charles A. Sammons, whose wealth is calculated in 9 figures, increased his nest egg by \$10,250,000 last week—selling 18 CATV systems to group headed by Alfred R. Stern, who leaves a top vp job at NBC. Group of systems is 2nd largest, exceeded only by H & B American holdings. Systems have 43,500 subscribers in 10 states. Sammons keeps 5 other systems, has no present plans to sell them.

Televents Corp. is buyer, Stern chmn. & chief exec. officer, with hq in N.Y. Pres. is Carl Williams, pres. of Systems Management Co., Denver, which has been running the systems and will continue to do so. Daniels & Assoc., Denver, handled sale.

Purchase was financed by \$5.5 million loan from "a leading N.Y. bank"; \$2.85 million of debentures from institutional clients of John W. Bristol & Co., N.Y. investment counselors; private investors, including Stern who holds largest single interest in firm.

Stern has been with NBC since 1952; since 1959, he has been vp in charge of NBC Enterprises Div.—covering NBC International, NBC Films, merchandising & licensing of subsidiary program rights, sales of film prints, theatrical activities. Williams is attorney who in 1958 with Bill Daniels founded Daniels & Assoc.

**WHIRLING WEEK IN TV SATELLITE PROGRESS:** In U.S. efforts to get communications satellite system on road, 4 major developments emerged last week: (1) Senate liberals successfully filibustered Administration's satellite bill off floor into Foreign Relations Committee. (2) President Kennedy was considering bypassing legislators and setting up system by executive order. (3) AT&T's Telstar continued its impressive performance, flashing TV signals & phone calls back and forth between U.S. & Europe. (4) Hint of trouble over satellite frequency assignments loomed from Soviet Union.

In Senate, bloc led by Sens. Morse (D-Ore.) & Kefauver (D-Tenn.) staged filibuster, which at times deteriorated into bitter wrangling, finally managed to have Administration-backed satellite measure side-tracked to Foreign Relations Committee. Administration immediately threw in big guns, Attorney General Kennedy & FCC Chmn. Minow appearing at opening session, urging passage of bill. Committee has orders to report it back to Senate by Aug. 10.

From White House, meanwhile, came indications that President may get system underway with or without Congress: Aides reportedly will urge issuance of executive order directing NASA & FCC to go ahead with commercial authorization. Quirk of law is understood to give him power in this field—harking back to similar Presidential action when Congress was slow in passing law regarding ocean cables. Big catalyst for this action is upcoming 113-nation conference next year to hash out frequency assignments for space communications. Feeling is that nation with workable system already operating will have great advantage.

Oblivious to all this static, Telstar continued to work spectacularly. Former President Eisenhower was telecast from Stockholm, and Britain & France continued attempting to outdo each other with news & documentary transmission. ABC put in bids to use Telstar to relay European events, including May Day in Moscow. And an AT&T spokesman said 2nd Telstar may be launched in fall, to lengthen telecasts.

Possible big trouble that could jeopardize future of space TV, however, may come from Russia. U.S. has proposed 2 microwave bands, totaling 3,000-mc for satellite system. Russia wants narrower band of only 950-mc. and on frequencies U.S. has allocated for military radar.

Not to be outdone, American Federation of TV & Radio Artists has started to worry early, held press conference to announce it would begin discussions shortly with European counterparts over future talent & fee difficulties expected when global TV gets into full swing.

Matty Fox's Bolshoi tapes finally reached telecast stage Aug. 2, after nearly 3 years on sales shelf—but with two interesting changes. Scheduled, as we had predicted (Vol. 2:27 p2), as a summertime special on RKO General Phonevision's Hartford, Conn. pay-TV test, *The Best of the Bolshoi* was ballyhooed to Phonevision customers as "\$1,500,000 film . . . never seen on any other TV broadcast or in any theatre." Actually, telecast was from high-grade b&w 35-mm kinescope made from original color tapes, although RKO vp John Pinto preferred to call it "a film transfer." (Although RKO General-owned WHCT has no local tape facilities, the tape could theoretically have been played at WOR-TV N.Y. and fed to WHCT via microwave.) Missing from credit roster of the production, curiously, was the name of Matthew Fox, the entrepreneur who out-bid NBC-TV, Ed Sullivan, et al. in 1959 for TV rights to the famed Soviet ballet company. "Executive producer" status was credited to Paul White, with Ted Mills as "producer," and with "S. Hurok and ANTA" sharing presentation billing with WHCT. Price to viewers for ballet evening: \$2:00—tops, so far, in Phonevision charges for a single event.

"Revolutionary" new TV commercial production service, claimed to reduce costs as much as 30%, was announced by Paramount TV Productions, Hollywood. Service will handle taped & filmed commercials, in b&w and color, using live action, animation or combinations.

No-action dept.: FCC Comr. Cross' spot remains in limbo, no action on vacancy from White House. Two more names were thrown into speculation last week: N.J. Public Utilities Commission Chmn. William Hyland and Columbia U. School of Journalism Prof. Penn Kimball. Former couldn't be reached last week, but Kimball could. He said that he'd been asked to consider job, hadn't been offered it—"nothing as concrete as that"—was considering it, but "I'm not campaigning for it." He's been at Columbia 3 years, *Collier's* 3, *Omnibus* 2, *N.Y. Times* 3. Twenty years ago, he served on *U.S. News & World Report*, once was asst. to Sen. Benton (D-Conn.). So guessing continues: Cross out, Cross in? Cox up, Cox down? Dark horse looms, dark horse unlooms? Replacement now, replacement later?

Two million Detroiters will be served by 100-watt uhf translators on Ch. 79 & 83, FCC said, granting Purdue U. the repeaters as satellites of experimental airborne ETV station which circles over Montpelier, Ind. and transmits classroom instructions during school year. The high-flown educators, by the way, are thinking about telecasting medical instructive material to physicians—if someone will pay for it.

Propaganda broadcasts, foreign source unidentified, are being carried by some stations, FCC announced last week, warning stations of law requiring proper disclosure. Though Commission didn't publicize it, it's understood that Katanga Information Office is the source.

## Personals

Ray W. Welpott elected vp, NBC owned stations & NBC Spot sales, continuing as mgr. of WRCV-TV & WRCV Philadelphia, maintaining offices there. Louis Hausman, gen. executive, elected a vp. John M. Otter elected vp, NBC-TV national sales.

Elmer W. Lower promoted to NBC News gen. mgr. . . . Philip G. King, ex-Pat McDermott Co. vp, appointed WCBS-TV N.Y. information services dir.

Edmund C. Bunker, ex-Froedtert Malt Corp. exec. vp, former CBS-TV vp & gen. sales mgr. and CBS Inc. corporate vp, named Radio Advertising Bureau pres., succeeding Kevin B. Sweeney, who retires March 1.

Douglas Streff promoted to ABC-TV central div. asst. daytime sales mgr. . . . John A. Buning resigns NAB field representative post to take over direction of his radio WBAR Bartow, Fla. . . . Jerry Schnitzer, TV commercials and feature film producer & dir., forms Gerald Schnitzer Productions, Hollywood.

Dr. Lawrence T. Frymire, educational radio WKAR Michigan State U. mgr., appointed chief, Educational Bestg. Branch of FCC Research & Education Div., succeeding Dr. Keith Engar, who resigned to resume post as mgr., educational KUED, U. of Utah.

Larry Walker retires Oct. 1 as exec. vp of Carolina Bestg. Co. (WSOC-TV & WSOC Charlotte) a one-time classical pianist, vaudeville performer and network radio entertainer, he's former vp of Jefferson-Standard Bestg. Co. (WBTW & WBT Charlotte).

Marie Torre, ex-N.Y. *Herald Tribune* syndicated columnist jailed in 1959 for refusing to disclose information source (Vol. 15:2 p7), joins KDKA-TV Pittsburgh news staff.

Don Sbarra promoted to KARD-TV Wichita & Kansas State Network vp & gen. mgr. . . . Earl R. Bechtel advances to WTVN Columbus, O. local sales mgr.

Bernie Whitaker advances to WRAL-TV Raleigh gen. sales mgr.; William R. Murray named local sales mgr. . . . Mike McCormick, ex-WHAS-TV Louisville local-regional sales mgr. & asst. gen. mgr., appointed KPLR-TV St. Louis sales mgr. . . . Bazil O'Hagan promoted to WNDU-TV South Bend station mgr.

Lee Browning, WFIE-TV Evansville, Ind. vp-gen. mgr., becomes WFRV Green Bay gen. mgr. Sept. 15, succeeding E. Berry Smith who resigns to join Marine Capital Corp., Milwaukee, as broadcast executive; Jack E. Douglas, formerly WCSI Columbus, Ind., succeeds Browning as WFIE gen. mgr.

Richard D. Heffner promoted to Educational Bestg. Corp. (WNDT N.Y.) vp-gen. mgr.; G. Edward Hamilton named asst. gen. mgr.

Arnold Alpert, former publisher of *U.S. Radio* and *U.S. FM* until merger of the magazines with Sponsor Publications last year, joins Television Digest Inc. as general manager at Washington hq. His responsibilities include administration, sales, promotion, circulation. In addition to extensive experience in broadcast publishing & advertising fields since 1946, Alpert has served as reporter for *Wall St. Journal*, handled publications for Railway Express Agency. He's graduate of Columbia U. Graduate School of Journalism.

Paul B. Comstock, law partner of Sen. Holland (D-Fla.), joins NAB Sept. 1 as govt. affairs vp. Hollis M. Seavey, NAB govt. affairs mgr., will be his asst. Comstock is native of Okla., previously served 6 years in Washington with State Dept. and National Security Council. In Fla., he was exec. dir. of Fla. Bar Assn. and editor of *Florida Bar Journal*. He received B.A. degree in govt. from Okla. U in 1943, LL.B. there in 1948, degree in public law from Columbia U. in 1951. During World War II, he was intelligence officer on Gen. Bradley's staff, also served during Korean War.

Broadcast engineering conference planning committee for NAB 1963 Chicago convention: Orrin W. Towner, WHAS-TV Louisville, chmn.; William S. Duttera, NBC; J. B. Epperson, Scripps-Howard Bestg.; James E. Gray, radio WYDE Birmingham; Albin R. Hillstrom, KOOL-TV Phoenix; Clyde M. Hunt, Post-Newsweek Stations, Washington; Leslie S. Learned, MBS; Frank Marx, ABC; James D. Parker, CBS-TV; Jack Petrik, KETV Omaha.

Acting chiefs for FCC offices left vacant by creation of new review board were appointed last week: John J. O'Malley was named acting asst. gen. counsel, Regulatory Div.; David Warren, acting chief, Office of Opinions & Review; Sylvia D. Kessler, acting chief, Renewal & Transfer Div.

Senate Commerce Committee changes: Scott (R-Pa.) rejoins Communications Subcommittee as ranking Republican, replacing Cotton (R-N.H.), who moves to Surface Transportation Subcommittee. Sen. Prouty (R-Vt.) also named to communications group.

New educational & religious TV program developing and distributing organization, Educational & Religious Radio & TV Assn Inc., has been formed with hq at Rm. 1011, 1319 F St. N.W., Washington 4, D. C., phone Executive 3-6267. It's non-profit, non-denominational, financed by grant from Lilly Endowment Inc. Ella F. Harlee is pres.

Winners in Radio Free Europe Fund's 1962 Broadcasters' Participation Awards Program: WLOF-TV Orlando; WBZ-TV Boston, radios KFLG Walsenburg, Colo. & WEJL Scranton. Awards are given to stations making best promotional efforts to support RFE. Representatives from each station will tour RFE facilities in West Germany & Portugal.

"Broadcast Secretary" to President, giving TV-radio equal status with press, was suggested to President Kennedy last week by Richard S. Aldrich, GOP candidate in N.Y.'s 19th District and cousin of Gov. Rockefeller.

New consumer-analysis service launched by SRDS-DATA Inc., Consumer/Audience Profiles, will provide advertisers with specific information on correlation between consumer buying habits and viewing, listening, & reading. Richard White, ex-BBDO, has been appointed dir.

Peters, Griffin, Woodward moves Atlanta office to 1371 Peachtree St., N. E., phone 875-7763. Company is named rep for upcoming WNYS-TV Syracuse, also opens Minneapolis office headed by John J. Cameron, ex-MCA & Ziv (1710 First National Bank Bldg., phone 333-2425).

Birmingham \$1.5 million libel suit against CBS for program depicting racial tensions in city was thrown out last week by Federal Judge Seybourn Lynne. He agreed with CBS lawyers' contentions that network couldn't be sued in Alabama because it does no business in state.

WALA-TV & WALA Mobile name Select Station Representatives as rep.

Auto glass commercials by Libbey-Owens-Ford and General Motors were cited as deceptive by FTC hearing examiner last week. Examiner Harry R. Hinkes charged 1957-58 filmed commercials utilized deceptive camera techniques & devices to give inaccurate comparison of optical distortion between safety plate glass and safety sheet glass. FTC issued original complaint in Oct., 1959, in one of first big deceptive TV advertising cases. In initial decision, Hinkes ruled: (1) Glass used in side windows of GM cars isn't of same grade & quality as that in windshields, but lower. (2) Films weren't accurate demonstration of perceptible disparity between optical distortions of plate glass & sheet glass under ordinary conditions. He also said in certain sequences, films made through open windows were represented as being photographed through plate glass. Decision may be reviewed by Commission. Commission also issued consent orders against Louis Marx & Co., N.Y., and Remco Industries, Newark, for false & misleading TV commercials to promote toys.

Network TV gross time billings totaled \$66,101,761 in May, 12% higher than May, 1961's \$58,805,784, TvB reports. For first 5 months, billings were \$324,050,243, up 11.5% over last year's \$290,525,162. ABC picked up 6.6%, from \$79,403,040 to \$84,659,058; CBS rose 15.4%, \$107,812,050 to \$124,362,088; NBC gained 11.3%, \$103,310,072 to \$115,029,097. Daytime billings through May were up 15% from last year, \$88,252,101 to \$101,511,035; while nighttime increased 10%, \$202,273,061 to \$222,539,208.

Patterson-Liston title fight Sept. 25 will be televised to potential one million home viewers via CATV by Tele-Prompter Corp. Company also will lease equipment and arrange cable facilities for Graff, Reiner & Smith Enterprises' closed-circuit theatre telecasts of match. Tele-Prompter Pres. Irving B. Kahn based million audience figure on fact that CATV home participation jumped from possible 23,500 sets in June 1960 to 150,000 for Patterson-McNeeley bout last December. He said number could "easily" be doubled for this fight, with average of 3.5 viewers per set. TelePrompter also will telecast Fullmer-Tiger bout from Candlestick Park, San Francisco, Sept. 12.

Huge untapped TV program source may be opening up, as individual stations & groups begin producing own shows to supplement network offerings, according to Westinghouse Bestg. producer Michael R. Santangelo. Guesting for vacationing N.Y. *Herald Tribune* columnist John Crosby, he said that if each station produced & syndicated one great show a year public could see one great show a night.

"Color TV Comes of Age," *Reader's Digest* discovers in August issue condensation of *Television Age* article by Don Wharton. Article gives appropriate kudos to pioneer RCA, notes that set prices are in \$650-\$750 range, declares there will be over one million sets in use before end of 1962, with 2, possibly all 3 networks telecasting color.

Bank of N.Y. signs 21-yr. lease for 16,600 sq. ft. on plaza floor & basement of new CBS Bldg., being constructed on Ave. of the Americas between 52nd & 53rd Sts., due for completion in Fall 1964.

WOKR Rochester, Ch. 13 interim operation due to begin in late September, becomes ABC-TV affiliate.

Rare thing nowadays: Uncontested vhf CP, Ch. 12 granted in Walker, Minn. to Central Minn. TV Co.

Metromedia retains Albert Frank-Guenther Law as financial PR counselor.

FCC got \$14,355,000 of \$14,617,000 it requested when House passed Independent Offices Appropriations Bill for current fiscal year. This is \$1,830,000 over agency's 1962 appropriation. Appropriations Committee okayed 12 new positions in Safety & Special Radio Services, 19 for new satellite communications group. Also approved were funds for more advanced monitoring equipment & computer, expected to result in savings of about \$200,000 a year for 10 years. FTC didn't fare so well, received only \$10,720,000 of \$11,845,000 asked. Committee noted in report, however, that agency received \$2,335,500 increase last year. USIA received \$149,225,000, \$8,835,000 less than requested, but \$7,925,000 more than last year. Senate Appropriations Subcommittee takes up bills Aug. 6. FCC is slated to testify Aug. 8.

"Radio spy system" in Washington could result from administration-backed bill to permit foreign govts. to operate low-powered radio stations in embassies, House Commerce Committee member Younger (R-Cal.) charged in hearings last week. Undersecretary of State George Ball said measure has approval of CIA, Justice & Defense Depts., wouldn't give foreign powers any important new channels for intelligence work. He said purpose of bill is to clear way for construction of stations at 92 U.S. diplomatic posts in countries with inadequate commercial facilities.

ASCAP-TV station dispute (Vol. 2:24 p6) appears as unsettled as ever. N.Y. Federal District Court Judge Ryan is expected to rule shortly on whether he has authority to require ASCAP to give industry a limited music license. If he says he doesn't, as expected, it's assumed stations will appeal directly to U.S. Supreme Court.

Sales approved by FCC: (1) 50% of WTAE (Ch. 4) Pittsburgh to Hearst Corp., which owned 50%, for \$10.6 million, from trustees Earl F. Reed & Irwin D. Wolf Jr. (2) KTVT (Ch. 11) Ft. Worth to WKY TV System, for \$800,000, by NAFL.

NBC-RKO hearing, on Philadelphia-Boston station swap (Vol. 2:29 p4), won't be conducted by Comr. Ford. After pondering job, he said he'd like to handle it but it would consume too much time. Chief Examiner got the assignment.

New CATV system under construction—Tri-Town Video—will serve Endicott & Union, N.Y., with 3 N.Y. signals, 2 from Binghamton, one or 2 from Scranton-Wilkes-Barre, plus closed-circuit channel, background music and several FMs. Potential is estimated at 10,000. Group is headed by William Calsam, operator of systems in Oneonta, Norwich, Delhi & Sidney, N.Y. In Oneonta, system has closed-circuit channel operating weekdays 5-6:30 p.m., featuring local talent, interviews, etc. System also provides news, using AP—which Calsam believes is first such use in CATV.

CATV franchise for Salinas-Monterey, Cal. has been won by KSBW-TV (John Cohan, pres.) from field of contenders once numbering 25. Cohan also received go-ahead for systems in Monterey County, is said to be in lead for Modesto franchise.

New Jerrold "Channel Commander" unit (Model COM) permits CATV operators to feed up to 12 channels simultaneously to subscribers. System is installed at head-end of system, converts incoming signals to any vhf channel, also is claimed to provide high-quality color reception.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**ZENITH TO ENTER 16-IN. TV MARKET:** There'll be no scarcity of 16-in. merchandise on market-place next year. Although GE's lightweight Escort has field all to itself at moment, it'll be joined in October by lightweight Philco set, and next year by at least one other U.S.-made version—from mighty Zenith. And there should be at least 4 Japanese-made editions of the 16-in. in American stores next year.

"We think there will be a market for the 16-in. set," we were told last week by Zenith Sales Corp. Pres. Leonard C. Truesdell. "We don't know how big this market will be, or what kind of future it will have." Like GE's & Philco's, Zenith's set will be lightweight, designed for easy portability. "That's the only advantage of the 16-in. set," said Truesdell.

One more 16-in. set was shown last week—the Hitachi, to be imported by Sampson Co., Chicago, with deliveries promised in 30 days. Retail-priced at \$129.95 (vs. \$170 list on GE set), Hitachi's unit has look of scaled-down 19-in. portable, and can't qualify as "lightweight" set, since it weighs in at about 36 lb. This will be first set in TV line scheduled for import by Sampson, which eventually will include—according to Sampson spokesmen—10- or 12-in. transistorized battery portable, 19-in. set and eventually color set.

Star-Lite, which has been importing 8-in. plug-in sets, also plans to add 16-in. at \$129.95, as well as 14-in. at same price, and another 8-in. set at \$119.95. Matsushita & Delmonico have previously announced plans for 16-in. sets (Vol. 2:27 p10).

Japanese manufacturers have been quick to jump into 16-in. market. This size is basically a square-cornered version of 14-in., currently most popular size on Japanese domestic market, and is natural transitional model for home consumption.

Japanese version of 16-in. tube differs from American one. It's a "heavyweight" tube (requiring external safety glass), using bulb designed about 2 years ago by Corning for Admiral (Vol. 16:43 p15), but never put into production here. (Current U.S. 16-in. tubes have lightweight bulbs designed for integral implosion protection such as GE's Lamilite and Pittsburgh's laminated shield; Kimcode version requiring no safety glass will be available soon.) Japan's Asahi Glass Co., which has cross-licensing agreement with Corning, is producing heavyweight bulb for Japanese manufacturers. Delmonico's proposed lightweight 16-in. set presumably will use U.S.-made tube.

Most TV importers feel they've found at least temporary niche by specializing in small screen sizes. Imports of Japanese sets passed 40,000-mark in August, indicating that Japan will account for more than 1% of U.S. set market this year. Yet it's good guess that more 19-in. sets have been imported from Japan than any other size. These are currently being brought in (sans picture tube) principally by one importer—Delmonico International.

New 16-in. size has now been firmly launched, at any rate, and next fall should see U.S. & Japanese sets of this size in direct competition.

**3M CARTRIDGE SYSTEM IN PILOT OUTPUT:** It's been 2½ years since first demonstrations of Minnesota Mining's automatic tape cartridge system—but pilot production of its tape playing & changing mechanisms has finally begun at Revere Camera plant in Chicago, and first market test is scheduled before year's end, with general availability slated for next year.

As demonstrated in March 1960 (Vol. 16:13), you'll recall, 3M system was designed to combine best features of tape & disc devices for home stereo entertainment. Tiny cartridge 3½-in. square, playing at 1⅞-in.

per sec., can provide more than hour of music. Specially designed changer, on which 5 or 6 cartridges can be stacked, automatically threads, plays & rewinds tape. System can be used for home recording as well as playback.

3M had press preview last week of its first new tape recorder product since it took over Revere Camera Aug. 1, 1960. It's not cartridge system, but new Wollensak 1580 stereo recorder, lightweight (26 lb.), 22 watts output, loaded with features, at \$379. It's standard open-reel type of recorder. At N.Y. preview of Wollensak machine, 3M exec. vp Bert S. Cross outlined initial plans for cartridge recorder.

Cartridge device will be market-tested in as-yet unchosen "major U.S. metropolitan area" before end of this year, with nationwide marketing due next year. Cross said cartridge unit is designed to broaden overall tape recorder market, not replace open-reel types. For time being, the tape changers will be marketed only by Revere; Cross said decision on whether to solicit OEM business from package hi-fi manufacturers will be made later.

It's understood Columbia Records will supply programming tapes for new cartridge system. Much of initial development work on tape changer was conducted by CBS Labs. Several years ago, 3M had signed up Zenith and Grundig (Germany) as OEM customers for its system. But there were snags in development work and 3M wasn't able to meet its target dates.

Initially, cartridge tape recorders are expected to be competitive in price with "open-reel tape recorders of equally high quality," we were told by one Revere official.

Although 3M is mum on future plans for cartridge system, it's good bet that it hopes it eventually will become competitive with stereo disc changers, rather than with open-reel tape recorders. Although its Revere subsidiary will manufacture (and perhaps license others to manufacture) tape changers, it's good bet 3M is really more interested in the blades than in the razor. Its real basic interest understandably is in promoting wider use of recording tape, of which it is largest manufacturer.

Wide-scale use of tape as basic home music system won't come until tape handling & playing is as simple as disc changers, and tapes are as inexpensive as comparable discs. This was stated purpose of 3M's cartridge system when it was first shown in 1960, and there's no reason to believe there's been any basic change in outlook; 3M has put too much effort & money into it to classify as just "refinement" of tape recorder. It's hoping it will be introducing complete new music system. In words of one financial house, which recently evaluated 3M, new recording system "is expected to have a significant impact on future earnings."

**SET MAKERS GROPE FOR NEW PRICE APPROACH:** New type of price confusion is developing in home electronics industry in wake of intensifying attacks on list prices and was-is & other types of comparative-price advertising (Vol. 2:28 p14).

Although some manufacturers are still holding firm to list prices, our discussions with industry leaders have revealed these 2 accelerating trends: (1) Greater use of open lists. (2) Development of new terminology to impart product values to public and, at same time, to emphasize with new clarity that manufacturer's valuation is strictly an opinion & not a price.

In the wings are still other impending developments which could introduce further confusion to pricing picture. Among them are: (1) Quality Stabilization Bill, introduced in Congress last February (Vol. 2:11 p6), which, simply stated, represents a kind of national fair-trade law. (2) Pricing gimmicks now being field-tested in other industries. As example of latter, we were told that one major housewares manufacturer has developed program under which it retains ownership of products until sold by retailer. This, in effect, makes retailer the company's sales agent, enables manufacturer to control sale price.

Net result to TV-radio-phono consumer in immediate future is that he will be reading prices which will have little or no uniformity of meaning. In addition to familiar "manufacturer's suggested list," he will read such qualifiers as "made to sell for less than," "optional with dealer," "should sell for less than," and so on. Additionally, some of tomorrow's TV ads will carry manufacturers' statements to effect that any resemblance between price noted in ad & the price consumer can expect to pay in store is purely coincidental.

Leading price-change parade are RCA, Westinghouse & GE. Each has, or is readying, new terminology which will supplant list prices with valuations that, they believe, will be less subject to consumer confusion

and fictitious use by retailers. RCA & Westinghouse will further gild the lily by inserting in ads qualifying clauses to notify consumers that the companies do not set & are not responsible for dealers' prices.

RCA's ads will carry "manufacturer's nationally advertised price \$.....," with qualifier "optional with dealer." GE plans to use such phrases as "less than \$....." and "made to sell for approximately \$ .. ." Westinghouse, if it decides to use pricing in national TV ads, will use even more elaborate terminology. In addition to "at less than \$....." evaluation, it will carry this qualifier: "This approximate price is published only for information & identification and is not necessarily a representative going market price in any market at any given time. Prices may vary from dealer to dealer and market to market." In radio & phono ads in key cities, Westinghouse will have prices identified as "distributor suggested list prices" and will carry the elaborate qualifier, deleting only "market to market" in 2nd sentence.

Other manufacturers are quite scornful of this general "less than \$....." approach. Zenith Sales Corp. Pres. Leonard C. Truesdell pulled no punches when he told us: "It's negative advertising. It will only aggravate the situation. When you advertise a product at 'less than' you only invite the consumer to expect price cutting. He wants to know how much less he really has to pay for the product. I think it's a very poor approach. We have no intention of changing our present policy of using list prices."

Admiral has practically dropped list prices, but has no intention of switching to less-than or other "weasel-worded" terminology. "We see little merit to this approach," Admiral told us. "If you're going to start weasel-wording with such terminology you'll just be serving up the same thing. Our approach is to use more and more open lists. There's a definite trend in that direction."

Westinghouse consumer products vp Chris Witting Jr. explained replacement of list prices with "less than" evaluation this way: "If the factory posts a list price, you have the basis for the basic criticism of the FTC and the Better Business Bureau. The dealer can advertise that 'the factory lists the price at such & such, but we sell it for only this.' If we say it should sell for less than a certain price, we remove a large part of evil that people are worrying about. The valuation merely becomes a guide—an indication to the consumer that we believe the product should sell below a given price."

RCA told us pretty much the same thing in much the same language: "The 'less than' approach is an attempt to give the consumer some indication of value, of price range, without any indication that he should use that price as a comparison with the price the dealer charges. We do not want any implication that we're even suggesting the retail price. 'Suggested list' connotes that the manufacturer is seeking, although without compulsion, that the dealer use that price. We believe that 'retail' & 'list' are equally unsuitable words, since both connote that these are the prices that should be charged. We use the terminology 'manufacturer's nationally advertised price' and explain that the price indicated is 'optional with dealer.' Our purpose is to give the prospective customer some indication of value—not the price which he should expect to pay."

It would be pertinent at this point to recall that National Better Business Bureau already has taken notice of "less than" approach (Vol. 2:26 p14) and ruled that the game's the thing, not the name. Pres. Kenneth B. Willson told us: "Fictitious pricing in any form is unlawful." If a dealer "kicks the daylights" out of an advertised less-than price, he said, "it would give the consumer in that area the false picture" that he's buying at a bargain a product that should sell for markedly more.

Clarification of price confusion & control could come with passage of Quality Stabilization Bill. However, bill introduced Feb. 21 in Senate (S.J. Res. 159) & House (H.R. 10335) has considerable opposition—from FTC, Justice Dept., Commerce Dept., for example—and is less than a sure bet to make it. Special subcommittee of Senate Commerce Committee, after failing twice to get quorum of its 5 members to consider bill, recently approved an amended version & reported it out to full committee. On House side, Commerce & Finance Subcommittee of Interstate & Foreign Commerce Committee also reported out its bill, which contains some differences from Senate version.

In essence, bill seeks quality stabilization by forbidding retailer to (1) use brand-name merchandise in bait ads, (2) misrepresent brand names in ads in order to sell private-label merchandise. It would empower manufacturers to deny their brand name products to retailers who sell them below established prices. As preamble to Senate bill notes, Quality Stabilization legislation seeks "to amend the Federal Trade Commission

Act, to promote quality and price stabilization, to define and restrain certain unfair methods of distribution and to confirm, define and equalize the rights of producers and resellers in the distribution of goods identified by distinguishing brands, names or trademarks, and for other purposes."

We found reluctance among industry leaders to comment on bill. Some said they preferred not to comment on pending legislation, others indicated they were unfamiliar with, or unaware of, bill. However, 2 leaders spoke up—and stand squarely behind legislation. Zenith's Truesdell told us: "I'm all for it. I think it's worth all the effort we can put behind it." He said his support of the bill is recorded in *Congressional Record*. Motorola Consumer Products mktg. vp S. R. (Ted) Herkes was equally categorical: "We're very much behind the Quality Stabilization Bill. That's the way we'd like to do business."

Sen. Hubert H. Humphrey (D-Minn.), co-sponsor of bill, in recent address before fair trade rally in Philadelphia, declared "this legislation is necessary for the competitive survival of thousands of independent businessmen in all parts of the country." He blasted "renegades in the marketplace" for "ruinous marketing practices," said price cutting by "the discounters and the cut-raters" results in consumer exploitation, not consumer savings.

#### **TV-RADIO PRODUCTION:** EIA statistics for week ended July 27 (30th week of 1962):

	July 21-27	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV .....	103,990	94,133	100,882	3,643,014	3,184,514
Total radio .....	310,237	295,773	282,617	10,409,302	8,567,689
auto radio .....	96,783	116,182	114,098	3,712,749	2,701,919

#### **Trade Personals**

Robert L. Shaw resigns as Admiral Sales Corp. distributing branches vp (Vol. 2:1 p10), succeeded by Richard J. Bambery, formerly distributing branches sales mgr.; Alfred A. Medica promoted from TV sales mgr. to electronics div. vp, filling vacancy created by appointment last year of Ross D. Siragusa Jr. as sales vp.

George J. Renne, Beckman Instruments vp & treas., also elected finance vp . . . Andrew Georgia appointed Belock Instrument planning & research vp.

Dorothy Ewing, ex-Better Homes & Gardens field editor, joins Motorola as dir. of Motorola Home Institute.

David Cole, formerly with Capehart, named to new post of sales dir., Morse Sewing Machine & Supply Corp. electronic div., which markets transistor radios, tape recorders, console stereo instruments.

Murray Hoffman, ex-Philco microwave & antenna group, joins Airtron Div. of Litton Industries as engineering mgr. for ferrite devices.

Robert F. Bender, former ITT finance exec. vp, elected Sperry Rand vp & treas.

Fred J. Borch elected GE exec. vp & a dir., with responsibility for 5 operating groups, including consumer products, industrial, international.

Irvin M. Zimet appointed pres. & a dir. of Victoreen Instrument subsidiary Federal Mfg. & Engineering, succeeding James K. Malone, resigned, who continues as a dir.

Herman S. Shaps promoted to editor, *Home Furnishings Daily*, effective Aug. 18, after 18 years as textile editor of *Daily News Record*, succeeding Isadore Barmash, resigned.

William T. Relyea, formerly controller of Thompson Ramo Wooldridge's Dage Div., appointed Entron controller.

**Fink 'Drafted' by IEEE:** Donald G. Fink, Philco Scientific Lab dir. & one of best known figures in electronics engineering, will become gen. mgr. of new Institute of Electrical & Electronic Engineers when Institute of Radio Engineers and American Institute of Electrical Engineers merge in January (Vol. 2:29 p10). Fink is a Fellow in both societies & a former pres. of IRE.

Philco Pres. Charles E. Beck said both societies had inquired about Fink's availability for the new post. "We at Philco have agreed to this 'draft' of Don Fink for this important job, which he is so eminently qualified to fill," Beck said, "and we are proud to share the honor of this recognition of his outstanding contributions to American science & engineering." Fink will continue in his Philco post until a successor is selected.

#### **Obituary**

James R. Day, 52, research & engineering vp of Radio Engineering Labs, and holder of various FM radio patents, died July 28 in Doctors Hospital, N.Y. He recently was named technical planning vp of parent Dynamics Corp. of America. Prior to joining R.E.L. 17 years ago, Day had been associated with late Maj. Edwin H. Armstrong (1936-42) & RCA Labs (1943-45). His contributions in FM field include Serrasoid modulator, common cathode diversity combiner, delay FM detectors, 2-path FM threshold extension.

Robert Buchanan, 82, former treas. of De Forest Radio Co., died Aug. 1 at his home in Port Washington, L.I., N.Y.

Peerless Telerad Inc. has been formed at 15 W. 29th St., N.Y. to import TVs, radios, other electronic products from Japan. Officers: Harvey Dver, pres.; Arnold Gimbel, vp; Samuel Cohen, secy.

**GE & Justice Dept.** have been told to speed up settlement of 18 civil suits arising out of price-fixing conspiracy (Vol. 17:25 p21). Federal Judge J. Cullen Ganey, in Philadelphia, warned he would draw up settlement himself if agreement is not reached by early September. GE already has settled 11 govt. damage suits for \$7.5 million (Vol. 2:31 p10). GE said it was ready "at any time" to enter into a consent decree similar to those already approved by Judge Ganey, but Justice Dept. is seeking much broader court order against GE, hopes to obtain blanket ruling prohibiting GE from fixing prices on any of its more than 250,000 products.

**New plants & expansions:** **Motorola** will add 37,000 sq. ft. to its 788,878-sq.-ft. consumer products plant at Franklin Park, Ill. this year. "Our purpose," Pres. Robert W. Galvin said, "is to integrate consumer product production more completely by bringing a components & sub-assembly activity from a separate location in our Augusta Boulevard buildings" • **Ampex** has broken ground for a 150,000-sq.-ft. center at Redwood City, Cal. to house corporate hq and research & engineering activities. Building is slated for completion by next summer • **Philco** has sold its former 5-story, 95,000-sq.-ft. plant at 2nd & Westmoreland Sts., Philadelphia, for \$150,000 to Dalco Mfg., maker of electronic equipment & devices. Philco building will house Dalco's K & F Electronics Co. Div.

**Westinghouse** has agreed to court order forbidding participation in alleged plan to restrict exports of TV & radios to Canada (Vol. 14:48 p14). Anti-trust action originally was brought by Justice Dept. in 1958 against Westinghouse, GE & Philips, which were charged with manipulating their Canadian subsidiaries and Canadian patent pool in order to exclude other U.S. firms from selling TVs or radios in Canada. Philips agreed to similar order last May. Suit against GE is still pending.

**Bill to allow General Accounting Office** to void negotiated govt. contracts which it deemed "erroneous" or "not supported by substantial evidence" was attacked by EIA. Gen. Counsel John B. Olverson told Senate Armed Services Committee measure, passed by House, would be seriously harmful to industry and U.S. defense, would impose on contractors "extreme legal and financial risks in undertaking future contracts with the Department of Defense."

"Antenna installation is the sales clincher" for FM stereo radios, **Motorola** national phono & radio sales mgr. W. F. Laswell told distributors in recent letter urging "proper demonstration by dealers." He said survey of several hundred dealers in East revealed that "major percentage of them were demonstrating poor multiplex reception." He urged dealers to test FM reception in their stores and install correct FM antennas if needed.

**Reports & comments available:** **Texas Instruments**, discussion, Auchincloss, Parker & Redpath, 52 Wall St., N.Y. 5 • **Avco** and **Bendix**, analyses, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 • **Minnesota Mining & Mfg.** and **IBM**, comments, Hirsch & Co., 25 Broad St., N.Y. 4 • **Clevite**, analysis, Schweickart & Co., 29 Broadway, N.Y. 5.

**Mergers & acquisitions:** **Litton Industries** has acquired for stock, estimated at more than \$7 million, **Poly-Scientific Corp.**, Blacksburg, Va. developers of specialized components for precision instruments. Final price depends on Poly-Scientific's earnings over next 5 years & price of Litton stock at end of period.

**Reeves Bcstg. & Development Corp.** had pre-tax earnings of \$12,000 on \$2,271,000 gross revenues in 1962's first half. Pres. Hazard E. Reeves, in stockholders report, said "revenue & profit in the Broadcasting Division advanced substantially during the first half compared with the similar period in 1961. . . . Over-all, we can look for continued improvement in earnings in the Broadcasting Division." He said the "Studios Division had a good 6-month period, with increased activity in all departments—sound film recording has increased to a new high, video tape recording & kinescope activity have risen appreciably and film lab developing has nearly doubled during the first 6 months of 1962."

**Hewlett-Packard** expects profit in 1962 fiscal year ending Oct. 31 to rise more than 12% from year-earlier's \$5.9 million. Finance vp W. F. Cavier said "we don't look for any great change in the present pace for the rest of fiscal 1962 but we expect the 4th quarter to be a little better than the first 3 quarters." He said overseas sales, primarily in Western Europe, climbed about 40% in first 8 months, attributed gain to "intensified sales program & expansion of the Common Market."

**Japanese electronics production** hit \$1.4 billion in 1961, 20% higher than 1960, Commerce Dept. reports. TV set production totaled \$487.6 million, up 24%. Production of radios with 3 or more transistors totaled \$195.1 million, compared with 1960's \$194.3 million. Total consumer product output amounted to \$798.9 million in 1961, vs. \$665.1 million in 1960. Commercial, industrial & military equipment production was valued at \$203.2 million, compared with 1960's \$150.7 million.

**Salary & stock ownership** of **Ampex** officers at close of 1962 fiscal year April 30, as reported in proxy notice for August 28 annual meeting: Chmn. Alexander M. Poniatoff, \$54,656 & 5,500 shares; Pres. & Chief Exec. Officer William E. Roberts, \$68,946 (from Aug. 1, 1961) & 8,000 shares; George I. Long Jr. (pres. & chief exec. officer until July 31, 1961), \$51,414; vp Robert Sackman, \$48,048.

**Wells-Gardner Electronics** scored marked profit gains in both 1962's first half & June quarter despite sales dips in both periods (see financial table). Pres. Grant Gardner attributed profits-up, sales-down pattern to "higher production this year than last & a larger finished goods inventory by over \$2 million." He termed outlook for 3rd quarter "excellent," pointed to backlog of \$19,460,000 at half-year's end—up sharply from \$9,598,000 a year earlier.

**Delmonico International** posted a 75% gain in consumer products sales in the first half as volume rose to \$5.8 million from \$3.3 million in Jan.-June 1961. Exec. vp Herbert Kabat forecast total 1962 sales of \$16 million, vs. \$10 million in 1961. TV sales in first-half ran 300% ahead of year-ago, he said, and "we are in an oversold position on the new line through January 1963."

**Full-page ads** promoting all-channel sets were sponsored in *Washington Star* and *News* by city's WOOK-TV (Ch. 14), due to start soon. Ad urged new purchasers to buy all-channel receivers, present set-owners to get converters which cost "only a few dollars."

**Radio Master**, N.Y. manufacturer of radio-phono combos and hi-fi & stereo components, will move Sept. 1 to new quarters at 1314 Blondell Ave., Bronx, N.Y.

**Mobile Video Tapes** has been renamed **MVT Industries Inc.**, reported Lester E. Hutson, chmn. of the Los Angeles firm (see financial table for fiscal quarter report).

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Electronic Specialty	1962—6 mo. to June 30	\$ 30,004,125	\$ 1,647,491	\$1,072,491	\$0.80	1,337,104
	1961—6 mo. to June 30	12,728,223	522,118	477,118	.54	877,488
	1962—qtr. to June 30	15,065,239	660,267	483,267	.37	1,337,104
	1961—qtr. to June 30	6,540,149	331,979	291,979	.33	877,488
Globe-Union	1962—6 mo. to June 30	31,881,107	2,671,132	1,232,132	1.42 <sup>1</sup>	868,232
	1961—6 mo. to June 30	26,390,545	1,859,695	865,695	1.01 <sup>2</sup>	853,775
Hoffman Electronics	1962—6 mo. to June 30	22,066,363	(140,557)	(67,557) <sup>3</sup>	—	1,538,889
	1961—6 mo. to June 30	31,346,996	722,657	349,657	.22	1,534,088
	1962—qtr. to June 30	9,831,484	(524,642)	(252,642) <sup>4</sup>	—	1,538,889
	1961—qtr. to June 30	15,238,681	188,989	92,989	.06	1,534,088
Indiano General	1962—6 mo. to June 30	14,068,216	2,463,452	1,188,052	1.03	1,150,002
	1961—6 mo. to June 30	10,250,925	1,576,494	770,604	.67	1,510,002
Mobile Video Tapes	1962—qtr. to May 31	489,300	—	26,000	.09	279,788
	1961 <sup>5</sup>	—	—	—	—	—
Roytheon	1962—6 mo. to June 30	312,759,000	11,136,000	5,336,000	1.29 <sup>6</sup>	4,011,326
	1961—6 mo. to June 30	280,180,000	6,229,000	3,009,000	.71 <sup>6</sup>	3,888,764
	1962—qtr. to June 30	155,425,000	5,917,000	2,837,000	.69 <sup>6</sup>	4,011,326
	1961—qtr. to June 30	142,022,000	3,389,000	1,644,000	.39 <sup>6</sup>	3,888,764
Toft Bcstg.	1962—qtr. to June 30	3,057,975	1,266,357	578,541	.37	1,578,938
	1961—qtr. to June 30	2,606,162	956,892	460,683	.30	1,539,162
Time Inc.	1962—6 mo. to June 30	158,595,000	9,514,000	5,108,000	2.39	2,134,000
	1961—6 mo. to June 30	146,890,000	8,553,000	4,897,000	2.39	2,053,000
Toshiba	1962—6 mo. to Mar. 31	345,000,000	—	16,000,000	.75 <sup>7</sup>	—
	1961 <sup>5</sup>	—	—	—	—	—
Wells-Gordner Story on p. 11	1962—6 mo. to June 30	9,307,000	502,000	246,000	.58	422,400
	1961—6 mo. to June 30	9,627,000	416,000	205,000	.48	422,400
	1962—qtr. to June 30	4,927,000	385,000	184,000	.43	422,400
	1961—qtr. to June 30	5,542,000	357,000	171,000	.40	422,000

Notes: <sup>1</sup> Includes capital net gain equal to 24¢ a share. <sup>2</sup> Includes capital net gain equal to 7¢ a share. <sup>3</sup> After \$73,000 tax credit. <sup>4</sup> After

\$272,000 tax credit. <sup>5</sup> Not available. <sup>6</sup> After preferred dividends. <sup>7</sup> On Toshiba's American Depository shares.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Electronics Investment	—	\$0.02	Oct. 31	Oct. 1
Gen'l. Tire & Rubber	Q	.10	Oct. 31	Oct. 15
Taft Bcstg	Q	.10	Sep. 14	Aug. 15
20th Century-Fox	Q	(deferred)		

National Telepix filed registration statement (SEC File 2-20621) to issue \$150,000 of 6½% convertible subordinated debentures due 1972 and 80,000 shares of common stock to be sold by holders from time to time at current over-the-counter prices (\$3 maximum). Company produces & distributes films for TV, theatrical & non-theatrical use. Proceeds from sale of bonds will be used for production of additional filmed series, distribution & promotion of existing properties, working capital. Company has 245,450 shares of common stock outstanding, management officials as group owning 35,500. Edward White is pres.

Fleetwood Corp., Montreal maker of TVs & radios, scored a 29.8% gain in sales during 1962's first half—pushing volume to record \$5.8 million from \$4.4 million a year ago. Pres. M. F. Pollock forecast total 1962 sales of more than \$17 million, vs. \$14.2 million in 1961.

Cancellation of work on world's largest movable radio telescope was ordered by Defense Secretary Robert McNamara recently as economy measure. Action was taken because of increasing cost & decreasing potential value of 600-ft. installation at Sugar Grove, W.Va. McNamara said cost of telescope was estimated at \$80 million in 1958 when installation commenced. Total is now estimated at \$200 million.

Rocket-mounted TV camera relayed to monitors at Cape Canaveral close-up pictures of life & death of "Big Shot" — largest man-made object ever sent into space. Camera, fixed in head of Thor booster rocket, produced clear pictures of balloon inflating to round ball 135 feet in diameter, 922 miles up.

Matsushita's projected product mix (presumably in dollar volume) of Panasonic sales in U.S., as shown in pie charts in trade ads: Pocket radios, 30%; FM-AM table radios, 26%; FM-AM portables, 16%; TV sets, 11%; 2- & 3-band radios, 10%; tape recorders & transceivers, 7%.

Long-delayed secondary offering of 700,000 shares of Schlumberger common (Vol. 2:30 p11) went on market last week at \$62.75 a share. Offering represents about 13% of total outstanding shares of Daystrom's parent company.

Silicon Transistor profit in 2nd quarter soared some 170% from April-June 1961 to about \$73,000 on a 42% sales rise to \$623,000.

# WEEKLY **Television Digest**

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The authoritative service for executives in all branches of the television arts & industries

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## SUMMARY-INDEX OF WEEK'S NEWS

### Broadcast

**MODERN COLOR SETS—EVALUATING** striking strides evident in new receivers, in fidelity, stability, b&w performance, etc. (p. 1).

**FCC MAY BLOCK CHANGED CBS INCENTIVE PLAN** with amendment of rules to ease affiliates' substitution of non-network programs for CBS offerings (p. 2).

**COLLINS TO DEFENSE OF CODES**, asserting that strong self-regulation wards off "law of the jungle" and "law of the bureaucrat" (p. 2).

**SATELLITE BILL PROGRESSING SIDEWAYS**: Passage uncertain as Senate Foreign Relations Committee approves measure which faces new filibuster on floor. RCA Chmn. David Sarnoff calls for single huge U.S. communications firm (p. 3).

**NEW EXPATRIATE BREED** of U.S. TV producer is represented by ex-NBC executive David Lown, now head of new Ampex-equipped Trans Europe TV. Lown's plans range from Telstar shows to film series; closed-circuitcasts to specials (p. 5).

### Consumer Electronics

**CORNING 19- & 25-IN. COLOR BULBS GET GREEN LIGHT**. JEDEC meeting Aug. 8 gives tacit approval to new sizes; Kimble shows plans for 24-in. rectangular color bulb. (p. 7).

**TV ENGINEERS VOTE UHF TUNER STANDARDS**. Ad Hoc Committee, chaired by Philco chief engineer, Harris O. Wood, formed to translate proposals into formal document for submission to FCC Aug. 22; executives of 20 TV & tuner companies attend meeting Aug. 7 at EIA's N.Y. hq (p. 7).

**TV-RADIO SALES UP & CLIMBING AT MIDYEAR**. Jan.-June TV sales by distributors rose to 2,724,038 from 2,491,744 in 1961's first half as dealers purchased record 480,510 sets in June; half-year radio sales gained to 4,800,574 from 4,370,863; EIA also releases first-half TV-radio production figures (p. 8).

**TV'S 'CRITICAL MONTH'** is August, with new models now flowing. Truesdell sees inventories under control after good July, but warns that production should be carefully geared to sales (p. 9).

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**MODERN COLOR SETS—AN EVALUATION**: We'd like to pause a moment and chat with you about today's color receivers. We've had color sets in our home since Jan. 1954, new models every year or 2 to keep up with current picture. Our first receiver had been used in White House by President Eisenhower, later went to a station as monitor.

It's surprising but true that many people in industry, otherwise very sophisticated, haven't looked at color for a long time. They have a delightful surprise waiting.

Our latest set is an incredibly effective product of American industry. We've waited several months before commenting, to see how it holds up.

Color rendition is absolutely superb. It's faithful, stable, has had just one service call—minor one, at that—and set is used many hours daily. Registration, throughout, is excellent. Tuning is quite easy—young children are adept, though far less critical than adults, who apparently will always disagree vigorously on subjective concepts of color fidelity. There is still only one way to tune for fidelity—i.e., by tuning flesh tones to your satisfaction. Brightness is as great as you need. B&w is fine—good contrast, resolution, etc.

Probably the most effective comment on color quality came from a guest, former FCC employe who had substantial role in Commission's first decision favoring field-sequential system against present NTSC standards. Long irked by Commission's final reversal and final choice of NTSC, he is now a convert, saying: "That's wonderful! I had no idea that it's that good. Color has arrived."

If you've been too busy to think about color recently, drop in on your favorite dealer.

**FCC MAY BLOCK CHANGED CBS INCENTIVE PLAN:** CBS may have cured its incentive plan contracts with affiliates, so that they no longer violate Sec. 3.658(a) of FCC's rules—but there's proposal under preparation at Commission to counter CBS's action by amending the rule.

CBS had told Commission it doesn't agree that contracts violate rules, but it changed contracts anyway, to give affiliates same payment for hours carried under old "standard" contracts even if affiliates substitute other networks' offerings for CBS's (Vol. 2:26 p3).

Idea under consideration Commission now would amend Sec. 3.658(a) so that incentive-plan compensation would be outlawed if affiliate substituted even non-network programs for CBS fare. It's understood this would be tied in with proposal to abolish option time. Predictions on final FCC vote are hazardous—because split on option time has been 4-3, Comr. Ford considered the "swing man."

There's dispute within Commission as to whether amendment of Sec. 3.658(a) can be accomplished without further rule-making—whether or not industry has had ample opportunity to comment during option-time rule-making proceeding.

**COLLINS TO DEFENSE OF CODES:** Attack on NAB's TV & radio codes by July 30 Broadcasting Magazine provoked NAB Pres. LeRoy Collins to strongest reaction to date, to publication frequently critical of his regime.

Magazine editorialized that strong Codes would give FCC handy tool to control industry. It quoted FCC Chmn. Minow's recent statement: "I think it is within our power to do something about the number of commercials, and the industry itself has a code on how many commercials you can have on. I have suggested that if the industry is unable to enforce it, we will just take its own code, not touch it, just take it as it is and make it a rule that does apply to everyone."

Said Broadcasting: "If the broadcasters themselves, or a majority of them, assert that the code is a measurement of 'good' broadcasting, how can they object if the govt. agrees? In the long run it must be inevitable that the FCC will look with suspicion on any renewal application that does not clearly indicate adherence to NAB standards."

Collins' reaction in speech last week at meeting of Ga. & S.C. broadcasters' assns.: "The position taken in substance is that while the standards of good practice embodied in the Codes are all right to have hanging on the wall for the sake of appearances and individual guidance, we should make no concerted effort as an industry to enforce them.

"Now over the years since the Codes have been established, broadcasters have been lambasted from within their own house and from without by those who have contended that the Codes have been meaningless without stronger enforcement. And it is ironic and disappointing, now that we are developing this kind of enforcement, that there are a few who would have the public as well as broadcasters believe that the Codes were not supposed to be enforced all along, and that, notwithstanding the soundness of their standards, each broadcaster in fact should be completely on his own.

"Well, let me make this clear. We in NAB do not believe in this kind of deceptive double-talk. We do not regard our Codes as camouflage suits to make broadcasters appear to be something they are not. . . .

"If anyone, in broadcasting or out, has any just complaint about how the Codes are being administered, he should speak out so all may hear and profit thereby. But to advocate weak, unenforced Codes is to advocate no mutual self-regulation and to give the American people the choice of broadcasting under the law of the jungle or under the law of the bureaucrat. And we of the NAB feel that neither course is sound nor necessary." Collins also spoke out on several other subjects, including:

(1) Govt. relations. "We have not resorted to the easy formula of raining invectives down upon the heads of those in govt. who are charged with the function of regulating our industry. We leave that irresponsible luxury to those noisy individuals who either are not broadcasters or are not directly responsible to other broadcasters for the consequences of their actions. . . .

"The proof of effectiveness in Washington, I submit, is not to be found in fiery rhetoric but in solid accomplishments. Our record of accomplishment with the Congress and the FCC speaks for itself. Never before have we met with more success."

(2) Industry-FCC study of radio "overpopulation." "At this point, we are hearing from those who warn against getting into the 'economics' of radio. They argue that the NAB-FCC study will lead to the conversion of radio broadcasting into a regulated public utility with rates being set by the govt. in return for competition-free franchises. This is a straw man some people are setting up and getting applause by vigorously knocking down. . . .

"We must have an honest and complete diagnosis of what is wrong—and we do not intend to let the chants of the witch-doctors or those who profit from fear get us off the track."

FCC Comr. Lee commented on Codes in speech, "Ethical & Social Responsibility of Advertising," prepared for Aug. 11 delivery at Woodstock College, Woodstock, Md. He said he had compared FCC's July 1960 program policy statement with NAB's TV Code, concluded:

"In reading these documents side by side, I am impressed with their similarity in scope and purpose. Indeed, the Code goes further than the FCC policy statement, as well it should. The one difference is, of course, that the FCC has effective sanctions and the NAB has, at best, ineffective ones. If the history of the industry is prophetic, and the Code fails to do the job, more and more of the FCC policy statement may become a matter of rule and regulation, the non-compliance with which could mean a license revocation."

**SATELLITE BILL PROGRESSING SIDWAYS; PASSAGE UNCERTAIN:** After spending week sidetracked in Foreign Relations Committee, administration-backed communications satellite legislation (Vol. 2:32 p4 et seq.) at end of week was back where it started—facing filibuster in Senate.

High-powered witnesses came from every direction at last week's hearings. Secy. of State Rusk, Defense Secy. McNamara, FCC Chmn. Minow, Attorney General Kennedy, NASA Deputy Administrator Dryden, USIA Director Murrow—all expressed satisfaction with bill, urged quick passage. Former President Truman and United Auto Workers were added to opposition crying "giveaway."

Rusk told Committee he was satisfied with foreign relations aspects of measure, urged rapid passage to assure U.S. of world's first workable system. (East Berlin newspaper last week reported USSR plans to launch 2 TV satellites "shortly" to transmit propaganda programs over 6 channels.) Murrow and Committee member Symington (D-Mo.) engaged in fiscal duel at hearing, latter ridiculing USIA estimates of \$900 million a year to use system. Symington contended agency's costs would be only fraction of this. Murrow was plumping for special reduced rates for his agency.

New proposal came during week from RCA Chmn. David Sarnoff. In address delivered by son Robert to American Bar Assn. conference in San Francisco, he advocated single huge U.S. international communications company, privately owned & operated, under govt. regulation.

He called for "nation's finest legal and technical brains" to work together in developing new national communications policy, to bring "coherence and viability" to communications in space age. U.S., he said, "will not realize a full return on its formidable contributions to communications technology as long as we maintain the present illogical structure in the international communications field."

Meanwhile, Telstar may go commercial this week, transmitting TV shows, phone calls, still photos, on Wed. & Thurs. each week. AT&T spokesman said company would consider requests by U.S. TV networks and others to use satellite on those days.

Back in Senate, satellite measure was facing new filibuster at week's end, liberal bloc led by Sen. Morse determined as ever to block passage, threatening to tie up action indefinitely by proposing numerous amendments.

## **CURRENT CAPSULES**

Station retention of all applications filed with FCC, available for public inspection, is being considered at Commission. When FCC returns in Sept., it may start rule-making proposing it. Presumably, procedure would enable anyone to walk in and examine program proposals, etc.

Expansion of uhf allocation plan to about 3,500 specific assignments to cities is in works at FCC. There are approximately 1,550 now—somewhat more than original allocation at end of freeze in 1952. In devising original plan, Commission flew by seat of its pants, having no idea how much demand would develop. One of its guidelines was existence of radio station in community—assumption being that demand for TV would come first in such cities. Now, with educators asserting they'll need up to 1,200 assignments eventually, and with FCC hoping all-channel-set law will hike uhf demand, plans are being made to have assignments on hand waiting for takers. Approximately 180 of the 1,550 uhf assignments are now reserved for ETV, about 100 of the 675 vhf.

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"The 'Silent Powers' Behind TV" titles lead article in Aug. 8 *Variety*, in which TV-radio editor George Rosen points out men who exert great influence at networks but are little known to public: NBC—Senior Exec. vp David Adams, No. 3 man after Chmn. Robert Sarnoff & Pres. Robert Kintner, "upon whose judgment & discernment rest many of the top-level decisions." ABC—AB-PT Finance vp Simon Siegel, "with an undisputed ranking of No. 2 man & heir apparent to" Pres. Goldenson. Says Rosen: "If you ask anybody around ABC who 'runs the shop' and makes the flash plays, the answer is 'Si Siegel, of course.'" CBS—Gen. Counsel Thomas Fisher is a "'muscle man' of distinction" and "the architect of corporate policy on all matters concerning Washington." Rosen states that CBS has less room for developing background men of influence because of "the dedication and inexhaustible energies of boss man Stanton as CBS' jack of all trades and inspirational spark."

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Proposal to lift ban on TV cameras in courtrooms was postponed until February by American Bar Assn., at annual meeting in San Francisco. Earlier in week, discussion on Canon 35 at meeting was held up for 25 minutes while TV cameras were ordered cleared from room. NAB General Counsel Douglas Anello explained: "We had hoped to put on a demonstration to show how modern techniques could be adapted to court proceedings without impeding the cause of justice." Colo. Chief Justice Edward C. Day, meanwhile, accused ABA of maintaining Canon 35 ban in face of all evidence, pointed out that in 6-year trial of broadcasting equipment in state courtrooms, no judge or defendant ever had complained. In other actions, ABA presented "gavel awards" for contributing to public understanding of the American system of law & justice to CBS-TV network and radio WRFB Tallahassee.

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NCTA expressed strong disagreement with Boise Federal Dist. Court Judge Sweigert's ruling that Cablevision Inc. violated contractual rights between KLIX-TV Twin Falls, Ida. and networks & film distributors, by distributing in Twin Falls the Salt Lake City programs duplicating those of KLIX-TV (Vol. 2:32 p3). NCTA Pres. William Dalton called decision "erroneous, and in any event of very limited application." Sweigert decision, he said, would give local broadcaster control over public reception and reception equipment public may use. He said ruling indicates that broadcaster can't interfere with CATV system outside city to which channel is allocated, and only to limited extent within city, and added: "This is a major clarification of the position of the community antenna industry. Nevertheless, every effort will be made to secure a final ruling that public reception of TV broadcasts may not be enjoined by a broadcaster because of the nature of the antenna used or for any other reason."

Committee for Competitive TV, uhf-promotion group, has been reactivated. Officers: William L. Putnam, WWLP Springfield, chmn.; Fred Mueller, WEEK-TV Peoria, vice chmn.; John English, WSEE Erie, secy.-treas. Other board members: David Baltimore, WBRE-TV Wilkes-Barre; Robert W. Mack, WIMA-TV Lima; Lawrence Turet, WXIX Milwaukee; Warren P. Williamson, WKBN-TV Youngstown. Group plans to expand, retain Washington counsel, an exec. dir. & staff.

New CATV system under construction—Elizabethton, Tenn.—being built by TV Cable Inc., Johnson City (R. M. Huntsman, mgr.), aims for start of service within 2 months.

Largest worldwide TV film distributor is CBS Films, which leads in 4 major overseas markets accounting for over 70% of international sales potential, CBS reports. International sales dir. Ralph Baruch said CBS Films is tops in Canadian, Australian, UK and Japanese markets, also leads in Sweden, Norway, Italy, Hong Kong, Philippines and other countries.

Samoan ETV system will be established under \$1,869,000 grant to Interior Dept. by Congress. Due on air in Sept. 1963, system will utilize 3 channels, employ 35 engineers & technicians, 28 supervisors, 12 experienced TV teachers. Samoan & U. S. officials said that ETV is preferable to importing large number of U. S. teachers.

**THE EXPATRIATES, '62 STYLE:** If former NBC producer David Lown ever finds time to write a book—a possibility doubtful in his busy schedule—he might well call it “The Ampex Boys In Europe,” or “How To Be An Expatriate Producer For Fun And Profit.” Lown is fulfilling dream of many U.S. TV executives—moving to some colorful and relatively untrammelled (by TV) area, and sparking things considerably with Yankee TV know-how.

In New York last week to discuss deals with networks & agencies, Lown was bullish about closer links between U.S. & Europe in wake of Telstar headlines.

Lown originally went to Europe in 1959 to run Intercontinental TV (Vol. 15:13 p7), is now Commercial Dir. (actually, operational head) of a new firm called Trans Europe Television S.A., based in Paris. Chief facility: “The most modern multi-standard mobile TV unit in Europe,” to quote TET’s new rate card.

Although TET’s basic role is not unlike that of now-inoperative Intercontinental TV, Lown has applied some hard-won lessons in technology & financing which he feels will make TET a success.

“Right now,” Lown told us, “we are a nucleus for a network coordination and servicing organization in Europe, and between Europe and the U.S. We will soon, for example, be able to do a 6-city TV pickup in Europe and feed it to Paris and thence New York. Although we don’t see ourselves as ‘competitors’ to the U.S. networks, we hope to become one of the principal production companies in the world.”

TET’s mobile unit, contained in 2 small 25-ft. trucks, is a piece of compact field engineering many U.S. manufacturers and networks might study with profit. It contains as key equipment:

(1) A 1000C Ampex videotape recorder equipped with Interswitch, Intersync and Amtech, and Gen-lock facilities. (2) Quartet of EMI cameras which can use either 4½-in. or 3-in. image orthicons, and which can feed recorder with signals in 405, 525 (50 or 60 cycle) or 625 lines with only a 20-min. changeover. (3) A 16mm film chain working on 50 or 60 cycles. (3) Special effects (wipes, dissolves, etc.) generator. (4) Audio recorders, also in 50 & 60 cycles. (5) Considerable accessory equipment, such as slide facilities, zoom lenses, microphones, power generators, etc.

All told, it represents, including trucks, about \$350,000 worth of up-to-date, international TV equipment. Weekly rental: \$14,000.

TET’s financial backing also has strongly international flavor. A principle shareholder is British TV program contractor TWW Ltd. (which assures TET of a flow of assignments); another is EMI Electronics (which uses TET as showcase for new equipment). Others include: Link Photographic Co. (British), Richard Dimpleby (British commentator who heads Puritan Films), Television Advisors Ltd. (new British concern promoting closed-circuit), Robin Scott (ex-head of BBC in Paris and an officer of TET), and Lown, plus individual private shareholders. Still more backers, shifting now to continent, include “Europe #1” (commercial TV-radio station in Saar beamed to France), TV Monte Carlo (station), TeleEurope Co. (newsreel producer).

Interestingly, latter 3 firms are part-owned by French

govt.—which is, officially at any rate, opposed to idea of commercially sponsored TV. In effect, Lown’s group is in financial marriage with govt. of France—which, according to Lown, “can be very helpful to an American producer at times.”

Lown’s plans for TET’s future operations & expansion fall, roughly, into 3 major areas: (1) Functioning as a production facility and coordinator in Europe for European, British and U.S. networks in coverage of news, special events, sports, programs. (2) Creating & coordinating closed-circuit telecasts—a relatively new European development—for such giant concerns as Opel (owned by General Motors), IBM, *et al.* (3) Creating & packaging TET’s own TV programs as specials or series, live or tape.

TET is also scouting possibilities of doing U.S. TV commercials on tape in European settings—concept inherited from Intercontinental, but with an interesting difference. Through careful engineering pre-planning, Lown has seen to it that TET’s mobile unit is “completely electronically compatible” with the N.Y. facilities of Videotape Productions, an active tape commercial producer. (“We can now extend Videotape Productions’ studio an additional 7,000 miles,” is how Lown puts it.)

In program realm, Lown has plans for tapping European talent pool and for using European locations. At least 3 prime projects are in works: (1) 30-min. film series, now in pilot stage, based on “Don Quixote” and due to be shot in Spain for international TV sale. (2) “Anatomy of a Country,” a series of 60-min. taped “national profiles” of European countries, designed chiefly for U.S. & British TV consumption. (3) “At Large in the World,” a variety-musical package “with a key cadre of U.S. talent, built around a U.S. star of the calibre of Dave Garroway,” according to Lown. None of the 3 projects is currently sold in U.S. but TET is “discussing deals for 1963 on them,” Lown told us.

Lown and his associates have no monopoly on mobile TV in Europe. For one thing, TET competes with Intertel, in Munich, which is staffed to a large extent with U.S. trained tape personnel Lown originally brought to Europe in 1959. For another, TET would rather work cooperately with U.S. networks and producers, and not attempt to freeze out U.S. interests and Eurovision by buying up leading sporting and special events. “The Telstar era of international TV communications has just begun,” says Lown, “and there will be plenty of activity for many people.”

TV sex-&violence hunter Sen. Dodd (D-Conn.) sees “some signs of improvement” in medium since conclusion of his hearings (Vol. 2:21 p1 et seq.), but still may propose legislation to curb excesses. Interviewed on *Metro-media’s Opinions in the Capital* Aug. 5, he disputed NAB Pres. Collins’ charges that Congressional hearings have produced “little more than headlines,” said he didn’t think Collins was referring to his probes. He added he hadn’t thought of investigating newspaper sex-&violence, because he’s “been too occupied with television.”

FTC rapped Hadacol for falsely advertising on TV & radio that “New Super Hadacol” would relieve tiredness and other symptoms. Agency asserted preparation is useful only in small minority of cases caused by deficiencies of vitamins included in preparation. Company has 30 days to reply.

**Caribbean TV Stirrings:** Caribbean area's next TV station will be British-built-&-managed Ch. 2 Trinidad & Tobago TV Service Ltd., located in Port of Spain, Trinidad's capital, expected to cover 95% of that oil-rich island's 850,000 people (with Tobago) and due on air Nov. 1.

English-born Ronald F. Goodsman manages \$1.2 million project for owners: govt., which goes independent Aug. 30, 10%; CBS, 10%; Rediffusion of London, 40%; Scottish TV (Roy Thomson), 40%. Meanwhile, island has seen closed-circuit TV at various exhibitions and used by power company to induce people to pay their light bills when they come in to view. Also now using closed-circuit (Pye Ltd.) as showcase of what it proposes to offer if govt. will issue it license is *Kingston (Jamaica) Gleaner*, independent daily which has tied up with Thomson interests in seeking grant.

Note: U.S. interests active in Venezuela: Vene-Vision, having recently had Robert Kennedy, Washington consulting engineer, down for survey of its increased-power plans; the 6-station network, one of country's 2, is 45% owned by ABC. NBC holds 20% of rival Radio Caracas TV.

Commercial TV for Denmark would become bigger possibility if U.S. TV set better example by improving its content, according to Danish advertising executive. Knud Petersen, Federation of Danish Advertisers head, told Advertising Federation of American panel in Copenhagen that his group has appealed to govt. for commercial TV, but doesn't want "the American system of sponsored programs." Country's businessmen would prefer merely having small segments of air time for advertising, he said, without becoming involved in programming. He asserted Scandinavians have poor opinion of U.S. TV because of imported programs and reports from travelers, claimed this doesn't help Danish advertisers crack medium.

Congress and FCC are criticized in Aug. 11 *TV Guide* for sitting on proposed legislation to suspend or repeal equal-time requirements for other than Presidential or Vice-Presidential elections. Of reluctant lawmakers, magazine editorializes: "They're not going to get up there in front of the cameras with bright young aspirants for their offices and give voters a chance to make odious comparisons—no siree. That's why Congress is dawdling over proposed legislation that permits stations to give free time to major party candidates for *all* offices." Noting that FCC Chmn. Minow has urged caution in passing any such law, *Guide* remarks dryly: "This from the man who condemned television for not living up to its public service responsibilities."

Louis A. Novins has resigned as pres. of International Telemeter Co., pay-TV div. of Paramount, succeeded by Howard Minsky, former asst. to exec. vp George Weltner. Novins, who piloted Paramount's entry to pay-TV, said he had planned to leave "for some time," indicated parting was amicable. Telemeter has been conducting experiment in Toronto suburb, plans another in Little Rock, latter delayed by litigation. Company also elected James P. Murtaugh, of Simpson Thacher & Bartlett law firm, to Telemeter board; Leslie Winik, exec. vp; William C. Rubinstein, research & development vp; Philip Isaacs, franchise sales vp.

**Network TV Advertisers Up:** Record number of companies used network TV first 5 months of 1962, TvB reports—276 advertisers vs. previous high of 262 in same 1960 period. Record for full year was 378 in 1960. Of the 276, 139 have used network TV for 5 or more consecutive years, 82 for 10 or more.

TvB also issued brochure on local food & grocery sponsorship. *The Super Medium for Markets* reports that food store spot TV spending in first quarter 1962 rose 18.4% to \$2,559,100 from \$2,160,200 in same 1961 period. Trading stamp network & spot billings during quarter soared to \$1,020,944 from \$354,000 year ago.

Measuring newspaper effectiveness, Bureau reported highest household penetration in top 100 markets is in Akron, where largest paper reaches 91.8% of homes. Lowest is in San Bernardino-Riverside-Ontario, Cal., where penetration is 18.1%. TvB's conclusion: Only spot TV can assure precise coverage needed in each market.

## Personals

J. Leonard Reinsch, WSB-TV Atlanta exec. dir., and U.S. Advisory Commission on Information chmn., is touring Africa & Near East observing USIA field operations.

Mark Cohen promoted to ABC-TV nighttime sales service mgr., replacing John McAvity, who advances to sales planning coordinator; Yale Udoff moves up to Eastern sales service mgr.

Arthur L. Hecht, ex-CBS radio network program promotion and merchandising dir., named WCBS-TV N.Y. advertising & program promotion dir. . . . Lewis H. Avery resigns as Avery-Knodel pres., will devote time to TV-radio consulting and radio KYA San Francisco, of which he is part owner. J. W. Knodel elected to succeed Avery; Thomas J. White named exec. vp; Robert J. Kizer elected vp.

Thomas B. J. Atkins promoted to CTV Network (Canada) gen. sales mgr. . . . John W. Kelin, ex-WJIM-TV Lansing program mgr., appointed WLWA Atlanta program dir., succeeding Neal Van Ells, now with radio WRCV Philadelphia.

C. George Henderson promoted to WSOC-TV Charlotte, N. C. vp & gen. mgr., succeeding Larry Walker, retiring Oct. 1; Henry Sullivan advances to radio WSOC vp & gen. mgr. . . . Robert Temple, ex-KREM-TV-AM-FM Spokane station mgr., named KTVI St. Louis gen. sales mgr. . . . R. A. Fennel named program mgr., Glenn Adkins Jr. production mgr., WLOS-TV Asheville, N. C.

Donald V. Meaney promoted to NBC News Programs dir., Malcolm R. Johnson advances to News Syndication mgr.

Denial of license renewal for radio KRLA Pasadena (Vol. 2:30 p5) has been stayed for 30 days by FCC pending station's court appeal. Station was charged with making program proposals in poor faith, running fraudulent contests, altering logs to deceive Commission, and being controlled by an alien.

FCC's St. Louis Ch. 2 decision—keeping channel there instead of shifting it back to Springfield (Vol. 2:30 p2)—has been appealed by Sangamon Valley TV Corp., Springfield. It asked 7th Circuit Court of Appeals in Chicago to stay FCC's action pending appeal.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**CORNING 19- & 25-IN. COLOR BULBS GET GREEN LIGHT:** Tube industry engineers tacitly okayed Corning Glass's plans for 19- & 25-in. rectangular color bulbs at surprisingly quiet Aug. 8 meeting of JT 6.4 subcommittee of the Joint Electronic Devices Engineering Council (Vol. 2:30 p7). Expected fireworks & controversy over new trends in color sizes (Vol. 2:31 p7) failed to materialize. JEDEC-member Corning had requested meeting to discuss new color bulb proposals.

Corning submitted drawings of new bulbs, announced it had registered new types with JEDEC, answered several technical questions from attending engineers, and went home to start making bulbs. Meeting was that tame & routine, everyone seemed content with new sizes.

"There was general agreement that we go ahead on these proposals," Corning TV dept. mgr. Allen W. Dawson told us. "It's nice to know that no one in the industry is going to rock the boat."

Boat rocking by Kimble Glass would have surprised no one, and there was some expectation of a Kimble proposal that color tube's next step-up size should be 23-in. However, no such proposal or boat rocking developed. Kimble did, however, show drawings for a 24-in. rectangular color bulb & announce plans to register design.

Subcommittee Chmn. George Beggs, of Philco's Lansdale Div. told us: "Kimble agreed to accept a decision approving the proposal for the shape and over-all sizes of Corning's 19- & 25-in. bulbs. We approved the proposals in order to get the glass companies started on making new glass, but we don't want both 24- & 25-in. sizes. It would be too confusing and would run us into the same type of confusion we had in the past with b&w 20- & 21-in. tubes."

JT 6.4 subcommittee meets again next month, Sept. 11. At that time, Beggs told us, "we'll appoint a task force of tube-makers to work with Corning and Kimble on dimensions and tolerances for what we expect will be 19- & 25-in. rectangular color bulbs." There was no attempt at last week's meeting to standardize.

In addition to Corning & Kimble, Pittsburgh Plate Glass attended last week's meeting. Tube manufacturers were represented by Autometric Corp., GE, National Video, Rauland, RCA, Sylvania, Westinghouse. Set-makers were represented by Admiral, Motorola, Warwick, Zenith. General Instrument also sat in.

Kimble glass will produce "glass color bulbs in the sizes and shapes needed to satisfy the color TV market by mid-1963," we were were told last week. Company told us its present program "is not locked in with a particular size bulb of any particular tube company's design." Program is "flexible and is aimed at establishing principles of manufacture and tolerances that can be applied to any type of glass, size or shape of color bulb." Commenting on Aug. 8 JEDEC meeting, Kimble told us it supports purpose of meeting "wholeheartedly and strongly recommends that the necessary dimensions and tolerances be established by the industry as soon as possible and before the end of 1962."

**TV ENGINEERS VOTE UHF TUNER STANDARDS:** Industry's engineering brass tuned in same frequency last week, agreed with surprising speed & unanimity on recommendations for uhf tuner specifications to be submitted to FCC next week, Aug. 22.

In all-day Aug. 7 session at EIA's N.Y. hq, glittering assembly of 30 engineering vps, dirs. & chiefs representing 20 TV, tuner & components firms—including non-EIA members—quickly resolved highly technical differences of opinion and referred amalgamated proposals to EIA Ad Hoc Committee for formulization.

Harris O. Wood, Philco's chief engineer, and chairman of EIA's entertainment receiver panel, was appointed chairman of committee charged with responsibility for translating engineers' recommendations into official proposal. Also named to committee: Zenith engineering vp J. E. Brown, RCA home instruments chief engineer Earl Anderson, Motorola TV engineering dir. Garth Heisig, Olympic chief engineer E. Lee Siegmund, General Instrument's F. W. Sickles Div. chief engineer Fred Kitty, EIA exec. vp James Secrest, EIA consumer products staff dir. L. F. Sandwick, EIA staff engineer J. A. Caffiaux.

"Fantastic," was Sandwick's description of outpouring of engineering talent. He told us: "This turnout is a tribute to the TV industry's sense of responsibility. The proposals were completely realistic. All the companies contributed very sound recommendations. The spirit of cooperation was tremendous, and the manner in which they resolved differences of opinion was extremely gratifying."

Virtually all TV set manufacturers were represented, 14 in person, 7 via written recommendations. Participating were Admiral, Andrea, Capehart, Curtis Mathes, Emerson, GE, Magnavox, Motorola, Muntz TV, Olympic, Packard Bell, Philco, RCA, Setchell Carlson, Symphonic, Sylvania, Travler, Warwick, Westinghouse, Wells-Gardner, Zenith.

TV tuner industry was represented by Oak Mfg., Standard Kollsman, F. W. Sickles. Sarkes Tarzian had no representative at meeting but submitted detailed recommendations. Also attending meeting were representatives of Blonder-Tongue, P. R. Mallory, Radio Condenser.

One industrywise veteran summed up meeting: "Never in my experience have so many representatives of so many companies concluded so quickly on such major proposals for industry standards."

**TV-RADIO SALES UP & CLIMBING AT MIDYEAR:** Buoyed by booming June business, TV-radio sales sailed along at fast clip in 1962's first half, topping year-earlier volume by healthy margins. As forecast in Vol. 2:29 p8, distributor TV sales to dealers set record in June—and informal preliminary reports indicate that upbeat business continued into July.

TV sales climbed to 2.7 million from 2.5 million units in Jan.-June 1961, EIA's official statistics show. June sales boomed to record 480,510 sets—18,536 ahead of June-1961's peak distributor sales of 461,974. June also was half-year's 3rd best TV month—topped only by March's 580,876 & February's 521,275.

June also was brisk month for radio. Distributor sales topped million mark for first time this year, pushed midyear sales to 4.8 million radios vs. 4.4 million for 1961's first 6 months. June's 1,040,598 radio sales also were slightly ahead of June-1961's 997,321.

Here are EIA's official midyear TV-radio distributor sales to dealers:

Month	TV-RADIO DISTRIBUTOR SALES		Radio (excl. auto)	
	1962	1961	1962	1961
January	465,836	403,570	562,869	471,518
February	521,275	428,705	697,893	640,379
March	580,876	500,597	917,236	853,197
April	364,742	347,800	809,499	672,756
May	310,799	349,098	772,479	735,692
June	480,510	461,974	1,040,598	997,321
TOTAL	2,724,038	2,491,744	4,800,574	4,370,863

TV-radio production in first half also outstripped Jan.-June 1961 output. Half-year TV production rose to 3.3 million units from 2.8 million a year-earlier. June chipped in healthy 620,653 sets—up from 615,118 in June 1961. June was 1962's 2nd best month, bested only by March's 659,251 output.

Uhf also contributed to rising tide of TV production. Half-year output of uhf sets climbed to 275,446—nearly double Jan.-June 1961's 147,832. June was good uhf month, 2nd best of year. Industry turned out 50,283 units—up markedly from 34,641 in June 1961—and slightly behind April's pace-setting 51,107.

Radio production ran ahead in all categories for both 6-months & June. Total radio output rose to

9.3 million for first half from 7.5 million in year-earlier period. June output increased to 1.7 million from 1.6 million in year-ago month. Auto radio production gained nearly one million units for half-year—to 3.3 million from 2.4 million. June output rose to 629,004 from 518,010.

FM production was upbeat all the way. Year-to-date production was more than 100,000 units ahead of first-half 1961—459,508 vs. 356,595. Cumulative total was aided by June outpouring of 92,287—1962's best month by far—vs. 88,808 in June 1961.

Here are EIA's official TV & radio production figures for first half:

TELEVISION PRODUCTION					RADIO PRODUCTION						
Month	Total		UHF		Month	Total		Auto Radio		FM	
	1962	1961	1962	1961		1962	1961	1962	1961	1962	1961
January	488,869	367,935	39,609	25,270	January	1,350,630	1,090,073	530,589	387,136	76,510	50,421
February	641,494	444,418	46,716	24,514	February	1,464,797	1,115,029	480,232	307,973	84,216	41,357
March	659,251	497,468	48,323	21,450	March	1,810,417	1,384,052	607,510	384,227	81,010	75,044
April	510,587	405,808	61,107	19,096	April	1,472,654	1,124,924	519,296	375,570	63,193	51,260
May	474,647	470,399	39,609	22,782	May	1,444,074	1,196,949	504,846	408,875	62,292	49,705
June	620,653	615,118	50,283	34,641	June	1,721,873	1,626,263	629,004	518,010	92,287	88,808
TOTAL	3,295,501	2,801,136	275,446	147,832	TOTAL	9,264,445	7,537,290	3,271,477	2,381,791	459,508	356,595

**AUGUST—TV'S 'CRITICAL MONTH':** TV business was good again in July, continuing June's trend and chipping away further at inventories. Pipelines are now filled with new models; "sampling" is over. August is first of the real "paydirt" months which will tell how well consumer is receiving the new merchandise, and how much he's been scared by "recession" talk.

What's outlook for rest of year? We asked one of industry's top marketing men, Zenith Sales Corp. Pres. Leonard C. Truesdell, how picture looks to him. Although TV distributor-to-dealer sales to date are up about 9.5% from same period last year, Truesdell is sticking to his prediction that total 1962 sales will be less than 6 million, but somewhat ahead of last year's 5.77 million.

Sales were slow during first part of last year, he pointed out, and the 1962-over-1961 increases weren't too difficult to achieve. It will be hard to retain this differential for rest of year, because business pick-up in latter 1961 made remaining months of year hard ones to beat.

Truesdell sees no recession in the cards now, but: "People are careful, choosy. Retail business isn't zipping and humming in any field. Nevertheless, people can be made to buy. . . . It takes work, but it can be done."

Inventory situation has improved, but now that pipelines have been filled with new models, it's time for manufacturers to watch production schedules closely, Truesdell advised. Considering sales pace, inventories aren't in bad shape—about 14 weeks' supply compared with 13 weeks a year ago. About 6 weeks ago, when industry was busily involved in getting new models into field, supply was equivalent to about 23 weeks' sales, said Truesdell, but this was natural buildup for new-model selling.

Summing up: "At the moment the supply of sets isn't bad in relation to sales. But unless sales stay with it, we could be in danger of running into an inventory buildup." August's sales will be important clue to what's ahead.

**TV-RADIO PRODUCTION:** EIA statistics for week ended Aug. 3 (31st week of 1962):

	July 28-Aug. 3	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	104,636	103,990	107,362	3,747,650	3,292,648
Total radio	214,769	310,237	283,260	10,624,071	8,851,952
auto radio	82,830	96,783	96,002	3,795,579	2,799,328

Bid of \$50,000 for bankrupt Crosby-Teletronics' physical assets (Vol. 2:31 p11) will be considered today (Aug. 13) at hearing before Referee William J. Rudin in Mineola, N. Y. Bid was entered by Joseph A. Krupski, covers inventory, machinery, office equipment, designs & drawings.

Large-screen TV projection system, producing 12-x-16-ft. pictures, is being produced by Waltham Precision Instrument's Tele-Beam Div., Brookfield, Conn. Pres. L. R. Ripley reported compact, portable system is "being manufactured on a production basis," lists for \$2,595.

## TOPICS & TRENDS

Admiral's patent infringement suit against Sears Roebuck (Vol. 2:20 p11) has been settled out of court. Agreement provides cash settlement & issuance of license to Sears subsidiary Warwick Mfg. to use 4 Admiral patents covering automatic record changers Super Son-R wireless remote control for TV sets. Admiral also will issue license for TV remote to Sears affiliate Pacific Mercury. Admiral patent attorney James T. Barr said firm is offering license for the 4 patents to all other phonograph manufacturers using Admiral's devices.

Electro-Science Investors will ask stockholders at special Aug. 17 meeting to approve proposal to terminate small business investment activities & convert to closed-end investment company. Electro-Science incorporated in 1960 as small business investment firm, has invested \$9.6 million in electronics & science-oriented companies. Stockholders also will be asked to double authorized common shares to 10 million & authorize issue of 5½% debentures (due Sept. 1, 1972) to shareholders in a recapitalization move. Electro-Science said new role as closed-end company would provide greater flexibility in investments.

### Trade Personals

Dr. Elmer W. Engstrom, RCA pres., appointed 1962-63 chmn., EIA Annual Award Committee. Also named to committee: Max F. Balcom (Sylvania), Leslie Hoffman (Hoffman Electronics), D. R. Hull (Boyden Associates), Frederick R. Lack (EIA engineering dept. dir.), Leslie F. Muter (Muter Co.), Robert C. Sprague (Sprague Electric) and EIA vps Ben Adler (Adler Electronics), industrial electronics div., Robert S. Bell (Packard Bell), consumer products div., George W. Keown (Tung Sol), tube & semiconductor div., W. Myron Owen (Aerovox), parts div., L. L. Waite (North American Aviation), military products div.

Curtis R. Hammond appointed Travler Radio vp & gen. sales mgr. . . . Frederic Marks, ex-May Drug, named Newark Electronics controller, a new post.

Robert T. McTigue, Oak Mfg. vp, elected pres. of newly acquired Hart Mfg. (Vol. 2:27 p12) and subsidiaries "Diamond H" Switches, London & Hart Mfg. (Canada) Ltd., succeeding George A. Hart Sr.

B. D. Loughlin elected research vp of Hazeltine's subsidiary Hazeltine Research Inc.

W. H. Roberts elected vp of Electronic Research, Kansas City, a Textron Electronics Div. . . . Warren H. (Deak) Atkinson, one-time International Rectifier mktg. mgr., joins ITT Components Div. as western regional mgr. for semiconductor & capacitor sales, covering 12 western states.

Eugene J. Dailey, ex-U. S. Rubber International, joins RCA International as division vp, associated companies operations.

John L. Herre appointed govt. relations vp, General Instrument's radio receptor div., Hicksville, N. Y.

Robert T. Campion & John J. Burke elected Lear Siegler senior vps.

D. R. Small, ex-Eastern Associates of San Francisco, appointed sales mgr. of Olympic's Special Radio Sales Div., succeeding Merle M. Farber (Vol. 2:23 p10).

Warren S. Smith, promoted to RCA liaison mgr. for Defense Dept. & related affairs, Washington; Roy Shawn succeeds him as NASA & FAA defense affairs mgr.; Earl Merritt named electronic warfare products mgr.

G. Howard Teeter, ex-Martin Marietta Corp., appointed Hoffman Electronics group vp, a new post.

Jerry Dreesen, ex-Pacific Mercury Electronics, appointed Roberts Electronics controller, succeeding James McLaurine, resigned; George Schock, ex-Pacific Mercury Electronics, becomes Roberts' production mgr., succeeding J. V. Short, resigned to join Citroen Electronics as plant operations vp. Roberts and Citroen, both in Los Angeles, produce tape recorders.

Sidney Hubschman elected Vornado pres., succeeding brother Herbert Hubschman who continues as chmn.

J. Ray Topper named sales planning mgr. of GE receiving tube dept's. new sales planning subsection.

**Distributor Notes:** Emerson Radio names D. M. Latus & Co., Helena, Mont., Montana distributor for Du Mont lines of home instruments; appoints Leon Pata & Co. (316 E. Bay St., Charleston, S.C.) South Carolina distributor for Du Mont instruments • Olympic Radio & TV names J. E. McMurray Distributing Co., Long Island City, N.Y. (J. E. McMurray pres.), distributor for 27 counties in western Michigan, succeeding Vining Sales Inc., Greenville, Mich. • Antennacraft Co., Burlington, Ia. names 3 reps: Leonard D. Allen Inc., Syracuse, N.Y., for upper N.Y. state; W. A. Hendrickson, Scituate, Mass., for New England; Maury Bender & Co., Chicago, for Illinois & eastern Wisconsin; Admiral appoints John F. Robertson Co. distributor in Kansas City territory, covering 24 counties in northeast Kansas & 38 counties in northwest Missouri • Philco Distributors names W. R. Johnson gen. mgr. & David C. Miller gen. sales mgr. for Houston-San Antonio, Texas area • Curtis-Mathes appoints Jack Espenschade sales rep for metropolitan Philadelphia & southern New Jersey • Transistor World names Al Silvers to handle Toshiba line in metropolitan New York area, replacing Rand Associates.

Canadian TV sales to distributors rose 26% in 1962's first half to 173,896 units from 137,208 in Jan.-June 1961. EIA of Canada also reported 8% sales gain for radios, to 224,243 units from 206,533, and 19% increase in sales of radio phonos, to 34,083 units from 28,466 in 1961's first half.

**Admiral Sales & Profits Gain:** Admiral's first-half earnings nearly doubled to \$858,058 from \$433,550 in 1961's first 6 months as sales climbed to \$96.2 million from \$86.2 million (see financial table). June-quarter earnings rose to \$348,101 from \$229,438 on a sales gain to \$47.1 million from \$43.8 million.

Pres. Vincent Barreca forecast "good" sales & earnings in 1962's 2nd half, barring possible downturn in nation's economy.

Symphonic Electronic shipments in 1962's first 7 months jumped 32% ahead of a year-earlier. Pres. Max J. Zimmer said Jan.-July volume "further improves our previously reported 6-month increase of 26%," noted that "our backorder position, however, still remains the highest in our history." He described outlook for future sales as "exceedingly optimistic."

Olympic has dropped in Japanese-made 19-in. table model TV set with \$149.95 list. Unit is manufactured by Nippon Columbia. Shipments to dealers are slated to start before month's end. Pres. Morris Sobin said Olympic's July dollar sales established record, jumped 21% ahead of July 1961. Sales trend continued into August, he said.

Zenith has introduced 5 table radios, including 2 FM-AM models & 2 clock radios. Prices range from \$19.95 for AC-DC table radio to \$19.95 & \$24.95 for clock models, \$74.95 & \$89.95 for FM-AM radios.

**Mergers & acquisitions:** Litton Industries will acquire for stock McKiernan-Terry Corp., Harrison, N.J. maker of antennas & sonar equipment.

**Common Stock Dividends**

Corporation	Period	Amt.	Payable	Stk. of Record
CBS	Q	\$0.35	Sep. 7	Aug. 24
GT&E	Q	.19	Sep. 30	Aug. 22
Goodwill Stations	Q	.12½	Sep. 12	Aug. 29
Meredith Publishing	Q	.35	Sep. 14	Aug. 31
Paramount	Q	.50	Sep. 21	Sep. 4
United Artists	Q	.40	Sep. 28	Sep. 14

Electronic Distributing Associates has been established at 4600 Prospect, Kansas City, Mo. to distribute, to member independent home electronics sales & service dealers, component parts and, eventually, home electronic instruments. EDA starts with 45 franchised dealers in eastern Kansas & western Missouri, expects to double membership by year's end. Robert J. Leary, former Yellow Transit Lines vp, is pres.; Walter L. Niswonger, Jr., former head of Kansas City Electronics Supply is vp.

GE's pension plan is half-century old this month. Since its establishment in Aug. 1912, 50,000 GE employes have retired under program with total payments of more than \$300 million. Initially, monthly pension payments ranged from \$20 minimum to \$125 maximum. Currently, minimum payments are figured at rate of \$2.40 a month for each year of service to April 2, 1962, \$2.50 a month for service after that date. There's no dollar maximum.

**Reports & comments available:** Hazeltine and Microwave Associates, comments, Josephthal & Co., 120 Broadway, N. Y. 5. Babcock Electronics, review, Shearson, Hammill & Co., 14 Wall St., N. Y. 5. Movielab Film Lab, review, Cranbery, Marache & Co., 67 Wall St., N. Y. 5. Ford, report, Cruttenden, Podesta & Miller, 209 South La Salle St., Chicago 4.

Du Pont has entered analytical instruments field, is now marketing electronic-optical process control photometric analyzers. Instrument Products Div. has been established to sell these & additional instruments. Products are now being purchased by Du Pont, but company plans to "phase into" manufacturing.

International Resistance anticipates record 1962 sales & earnings, "substantially greater than those established in 1961," reported Pres. Walter W. Slocum. Company earned \$2,021,432 (\$1.45 a share) on \$23,005,304 sales in 1961.

Westinghouse has formed a Molecular Electronics Div. "to capitalize on the rapid growth of molecular electronics & related solid state devices."

Goodwill Stations increased its quarterly dividend from 10¢ to 12½¢ a common share. Increased rate will be paid Sept. 12 to stock of record Aug. 29.

**Financial Reports of TV-Electronics Companies**

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Admiral Story above.	1962—6 mo. to June 30	\$96,212,340	\$ 2,188,897	\$ 858,058	\$0.35	2,417,261
	1961—6 mo to June 30	86,191,630	981,124	433,550	.18	2,408,836
	1962—qtr. to June 30	47,076,845	1,000,941	348,101	.14	2,417,261
	1961—qtr. to June 30	43,758,700	678,215	229,438	.09	2,408,836
Beckman Instruments	1962—year to June 30	74,835,154 <sup>4</sup>	—	4,774,873 <sup>4</sup>	3.11	1,529,237
	1961—year to June 30	68,570,336	—	4,000,895	2.62	1,437,818
Christ-Craft Industries (formerly NAFI Corp.)	1962—6 mo. to June 30	38,510,447	—	1,436,152	1.09	1,240,345
	1961—6 mo to June 30	37,916,833	—	1,635,057	1.25	1,215,755
CBS Inc.	1962—6 mo. to June 30	246,656,296	31,069,308	14,153,308	1.59	8,889,932
	1961—6 mo. to June 30	240,767,745	20,476,332	9,409,332	1.06	8,896,813
	1962—qtr. to June 30	118,105,000	—	6,388,000	.72	8,889,932
	1961—qtr. to June 30	114,760,000	—	3,383,000	.38	8,896,813

(CONTINUED ON NEXT PAGE)

## (CONTINUED FROM PRECEDING PAGE)

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Cawles Magazines & Bcstg.	1962—6 mo. to June 30	42,261,166	—	847,567	.32	—
	1961—6 mo to June 30	40,046,558	—	516,833 <sup>1</sup>	.22 <sup>1</sup>	—
Crowell-Collier Publishing	1962—6 mo. to June 30	39,976,276	1,939,559	898,859	.29	3,136,205
	1961—6 mo to June 30	27,976,580	1,637,473	820,682	.27 <sup>7</sup>	3,075,974 <sup>7</sup>
	1962—qtr. to June 30	22,986,605	1,470,190	671,990	.21	3,136,205
	1961—qtr. to June 30	15,905,712	1,300,798	656,807	.21 <sup>7</sup>	3,075,974 <sup>7</sup>
Decca Records	1962—6 mo. to June 30	—	—	3,313,972	2.17	1,527,401
	1961—6 mo to June 30	—	—	1,315,063	1.02	1,285,701
General Dynamics	1962—6 mo. to June 30	1,057,395,704	23,835,228	22,844,417	2.29	9,997,064
	1961—6 mo to June 30	1,010,887,737	(83,576,496)	(55,674,379) <sup>5</sup>	—	9,997,069
GPE	1962—6 mo. to June 30	108,000,000	—	1,897,000	1.02 <sup>2</sup>	1,643,101
	1961—6 mo. to June 30	118,903,557	—	2,488,704	1.50 <sup>2</sup>	1,496,795
	1962—qtr. to June 30	59,600,000	—	1,031,000	.56 <sup>2</sup>	1,643,101
	1961—qtr. to June 30	56,006,690	—	1,155,465	.66 <sup>2</sup>	1,496,795
GE Credit Corp.	1962—6 mo. to June 30	683,561,000	—	3,804,000	—	—
	1961—6 mo to June 30	564,063,000	—	3,978,000	—	—
Gianini Controls (Conrac)	1962—6 mo. to June 30	11,707,156	871,364	429,364	.40 <sup>2</sup>	1,070,418
	1961—6 mo to June 30	10,491,382	865,909	426,909	.40 <sup>2</sup>	1,064,048
ITT	1962—6 mo. to June 30	517,018,294	—	18,924,987	1.13	16,430,597
	1961—6 mo. to June 30	431,576,725	—	17,083,189	1.03	16,222,253
	1962—qtr. to June 30	275,053,932 <sup>4</sup>	—	10,743,066 <sup>4</sup>	.64	16,430,597
	1961—qtr. to June 30	222,657,234	—	9,842,979	.59	16,222,253
Lab for Electronics	1962—year to April 27	61,482,925	677,169 <sup>3</sup>	102,169	.08	1,298,087
	1961—year to Apr. 27	63,494,385	4,226,450	2,095,450	1.62	1,296,410
Lear Siegler	1962—year to June 30	190,000,000	—	6,000,000	1.56	—
Milo Electronics	1962—6 mo. to June 30	3,568,092	—	157,513	.31	516,185
	1961—6 mo to June 30	2,634,355	—	102,691	.20	516,185
Minnesota Mining & Mfg.	1962—6 mo. to June 30	334,512,372	79,750,260	38,750,260	.75	51,823,123
	1961—6 mo to June 30	293,575,905	67,119,183	34,469,183	.67	51,629,307
	1962—qtr. to June 30	172,826,699 <sup>4</sup>	40,875,608	19,775,608	.38	51,823,123
	1961—qtr. to June 30	152,616,378	34,628,173	17,928,173	.35	51,629,307
Mavielab	1962—6 mo. to June 30	3,344,408	330,492	170,816	.51	334,466
	1961—6 mo to June 30	2,826,449	246,785	130,074	.39	334,466
	1962—qtr. to June 30	1,659,094	140,394	73,581	.22	334,466
	1961—qtr. to June 30	1,390,069	113,604	60,675	.18	334,466
Muter	1962—6 mo. to June 30	8,109,340	289,340	142,977	.12	1,199,094
	1961—6 mo to June 30	6,340,930	76,889	41,003	.04	1,142,961
National Ca.	1962—6 mo. to June 30	4,805,544	192,789	112,089	.13 <sup>2</sup>	804,247
	1961—6 mo to June 30	3,658,439	61,066	1,366	—	802,779
National Union Electric	1962—6 mo. to June 30	18,375,580	—	545,801	.09	5,747,479
	1961—6 mo to June 30	16,513,449	—	231,062	.04	5,747,579
Oxford Electric	1962—6 mo. to June 30	4,746,320	—	54,111	.12	412,393
	1961—6 mo to June 30	3,801,599	—	8,291	.02	412,393
Rallins Bcstg.	1962—year to Apr. 30	6,395,312	831,260	437,396	.45	956,497
	1961—year to Apr. 30	4,401,773	730,092	358,553 <sup>0</sup>	.40 <sup>0</sup>	925,125
Silicon Transistor	1962—qtr. to June 30	623,000	150,000	73,000	.14	516,250
	1961—qtr. to June 30	439,000	53,000	27,000	.05	516,250
Sonotone	1962—6 mo. to June 30	10,527,606	—	150,895	.12	1,220,430
	1961—6 mo to June 30	10,236,607	—	(180,950)	—	1,158,745
Sprague Electric	1962—6 mo. to June 30	42,463,100 <sup>4</sup>	—	3,265,122 <sup>4</sup>	2.21	1,471,709
	1961—6 mo to June 30	37,066,358	—	2,960,166	2.06	1,433,449
Standard Kallsman Industries	1962—6 mo. to June 30	46,157,144	2,332,797	1,420,497	.65	2,179,686
	1961—6 mo to June 30	51,745,707	3,317,371	1,615,967	.74	2,086,556
Technicolor	1962—6 mo. to June 30	26,609,554	—	828,606	.31	2,623,218
	1961—6 mo. to June 30	26,041,626	—	1,405,000 <sup>9</sup>	.54 <sup>9</sup>	2,543,179
Texas Instruments	1962—6 mo. to June 30	119,736,000	9,222,000	4,784,000	1.19	3,947,161
	1961—6 mo to June 30	119,860,000	13,282,000	6,374,000	1.62	3,935,494
	1962—qtr. to June 30	62,253,000 <sup>4</sup>	4,559,000	2,373,000	.59	3,947,161
	1961—qtr. to June 30	60,883,000	5,545,000	2,601,000	.65	3,935,494
Trons-Lux	1962—6 mo. to June 30	—	—	358,795	.48	743,837
	1961—6 mo to June 30	—	—	280,826	.39	743,837

Notes: <sup>1</sup> Before special items totaling \$489,089 (21¢ a share). <sup>2</sup> After preferred dividends. <sup>3</sup> After \$432,690 provision for loss on foreign investments. <sup>4</sup> Record. <sup>5</sup> After \$27,902,117 tax credit. <sup>6</sup> Before special credit of \$269,416 (30¢ a share). <sup>7</sup> Adjusted to reflect 4% stock

dividend Dec. 1961. <sup>8</sup> Not available because of merger. <sup>9</sup> Includes special non-recurring dividend of \$517,000 (20¢) from British affiliate Technicolor Ltd.

AUG 2 1962

# WEEKLY **Television Digest**

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The authoritative service for executives in all branches of the television arts & industries

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## SUMMARY-INDEX OF WEEK'S NEWS

### Broadcast

**PAY-TV THUNDER STOLEN** neatly by Westinghouse Bcstg. Corp., which plans series of pre-taped one-shot performances in WBC markets of Broadway plays in which WBC will have substantial investment (p. 1).

**MORE CATV-BROADCASTER UNIONS.** Cox interests buy Lewis-town, Pa. system; Paul McAdam acquires Helena organization; ex-TelePrompTer executive heads Pasco-Kennewick group (p. 2).

**FIRST CASH DIVIDENDS** to stations from Trans-Lux offshoot TV Affiliates Corp. will be distributed in Chicago this week. TAC handles library of station-produced shows, sells them nationally, is filling gap in syndication (p. 3).

**MLD SENATE-FCC BUDGET HEARING** shows Senators interested in Review Board, overcommercialization, radio overpopulation, uhf & ETV growth, license fees, AT&T regulation (p. 3).

**PROFIT SQUEEZE ON TV NETWORKS:** Industry's record revenues offset by rising expenses. Profits sagged \$7.1 million in 1961 (p. 4).

**SENATE LAUNCHES COMMUNICATIONS SATELLITE BILL** on 66-11 vote, fending off barrage of last-minute amendments. Quick House approval, Presidential signature expected (p. 4).

**NAB ISSUES LIQUOR GUIDELINES:** Code Authority releases new list of do's & don'ts for alcoholic beverage commercials (p. 5).

### Consumer Electronics

**PENNEY CHAIN INTO PRIVATE-LABEL TV.** Will introduce portables, consoles & combos under own brand name in 18 stores in Oct. Pilot operation marks "intention to expand our own TV operation" (p. 7).

**SET MAKERS SET FAST FIRST-HALF PACE:** Combined sales of 7 volume producers jumped more than \$100 million to \$542.1 million from \$437.3 million in 1961's first 6 months; their aggregate earnings rose to \$19.2 million from \$12.1 million (p. 7).

**AID'S ETV PLAN JOLTS CONGRESS.** House "watchdog" subcommittee chmn. Hardy calls project to ship 1,000 TV sets to underdeveloped nations "screwy proposition." But contract with Warwick expected to stand (p. 8).

**FIRST-HALF TUBE SALES FIGURES** show picture tubes down in both units & dollars, receiving tubes ahead in both categories, compared with 1961's first half. Picture & receiving tubes declined in both unit & dollar sales in June (p. 9).

**PHONO SALES LAG AT MIDYEAR:** Distributor sales slip to 1.4 million units from 1.5 million in Jan.-June 1961, but mono pushes ahead of year-ago 373,525 to 339,827. EIA figures show factory phono sales well ahead of 1961's first half in both stereo and mono units (p. 10).

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**WBC STEALS PAY-TV THUNDER:** Broadway-On-TV promise, long one of basic appeals of pay-TV, is being challenged seriously by Westinghouse Bcstg. Corp., most active TV station group when it comes to network-calibre TV production. WBC's plan: To enter the Broadway legit realm as theatrical "angel," and to televise in WBC markets taped versions of Broadway plays and/or musicals to coincide day-&-date with show's N.Y. opening. Programs will have commercials during intermissions, like feature movie showcase.

It's brand-new technique, no small blow to pay-TV interests. So far, negotiations are reaching contract stage only between WBC and TV-minded (it produces "U.S. Steel Hour") Theatre Guild in N.Y., but other producers are being approached, we're told.

WBC Pres. Donald H. McGannon admitted: "We feel our project will enrich TV programming while providing viewers with the on-the-spot feeling of news immediacy. We are not out to attack pay-TV deliberately, although we've gone on record as saying we're opposed to pay-TV and feel that sponsored TV can provide programming of equal calibre through normal channels."

Major reason for Broadway interest in WBC's project is that WBC is willing to pay a relatively stiff

price for one-shot TV rights to Broadway shows in a limited-exposure situation. Possibly, WBC may seek ways to amortize the heavy showbusiness investments through syndication, but at moment WBC's thinking is concentrated on its own TV markets (Boston, San Francisco, Baltimore, Cleveland, Pittsburgh).

Production costs may be as high as \$75,000 per taped performance, on top of WBC's investment (which might run anywhere from 10-60% of show's Broadway "nut"). Granted many network specials top \$500,000 mark in production costs alone, and WBC may actually reap profit from its angel role (as did CBS in backing "My Fair Lady"). But this still works out to whopping average of some \$15,000 per show per WBC station, since only 5 outlets are being considered, not network spread of 180-200.

Deal has been quietly in works for nearly a year, and is outgrowth of thinking of WBC's McGannon and Dir. of Creative Services Herman Land. WBC production routine will go like this: Show will be taped, with original cast, before live audience in TV theater. To reflect late casting, rewrites, etc., TV performance will be only 2 days or so before Broadway opening. Set for show will be "duplicate" of that on Broadway.

To give it "immediate" flavor, WBC plans to blend its pre-taped performance with on-the-spot pickups (where possible) during intermission at Broadway opening. Combination is thus likely to generate real first-nighter feeling for home viewers, and steals a march on Telemeter's Toronto exposure of Broadway fare which has usually come when show's run has started.

Many problems are still to be solved in working out final arrangements, WBC admits—performer scales, payments to authors, scenic designers, directors, etc. Even though Broadway fall season hasn't yet begun as far as public is concerned, WBC will be lucky (a WBC official admitted to us) to line up as many as 3 Broadway telecasts this season. Next season, WBC hopes to have as many as 6. No specific properties have been signed, although WBC indicated they would probably be straight plays, most from Theater Guild.

What does WBC deal really mean? For one thing, it emphasizes ability of sponsored-TV partisans to evolve new forms of TV showbusiness to meet pay-TV threats. For another, it underlines emergence of station groups as major factor in TV program planning and challenge to established networks.

Theater interests reacted unhappily. Examples: John Shubert, whose organization runs 17 of Broadway's 33 theaters—"It could be the ruination of the American theater." Leland Hayward, producer who was consultant to RKO-Zenith Hartford experiment—"If it were pay TV it would make more sense. I don't know why they would give away a show that's being sold for boxoffice prices in N.Y." Robert Whitehead, pres. of League of N.Y. Theaters—"It may help the theater immediately financially but its effect on the patient in the long run may be a bad thing." Producer Arthur Cantor—"An act of desperation" by play producers who can't get money elsewhere.

**MORE CATV-BROADCASTER UNIONS:** Powerful infusion of broadcast interests into CATV industry continued last week with entrance of blue-chip Cox station interests through \$660,000 purchase of 4,400-connection system in Lewistown, Pa. And Cox group is "very interested" in expanding in field. Headed by James M. Cox, organization owns WSB-TV Atlanta, WHIO-TV Dayton & WSOC-TV Charlotte, with AMs & FMs.

Coincidentally, Ga. Assn. of Bcstrs. announced that Oct. 16 Southeast Radio-TV Seminar in Atlanta will discuss "growing crisis & dilemma" of CATV-broadcaster relationships in session moderated by GAB's TV vp Ray E. Carow, WALB-TV Albany. Meeting will also cover pay TV, ETV, FTC. Concurrently, there will be an "ExSec Workshop,"—first gathering of state association executive secretaries; there are now 24 such officials among the 48 state associations.

Broker Bill Daniels, who represents Cox, said Lewistown purchase "is just a start for them." He reports 3 more large broadcasters in market for systems, along with "a very prominent newspaper" which has almost concluded the purchase of 3 systems.

Livingston, Mont. radio KPRK owner Paul McAdam, long a CATV operator, has expanded by buying 2,600-subscriber Helena system—price not indicated. And still another sale, but evidently not including broadcasters: 3,400-home system in Pasco-Kennewick, Wash., bought from Columbia TV Co. by group headed by Robert M. Rosencrans, ex-dir. of TelePrompter's closed-circuit div.; price not disclosed.

Other recent forays by broadcasters include \$10 million 18-system acquisition by ex-NBC vp Alfred Stern and associates (Vol. 2:32 p3), acquisition of CATV franchises in S.C. by G. Richard Shafto, exec. vp of WIS-TV Columbia and WSFA-TV Montgomery (Vol. 2:25 p3).

**STATIONS FILLING SYNDICATION GAP:** First cash dividends for station members of TV Affiliates Corp., subsidiary of film syndicator Trans-Lux, will be distributed at special TAC programming conference to be held at Lake Tower Motel, Chicago, Aug. 20-21. Session represents real breakthrough in new syndication concept evolved by Trans-Lux and sparked by TAC vp Robert Weisberg more than year ago, and is no small-scale victory.

Dividends run to 4 figures, in some cases, for TV stations now members of TAC, and are proportionate to revenues derived from sale of more than 70 station-produced film & tape shows. Theory of TAC in a nutshell: Many TV stations produce local programs & documentaries of interest level & quality worth national exposure—so why not start a "clearing house" to sell them in syndication market largely abandoned by Hollywood & telefilm majors? Theory apparently works.

TAC-sold shows are mostly in vein of serious public affairs one-shot specials. A few: "Birth by Appointment" (Caesarian), produced by WBNS-TV Columbus; "Speedway Through The Years" (profile of Indianapolis Speedway), WFBM-TV, Indianapolis; "A Walk Through The Valley" (study of juvenile delinquency), WGN-TV Chicago. TAC's Weisberg told us he estimates total 1962 revenues for these & other shows at \$250,000 and anticipates "sizable" jump in 1963 sales.

Station dividends from TAC are for 6 months starting last January and represent earnings achieved by individual station-produced shows (after TAC overhead). Full-scale sales campaign by TAC began with handful of shows from 20 stations, now is backstopped by diversified program library from 51 stations.

Meeting has attracted attention among Chicago agencies & clients, some of whom are currently buying TAC shows in multi-market deals where they appear. Guest speakers at TAC meeting will include executives of Bell & Howell; Needham, Louis & Brorby; Leo Burnett; Cunningham & Walsh.

**MILD SENATE-FCC BUDGET HEARING:** FCC received sympathetic hearing from Senate Appropriations Subcommittee last week, stands at least fair chance of getting all or most of the \$262,000 cut by House from its \$14,617,000 budget request (Vol. 2:32 p6). Traditionally, Senate seems to give FCC this fiscal break in addition to warm reception. A major reason is that Sen. Magnuson (D-Wash.) is chairman of both the subcommittee and Commerce Committee—and as head of latter is very familiar with Commission problems. Most of questioning was by Magnuson and Allott (R-Colo.), with these major topics:

(1) Staff Review Board. Congress had given Commission power to establish Board to take mass of routine decisions of commissioners' minds, free them for major matters. Magnuson was concerned lest licensees hurt by Board insist on appeal to Commission. "I can just hear from my constituents now," he said, "yelling 'I was robbed.'" Comr. Ford said that if Board merely adds a delaying step to FCC processes "it will be a failure."

(2) "Overcommercialization." Allott remarked that he'd seen TV show "with 7 different products in a short period of time." Comr. Lee said he favors FCC adoption of NAB Codes as commercial standard. Ford pointed to problems with any set of numerical limits. He said one broadcaster told him people come to shop in his town only on Fri. & Sat.—"and he has to sell all his time then; he can't get any business during the week." Then, Ford noted that radio daytimers' broadcast day differs in length from north to south, so a rule couldn't be applied rigidly. But, he concluded: "I think Lee & I will adjust our differences, both giving a little."

(3) Radio overpopulation. Allott wanted to know how FCC could determine when there are too many stations. Ford said that Commission is considering revising rules to allow mergers which would take a station off air and at same time leave the abandoned frequency unavailable to new applicants. He also noted that consideration is being given to grant higher priority to applicants for underserved areas, and that the law requires FCC to weigh prospective impact on service which might be caused by new-station pressure on broadcast economics of a community.

(4) Uhf & ETV growth. Magnuson was told that there's considerable interest in commercial uhf—but no flood of applications yet. As for ETV, Lee stated: "Tremendous interest. You'd be pleased." Lee was also delighted to report that FCC's N.Y. uhf experiment will be finished in Oct.—and that \$200,000 will be returned to govt. kitty, unneeded.

(5) License fees. Allott asserted amateurs shouldn't be charged. Ford agreed, said he's against all fees because Congress has given FCC no guidelines.

(6) Investigation of AT&T rates. Sen. Kefauver (D-Tenn.) asked \$3 million appropriation so that FCC could make big rate study. But Lee said Commission doesn't believe in "one shot" investigation—prefers, instead, gradual expansion of staff to handle common carrier regulation. He also defended Commission's performance, cited rate reductions obtained from time to time: "I believe our efforts have been outstanding over the years. We've brought savings to consumers." Magnuson made it clear he agreed.

**PROFIT SQUEEZE ON TV NETWORKS:** TV industry revenues set record in 1961—\$1,318,300,000, but profits dropped for first time in years, FCC's annual wrapup of industry finances released last week shows.

Revenues rose 3.9% from 1960 but couldn't keep pace with expenses, which increased 5.5% from \$1,024,500,000 to \$1,081,300,000. Profits thus skidded 2.9% to \$237 million from 1960's \$244.1 million. This was in marked contrast to 1959-60, when profits rose 9.8%, and 1958-59 when they soared 29.3%.

Most of profit decline was suffered by networks. They and their 15 o-&o's garnered revenues of \$675.3 million in 1961, up 5.4% over 1960. But expenses rose 7.8% to \$588.3 million. Before-tax income consequently was down 8.6%, from \$95.2 million to \$87 million. Network o-&o's profits rose to \$62.3 million from \$61.6 million—but profits from networking itself dropped from \$33.6 million to \$24.7 million.

The 525 non-network stations had revenues of \$643 million, up 2.4%, expenses of \$493 million, up 2.9%, profit of \$150 million, up 0.7%.

Uhf stations had rougher year than 1960, with 60.6% of the 71 which reported showing losses. Last year, only half the uhfs reported losses. Of 439 uhfs in operation for full year, 78.8% reported profit, compared with 81.1% year ago.

Of industry's total broadcast revenues, \$962 million (73%) came from time sales, \$356.3 million (27%) from talent & program sales. Total time sales, before commissions, rose \$13.4 million to \$1,160,000,000.

Among vhf stations showing profit, 13 reported earnings of \$3 million or more; 26, \$1.5 to \$3 million; 29, \$1 to \$1.5 million. Only 38 had less than \$25,000. Biggest uhf moneymakers were 2 stations reporting earnings between \$200,000-\$400,000. Most of profitable uhfs, 10, earned between \$100,000-\$200,000.

N.Y. led markets in total broadcast profit before taxes, its 7 outlets reporting \$32,600,518. Chicago's 4 stations followed with \$15,771,490. Los Angeles, with 7 stations, was third with \$8,050,793.

**SENATE LAUNCHES COMMUNICATIONS SATELLITE BILL:** Drastic action by Senate, including first cloture (debate-limiting) move in 35 years, and rapid tabling of multitude of amendments, finally ramrodded administration-backed communications satellite bill through Aug. 17 on overwhelming vote, 66-11. Bill now goes to House, where quick approval is anticipated, then to President for signature.

Bill as passed calls for creation of Communications Satellite Corp., owned half by individual shareholders, half by U.S. communications common carriers. Board of directors will number 15—6 representing public, 6 from companies, 3 appointed by President with Senate approval.

Following President's signature, first step toward getting organization into operation will be appointment by President of group of incorporators, number unspecified, who will lay groundwork. From there, it will take 12-18 months before first stockholder meeting, when the 12 public directors will be elected.

Out in space, it was a merry week for Telstar, AT&T's mighty mite whose antics daily become more astonishing. Former President Eisenhower made his 2nd transatlantic appearance Aug. 15 when satellite flashed his London news conference to U.S. NBC News announced plans to send color from Europe in next few weeks. Also reported in planning stage were transatlantic beamings of Miss America Pageant & 3 Broadway show openings.

U.S. offer to attempt live TV relay via Telstar from Russia's 2 orbiting spacecraft was politely but firmly declined. And U.S. networks reported that they made no attempt to pick up TV signals beamed to Soviet Union from space ships. Films of telecasts were shown by U.S. networks, flown from Europe. One of these, incidentally, shown Aug. 16 on CBS News with Walter Cronkite, turned out to be phony. Sharp-eyed CBS staffer recalled having seen film earlier, and after some checking, it was found to be East German shots of earlier Soviet launching.

## **CURRENT CAPSULES**

Some network prime-time evening fall shows will be trimmed 5 minutes to make way for paid political broadcasts by gubernatorial, congressional and other candidates for office. Plan was sparked by Sen. Javits (R-N.Y.) and Republican National Committee. ABC-TV last week announced it would adopt plan; CBS-TV & NBC-TV are expected shortly. Only live or taped shows will be affected; filmed shows are often reruns, and networks would be unable to sell the 5-min. segments after elections. Programs which probably will be affected: ABC-TV: *Lawrence Welk Show*, 9-10 Sat., *Hollywood Special*, 8-10 Sun.; CBS-TV: *Sing Along With Mitch*, 8.30-9.30 Fri., *Perry Como Show*, 9-10 Wed., *The Price is Right*, 9.30-10 Mon.; NBC-TV: *Red Skelton Show*, 8.30-9.30 Tues., *Jackie Gleason Show*, 7.30-8.30 Sat., *Ed Sullivan Show*, 8-9 Sun. Democratic National Committee hasn't commented on project, is eligible for similar arrangement.

Westinghouse Bcstg. needn't be a party to FCC's NBC-RKO station-swap hearing (Vol. 2:30 p5), WBC told Commission last week. It said deal has changed so much since original that WBC no longer figures significantly. It said Philco and others can offer testimony on the issue of NBC's alleged use of network affiliate power to pressure stations into swapping or selling. However, WBC said its personnel are available as witnesses if needed. Philco filed petition asking new issue be added to hearing—study whether RKO TV holdings violate FCC's ceiling of 5 vhfs. It said FCC has apparently overlooked RKO's 12½% ownership of KWTW Oklahoma City. RKO owns WNAC-TV Boston, WOR-TV N.Y., KHJ-TV L.A., WHBQ-TV Memphis and ⅓ of CKLW-TV Windsor, Canada.

Adoption of NTSC color system for Europe is reasonably good prospect, according to George Brown, RCA research & engineering vp. In Europe recently to present paper on RCA's 4-tube color camera, he said he found "technical fraternity well informed on NTSC" and generally favoring it against French-pushed Secam system.

**NAB ISSUES LIQUOR GUIDELINES:** Tightening regulations concerning liquor commercials, NAB code authority last week released new series of 'guidelines.' Code dir. Robert D. Swezey said new directive would be particularly helpful to stations making day-to-day decisions on acceptability of particular copy. Authority cautioned, however, that guidelines can't cover all individual cases, urged subscribers to seek clarification from NAB when needed. Guides capsuled:

(1) No advertising of hard liquors, including, but not limited to, whiskey, brandy, rum, gin, vodka, cordials, liqueurs & wines containing more than 24% alcohol, or mixed beverages containing any of forementioned.

(2) Corporate name of firm that distills or distributes hard liquor may be used in advertising non-alcoholic product. Use of hard liquor distiller or distributor's name in advertising of acceptable alcoholic beverages is permissible only if required by law to be included in ad, and must be confined to simple identification.

(3) Advertisements for retail stores which sell liquor in addition to other products are acceptable, provided there is no mention, display or implied reference to hard liquor. Use of word "liquor" as part of sponsor's name is prohibited.

(4) Advertising of establishment whose principal business is alcoholic beverages, in which no mention is made of acceptable products or services, will be construed as implied reference to distilled spirits.

(5) Use of "liquor" in reference to non-distilled items such as malt liquor is permitted.

(6) Products to be used or mixed with distilled spirits may be advertised, provided liquors are not specifically mentioned or displayed.

(7) Advertising availability of alcoholic beverages, by restaurants, airlines, hotels, is taboo. Likewise, use of "lounge," "barroom," "taproom," "tavern" in such a manner as to imply availability of spirits. Use of "cocktail lounge" to describe place of business is not acceptable under any circumstances.

(8) Advertisements for non-beverage products containing or associated with distilled spirits depends on manner of presentation. Code Authority will judge each on its individual merits.

NAB Radio Code Authority Dir. Charles Stone reports no Radio Code subscribers are known to be carrying liquor commercials—but that about 30 non-subscribers were doing so when last checked. TV Code Mgr. Edward Bronson says no TV stations, including non-subscribers, are handling liquor.

Foreign radio stations in Washington embassies (Vol. 2:32 p6) advanced step as House Commerce Committee approved bill last week. Move is designed to aid, through reciprocal action, remote U.S. posts in countries with inadequate commercial communications facilities.

NAB has furnished AAAA with roster of radio code subscribers in joint move to raise advertising standards. Radio Code Affairs Dir. Charles M. Stone said AAAA has urged members to get behind "spirit & letter" of radio code.

## Personals

Martin N. Leeds, ex-Desilu exec. vp, elected exec. vp & board member, Talent Associates-Paramount Ltd., Hollywood . . . Robert E. Philpot promoted to CBS-TV network sales coordinator.

Arthur Barron, ex-NBC News creative projects editorial supervisor, named Metropolitan Bestg. TV creative programs dir., N.Y. . . . David J. Bennett, ex-asst. to Triangle TV-radio vp, named Triangle stations FM operations dir., a new post.

Theodore C. Streibert, WTCN-TV & WTCN Minneapolis-St. Paul vp & gen. mgr., resigns to form own international consulting service, will also continue with Time Inc. as Time-Life Bestg. international div. consultant, N.Y.

Frederick L. Gilson promoted to CBS Films asst. international sales mgr., a new post . . . Sam Somora, ex-radio WJBK Detroit promotion, advertising & merchandising mgr., named KTVI St. Louis exec. vp & gen. mgr.

Joseph Bernard, ex-mgr. of KTVI St. Louis and WGR-TV Buffalo, recently consultant to Syracuse applicants, named gen. mgr. of radio KFWB Los Angeles . . . James L. Snyder named national news director for all Westinghouse stations, continues as Washington bureau chief.

Richard N. Burns promoted to CBS-TV network sales contracts dir. & asst. business mgr., succeeding Richard H. Low, who joined Y&R; Julian L. Linde replaces Burns as network sales contract mgr.

James R. Reston, N.Y. *Times* Washington bureau chief, named to NET board.

Jim Terrell, ex-WKY-TV Oklahoma City asst. mgr., appointed KTVT Dallas-Ft. Worth mgr. . . . Michael L. Merla, Buffalo accountant, appointed WOKR Rochester business mgr.

Jacques R. Alleyn named Canadian Bestg. Corp. gen. counsel, Ottawa . . . Charles C. Smith, radio WDEC Americus, Ga., elected Ga. Assn. of Bcstrs. pres., succeeding Randolph Holder, radio WGAU Athens.

William J. McCarter, ex-educational WHYI-TV (Ch. 35) Philadelphia asst. gen. mgr. & program dir., appointed NET development officer . . . Ken Hildebrandt, ex-Jack Douglas Organization, named gen. sales mgr., Spanish language KMEX-TV Los Angeles, due to start in Sept.

Paul Frank promoted to WLBW-TV Miami news dir. . . . Mel Kampmann, ex-KMJ-TV-AM-FM Fresno asst. news dir., named KFRE-TV-AM & KRFM (FM) news dir. there.

## Obituary

Ford Bond, 57, prominent radio announcer and TV-radio producer, died Aug. 15 in St. Croix, V.I. In addition to sportscasting, he was consultant & speaker for Cities Service from 1930-53, longest sponsor-announcer association in radio's history, according to NBC. Bond also was consultant for radio & TV to N.Y. State Republican Committee from 1942-52. He retired from broadcasting in 1953 to concentrate on the construction business in Virgin Islands.

Ted Husing, 60, famed CBS radio sports commentator for nearly 30 years, died Aug. 11 in Pasadena, Cal. Stricken with brain tumor in 1954, the dramatic announcer lost most of his vision & speech, spent last 2 years bedridden in convalescent home.

Appeal to public, since broadcasters can't get anywhere with judges & lawyers in obtaining relief from restraints on news coverage of court trials, etc. That's advice of NAB vp Howard Bell, in address prepared for Aug. 18 delivery at Oklahoma Bcstrs. Assn. meeting in Oklahoma City. "It's time we told the people what our problem is," he said. "The broadcasters, through forums and the use of the air-ways, need to mount a major campaign to enlist the support of the people in the fight to advance the people's right to know. At the same time, broadcasters generally need to be more aggressive in seeking out local coverage of public proceedings and in strengthening further the quality and the character of the news & informational service provided to the public."

Is there conflict of interest if top-ranking program vp of one network owns substantial interest in 2 nighttime TV programs on another network? In situation wherein Senior Program vp Hubbell Robinson of CBS-TV has been executive producer of *Thriller* and *87th Precinct* (Vol. 2:28 p3), both produced with Revue Productions and both seen on NBC-TV, question is now academic. Last week, Robinson sold to MCA (parent of Revue, and no longer an active talent agency) his interests in the 2 shows. Although neither series is likely to be back on NBC this fall, they still represent substantial syndication package of nearly 100 hour-long shows, and will probably be launched later this year in station-level sales by MCA.

Another representation deal has been signed by ABC International with Canadian commercial TV station. This one's between ABC and CJCH-TV Halifax, N.S., affiliate of Canada's CTV network. Station has vhf satellites in Annapolis Valley, Digby & Amherst, claims coverage of 90,000 TV homes. ABC will represent station in commercial sales in all markets outside Canada. Deal is similar to that announced earlier this year between ABC and CFTO Toronto (Vol 2:24 p5). ABC also represents TV outlets in Central & South America, Middle & Far East.

Steinman Group, for approximately \$3.5 million, has bought KVOA-TV (Ch. 4) Tucson & KOAT-TV (Ch. 7) Albuquerque from Clinton McKinnon organization—no radio involved. Clair McCollough, pres. & gen. mgr. of Steinman stations (also NAB chmn.), before leaving for a month in Europe last week, said no management changes are contemplated. Steinman's own Pa. facilities WGAL-TV-AM-FM (Ch. 8) Lancaster, CP for WLEV-TV (Ch. 51) Bethlehem, radios WORK York, WKBO Harrisburg, WEST Easton, WRAK Williamsport and WDEL Wilmington, Del.—plus *Lancaster New Era* and *Intelligencer Journal*.

Unusual English-Spanish simulcasts will be carried by WLBW-TV & Spanish language radio WMIE Miami on WLBW-TV's 6:15 *Evening Report* starting Aug. 20. South Florida's 200,000 Spanish-speaking people will be able to receive TV report in Spanish by tuning in WLBW-TV picture and WMIE sound.

Founder of KUAM-TV (Ch. 8) Agana, Guam, Harry Engel, has sold his (with wife) 45.5% of station to Phil Berg, former Hollywood talent agent, holder of balance of stock. Price not yet disclosed.

License denial of radio WDKD Kingstree, S.C., in celebrated "obscenity" case (Vol. 2:31 p3), has been stayed by FCC for 30 days pending Commission study of station's petition for reconsideration.

Uhf CP granted: Ch. 29, Jenkintown (Philadelphia suburb), Pa., to William L. Fox.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**PENNEY CHAIN INTO PRIVATE-LABEL TV:** J. C. Penney Co. will introduce TV sets under its own label in 18 stores in Oct. Although a few Penney stores from time to time have sold brand TVs at discretion of individual managers, this pilot operation marks first national move under its own label by the 1,700-outlet chain.

"This signifies our intention to expand our own TV operation," spokesman told us. "We'll keep adding stores as we go along." Initial 18 test stores are scattered throughout country.

Penney said its TV brand name hasn't been determined yet, wouldn't disclose name of its TV manufacturer. However, we were told that sets won't be coming from GE, which recently concluded pact to private-label laundry & major kitchen appliances for Penney (Vol. 2:30 p8).

Color TVs will not be included initially in pilot operation. Debut line will include TV portables, consoles & combinations. Price data & plans for service & installation are not yet firmed. Head of Penney's new TV operation is Arthur D. Glenn, recently appointed TV, radio & phono buyer. He reports to Theodore S. Corwin, housewares & leisure groups mgr.

Penney has been selling radios & phonos under its own "Penney" brand for past 2 years. They are retailed in about 400 stores at present.

**SET MAKERS SET FAST FIRST-HALF PACE:** TV-radio manufacturers raced past 1962's halfway mark at whirlwind clip. First-half reports show marked sales & profit gains over Jan.-June 1961. Barring radical upheaval in economy during last half—when TV-radio industry traditionally does bulk of business—banner year clearly is in the making.

Our analysis of 11 TV-radio set makers shows these first-half achievements: (1) All netted substantial profit improvement over 1961's first half. (2) Only two of 10 failed to increase sales. (3) Four firms set profit records. (4) Six posted sales records. (For first-quarter analysis, see Vol. 2:20 p8.)

Over-all upbeat performance of electronics industry also is reflected in 2nd-quarter analysis of major U.S. corporations by Aug. 1 Wall St. Journal, which found that 478 firms increased earnings 15.5% to \$2,719,344,000 from \$2,354,266,000 in April-June 1961. Survey disclosed that 23 electronics-electrical manufacturers ran far ahead of national average—increasing 2nd-quarter earnings 25.2% to \$114,352,000 from \$91,334,000. Of these 23 firms, 11 were broad-line companies, and they improved earnings 26% to \$106,175,000 from \$84,246,000. Other 12 companies were specialty firms. Their earnings rose 15.4% to \$8,177,000 from \$7,088,000.

Our study of 7 manufacturers who concentrate on home electronic products—Admiral, Andrea, Arvin, Magnavox, Motorola, Wells-Gardner, Zenith—shows combined first-half sales of \$542,058,579—up more than \$100 million from \$437,300,986 in Jan.-June 1961. Their profits soared to \$19,213,815 from \$12,137,667. Motorola, Magnavox & Zenith had record sales. Magnavox & Zenith also had record profits.

No less impressive were gains of 4 giant multi-product companies in which TV-radio products account for only a portion of over-all sales & profits. Combined first-half sales of GE, GT&E (Sylvania), RCA and Westinghouse rose to \$4,779,045,000 from \$4,301,725,000. Their combined profits jumped to \$207,878,000 from \$164,535,000. GE, GT&E and RCA registered record sales. RCA & GT&E had record earnings.

Only Andrea & Wells-Gardner among 11 set makers failed to improve sales. However, although sales dipped, both improved earnings—Andrea to \$149,711 from \$126,728, Wells-Gardner \$246,000 from \$205,000.

Major sales gains were notched by Motorola (to record \$159.6 million from \$128.7 million), Magnavox (record \$88 million from \$61.8 million), Zenith (record \$146 million from \$116.7 million), RCA (record \$853.9 million from \$721.8 million), GE (record \$2.319 billion from \$2.074 billion).

Impressive profit gains were registered by each of 11 companies. Arvin more than doubled earnings to more than \$1 million from less than \$417,000. Magnavox ran earnings to record \$4.3 million from \$2.6 million. Other sharp gains: Motorola—to \$5.7 million from \$3 million. Zenith—record \$7 million from \$5.3 million. RCA—record \$24 million from \$17.6 million. GE—\$120 million from \$93.5 million. Admiral—\$858,058 from \$433,550.

Packard Bell & Pacific Mercury also reflect upbeat trend in just-released reports for first 9 months of their respective fiscal years. Packard Bell had record sales of \$35,930,837 in 9 months to June 30—up sharply from \$24,603,735 a year-earlier. Company had operating profit of \$767,048 before reserving \$1.1 million for anticipated losses on fixed-price govt. contracts. Pres. Robert S. Bell noted, however, that Packard Bell shortly will file claims against the govt. to recover losses. In comparable 9-month period a year ago, Packard Bell lost \$3,859,125. Pacific Mercury, in 9 months to March 31, earned \$252,749 on \$14,127,920 sales. Comparable year-earlier figures are not available. However, Pacific Mercury gains are indicated by comparison with total fiscal year ended June 30, 1961, when company lost \$615,742 on \$18.6 million sales.

With only a few major TV-radio manufacturers still to be heard from—Emerson, Muntz TV—here's first-half performance of 7 volume producers, compared with Jan.-June 1961:

	Sales		Earnings	
	1962	1961	1962	1961
Admiral .....	\$ 96,212,340	\$ 86,191,630	\$ 858,058	\$ 433,550
Andrea Radio .....	2,733,058	3,055,807	149,711	126,728
Arvin .....	40,126,064	31,213,652	1,009,461	416,616
Magnavox .....	88,034,000	61,792,000	4,282,000	2,554,000
Motorola .....	159,649,347	128,722,224	5,685,976	3,062,529
Wells-Gardner .....	9,307,000	9,627,000	246,000	205,000
Zenith .....	145,996,770	116,698,673	6,982,609	5,339,244
TOTALS .....	\$542,058,579	\$437,300,986	\$ 19,213,815	\$12,137,667

Here's first half performance of 4 multi-product giants:

GE .....	\$2,318,836,000	\$2,074,425,000	\$119,977,000	\$93,478,000
GT&E (Sylvania) .....	649,338,000	585,119,000	38,387,000	33,896,000
RCA .....	853,900,000	721,800,000	24,000,000	17,600,000
Westinghouse .....	956,971,000	920,381,000	25,514,000	19,561,000
TOTALS .....	\$4,779,045,000	\$4,301,725,000	\$207,878,000	\$164,535,000

**AID's ETV PLAN JOLTS CONGRESS:** Agency for International Development's plan to ship a thousand 23-in. transistorized battery-operated TV sets to backward nations as part of mass education project (Vol. 2:29 p9) flooded House "watchdog" group last week.

"The screwiest proposition I ever heard of," was Foreign Operations Subcommittee Chmn. Hardy's (D-Va.) opinion. Agency already has let \$400,000 contract to Warwick Mfg. for sets. During hearings, Motorola told AID it could supply same type of set for \$231 each, compared with Warwick's \$372. This didn't soothe Hardy's irritation any. Final straw came when agency's Dr. Gerald F. Winfield explained how sets' batteries would be recharged by windmills and "play-yard merry-go-rounds."

"This is one of the biggest pieces of foolishness I've seen in some time," Hardy told AID aides. "If you think we're going to finance all of this business, you've got a big disappointment coming."

Hardy was further incensed by \$28,000 agency project to experiment with sun-powered boat in South America, said it looked as though AID had "jumped into a dreamland." Contract with Hoffman Electronics

has been suspended, and its originator, John L. Hoke, an AID communication resources specialist, given notice of suspension.

There are no plans to renege on TV set contract or project, AID spokesman said. But agency chief Fowler Hamilton moved to tighten up contract procedures, said agency-wide study would be made, full report sent to Hardy subcommittee within 30 days.

**TV-RADIO PRODUCTION:** EIA statistics for week ended Aug. 10 (32nd week of 1962):

	Aug. 4-10	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV .....	129,822	104,636	122,504	3,877,472	3,416,177
Total radio .....	270,801	214,769	296,165	10,894,872	9,148,633
auto radio .....	131,299	82,830	88,680	3,926,878	2,889,308

**TOPICS & TRENDS**

More good business reports: Packard Bell consumer product sales are running at record levels. Dealer orders at June showing of new TV line topped orders of any other year by more than 35%. Kenneth R. Johnson, Home Products Div. vp-gen. mgr., reports April-July factory sales to distributors at high for period. Distributor sales established new records in each of 4 months • Delmonico International sales jumped 70% to record \$5,792,776 in first half from \$3,402,113 in Jan.-June 1961. Chmn. J. R. Van Raalte & Pres. A. A. Juviler of parent Thompson-Starrett Co. noted unprecedented demand for Delmonico products, said 2nd-half shipments may total \$9 million—pushing Delmonico's 1962 sales to about \$15 million, compared with 1961's \$10.1 million. Delmonico exec. vp Herbert Kabat reported 107% jump in sales over July 1961, said it marked 21st consecutive month in which sales topped those of corresponding year-earlier month. • Travler anticipates all-time sales record for fiscal-1963's first half ending Oct. 31. Pres. Joe Friedman said current backlog tops \$9.5 million, expects first-half sales to equal fiscal-1959's total \$14.8 million. Sales in first fiscal quarter ended July 31 ran approximately 24% ahead of 1961's May-July \$4.2 million.

Development that allows lasers to be "tuned" rapidly for first time like conventional home radio set was announced by GT&E, which said it heralds variety of new applications in TV, ground & space communications, radar. New method permits modulation of laser-generated light beams to carry information in same manner as radio waves. GT&E noted that "single laser beam is potentially capable of transmitting more data than all presently operating radio communications channels," said that "extreme directivity of the laser beam also would permit several laser systems to operate in close proximity—even at the same frequencies—without interference." GT&E Labs Pres. Dr. Herbert Trotter Jr. said modulation technique has been demonstrated at audio frequencies, is expected to be adapted to vhf & microwave frequencies before year's end.

**FIRST-HALF TUBE SALES FIGURES:** Hampered by a downbeat June, factory sales of TV picture tubes closed out 1962's first half trailing year-earlier performance by 19,054 units & \$3,638,825. EIA's official report also shows receiving tube sales & dollars down from June 1961—but ahead of 1961's first 6 months by 4,705,000 units & \$3,798,000.

Factory TV picture tube sales for Jan.-June slipped to 4,556,143 units from 4,575,197 a year earlier. Dollar value declined to \$87,332,694 from \$90,971,519. June sales totaled 740,788 units at \$14,252,844—down from June 1961's 806,852 at \$15,887,776.

First-half receiving tube sales showed 183,459,000 units at \$154,298,000—markedly ahead of 1961's Jan.-June sales of 178,754,000 units at \$150,500,000. Cumulative totals were whittled by June sales, which dropped to

29,649,000 units at \$24,587,000 from 31,463,000 at \$25,989,000 in June 1961.

Here are EIA's official first-half figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January .....	802,061	15,625,304	29,592,000	24,789,000
February .....	733,670	13,944,313	27,977,000	23,841,000
March .....	817,830	15,580,149	34,884,000	29,743,000
April .....	758,539	14,253,425	31,016,000	25,838,000
May .....	703,255	13,676,659	30,341,000	25,802,000
June .....	740,788	14,252,844	29,649,000	24,587,000
Jan.-June 1962 .....	4,556,143	\$87,332,694	183,459,000	\$154,298,000
Jan.-June 1961 .....	4,575,197	90,971,519	178,754,000	150,500,000

Toshiba's Himeji Works is now producing 4 million receiving tubes & 100,000 TV picture tubes monthly, in addition to 1.3 million fluorescent lamps. Japan's largest tube & lamp manufacturing facility, Himeji Works also makes all materials used in production of tubes.

**PHONO SALES LAG AT MIDYEAR:** Despite sharp June pickup, distributor-to-dealer phonograph sales at close of first half lagged behind year-ago pace by approximately 71,000 units. Big June, however, was big enough for factory phono sales to recover from slow May and top Jan.-June 1961's volume by more than 69,000 units, official EIA figures show.

First-half distributor sales totaled 1,429,687 phonographs—down 70,957 from 1,500,644 in 1961's first 6 months. Thanks to big June spurt, mono sales pushed ahead of 1961's Jan.-June total—373,525 units vs. 339,827. Half-year stereo sales trailed year-earlier volume 1,056,162 to 1,160,817.

June was mono's top 1962 month by wide margin. Distributor sales nearly doubled to 91,526 from June-1961's 47,970. Stereo sales also jumped in June—to 183,000 units from 170,178 in year-earlier month. Total June sales increased 66,378 to 274,526 from 218,148 in June 1961.

Mono's sales comeback this year is interesting. Mono trailed year-earlier month in both January & February. However, tide turned in March, and mono has outsold each comparative 1961 month since then. With big June gain, mono finally moved ahead of 1961's cumulative sales for first time this year. Stereo sales, conversely, trailed year-earlier sales in 4 of first 5 months, moved ahead only in March, 236,051 vs. 231,021.

Here are EIA's official first-half distributor-to-dealer sales:

#### PHONO DISTRIBUTOR SALES

Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total
January	48,423	171,305	219,728	74,881	211,268	286,149
February	50,563	188,857	239,420	54,097	210,365	264,462
March	60,206	236,051	299,257	59,290	231,021	290,311
April	54,615	146,577	201,192	48,532	173,585	222,117
May	65,192	130,372	195,564	55,057	164,400	219,457
June	91,526	183,000	274,526	47,970	170,178	218,148
TOTAL	373,525	1,056,162	1,429,687	339,827	1,160,817	1,500,644

Total factory phono sales in first half were upbeat all the way, in all categories. For 6-month period, mono & stereo sales increased by 69,335 units to 1,567,385 from 1,498,050 in Jan.-June 1961. Stereo was ahead 1,167,973 vs. 1,136,084. Mono, again for first time this year, pushed ahead of 1961's cumulative sales 399,412 to 361,966.

June was 1962's best factory month by far. Mono sales zoomed to 104,548 units from June-1961's 61,533. June's mono sales compare impressively with 1962's previous high—68,545, set in January, and runner-up 67,610 posted in May.

Stereo also set 1962 record in June with sales of 278,989—up sharply from 197,170 in year-ago month. June pace also was more than 40,000 units ahead of 1962's previous high—March's 237,492. June marks only 2nd time this year that stereo has outsold year-ago month.

Here are EIA's factory sales figures for first half:

#### PHONO FACTORY SALES

Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total
January	68,545	191,014	259,559	80,366	211,383	291,749
February	52,566	202,846	255,412	50,710	204,638	255,348
March	60,991	237,492	298,483	62,396	227,469	289,865
April	45,152	137,950	183,102	53,074	152,974	206,048
May	67,610	119,682	187,292	53,887	142,450	196,337
June	104,548	278,989	383,537	61,533	197,170	258,703
TOTAL	399,412	1,167,973	1,567,385	361,966	1,136,084	1,498,050

## Trade Personals

Dr. Ernst Weber, Brooklyn Polytechnic Institute pres., named first pres. of new Institute of Electrical & Electronic Engineers, which begins in Jan. after merger of IRE & AIEE; Dr. B. Richard Teare Jr., Carnegie Tech College of Engineering & Science Dean and present AIEE pres., becomes IEEE vp.

Richard Hodgson elected pres. Fairchild Camera & Instrument, succeeding John Carter, named chmn. & chief exec. officer; Sherman M. Fairchild, founder & chmn., elected to new post of exec. committee chmn.

Joseph Wright, Zenith pres., was subject of intensive search Aug. 12-13 when his 33-foot boat Pelago failed to make scheduled call at Sturgeon Bay, Wis. Boat was located on Lake Michigan, disabled by motor trouble, after being missing for 15 hours, and was safely towed to port.

John D. Conroy named eastern regional equipment mktg. mgr., industrial & military, Sylvania Tube Div.

Leon Schachere, ex-Stromberg-Carlson & Magnavox, appointed sales mgr. of Sylvania's new direct-to-dealer sales organization for N.Y.C. & northern N.J. (Vol. 2:24 p12), headquartering at 730 Third Ave., N.Y.

Charles E. LeMontagne appointed Sylvania Home Electronics mid-west district svc. mgr., succeeding Peter Kolsinski, named division quality control supervisor . . . Charles Belzer resigns as Sylvania district sales mgr. in Chicago area.

George H. Gage named GT&E mktg. & sales vp, succeeding R. Parker Sullivan, recently appointed pres. of subsidiary General Telephone of Cal.

Edward W. Butler, Speer Carbon vp, named 1962-63 chmn., EIA Membership & Scope Committee; Edward J. Derenthal, RCA General Traffic Div. mgr., re-named Traffic Committee chmn.; Harry Mason, Tung-Sol attorney, appointed Tax Committee chmn.

Robert J. Higgins named Sylvania Home Electronics mktg. administrator.

Philco was strikebound at 6 Philadelphia-area plants Aug. 13-15 when 4,500 workers walked out in protest over concurrent 3-day suspension of woman shop steward in TV receiver plant. Philco termed walkout a "violation of contract," notified 2 IUE locals involved that it plans to file grievance before American Arbitration Assn. to seek damages for "substantial losses" suffered because of shut-down. Philco told us controversy flared when steward pulled TV tuners off conveyor after protesting line was running 7/10 of second faster than contract maximum speed. She was suspended for 3 days for failing to follow established grievance procedure. Union contended she pulled tuners from conveyor after supervisor refused to slow line. Philco said its tests showed line running 7/10 of second slower than contract maximum speed.

Admiral-Sears, Roebuck out-of-court settlement of patent infringement suit (Vol. 2:33 p10) provides, in addition to cash settlement, that Sears subsidiary Warwick Mfg. will pay Admiral 25¢ for each TV wireless remote control made under Admiral's patent, and royalties of 2½¢ to 5¢ for each automatic record changer device covered by any of 3 other Admiral patents. Under terms of settlement, Admiral has licensed Warwick to use the 4 patents and will issue license for TV remote to Sears affiliate Pacific Mercury.

Trav-Ler Radio has been renamed TravLer Industries Inc. (Vol. 2:30 p11), following stockholder approval at Aug. 14 meeting. Pres. Joe Friedman said new name reflects greater importance of TVs, phonos & tape recorders than radios in current sales. He also told stockholders that TravLer "is spending approximately \$750,000 for additional facilities" at New Albany, Ind. plant of recently acquired Hoosier Cabinet Corp. (Vol. 2:25 p12). Plant's capacity "will be doubled by these improvements," he said, and expansion is required by increase in business, particularly in private label field (see p. 7).

Zenith will launch \$2 million ad campaign in network TV & local and national printed media during peak fall selling season. More than \$1 million "will be used in a concentrated local newspaper ad program in retail markets from coast to coast" during September & October, according to Sales Corp. Pres. Leonard C. Truesdell. Balance will go for national magazine ads & network TV presentations, including co-sponsorship of 90-min. colorcast of "World Series of Golf" Sept. 8 & 9.

Japanese firms showed largest gains among 1961's top 100 foreign industrials in August *Fortune's* annual compilation. Ten Nippon firms which made list in both 1961 & 1960 averaged 23% sales jump last year. Hitachi moved up to 11th place from 17 in 1960. Matsushita jumped to 56th from 74th. Top 100 included 12 electrical equipment manufacturers. Their combined 1961 earnings rose 10% on aggregate sales gain of more than 15%.

Western Radio Corp. has been charged by FTC with falsely advertising "New Magic Walkie Talkie," "Radio-Vox" and "Radio Talkie" portable receivers. Hearing examiner disputed firm's claims that devices would operate up to half mile between buildings, 10 miles between cars, was unconditionally guaranteed, required no license.

Packard Bell Electronics has obtained a \$9 million "V"-type loan, partially guaranteed by the U.S. Navy. Pres. Robert S. Bell said the loan, coupled with a recently obtained \$5.5 million bank credit, will replace a previous \$10 million line of credit, furnishing Packard Bell with a net credit gain of \$4.5 million.

New TV repair guide, *TV Trouble Analysis* by Harry Mileaf, has been published by Gernsback. Manual contains brief up-dated TV theory refresher chapter, illustrated explanations of TV set troubleshooting. It's 124 pp, Gernsback Library, 154 W. 14th St., N.Y. 11; paperback, \$3.20; hard cover, \$4.95.

Sylvania has increased wages for hourly non-union employes ranging from 10¢ to 20¢ an hour over a 2-year period. Eligible salaried employes also will receive increases—\$8 or 2½% monthly, whichever is larger, next month & again in Sept. 1963.

Sale of Crosby-Teletronics' physical assets for \$50,000 to Joseph A. Krupski (Vol. 2:33 p9) has been approved by Referee William J. Rudin.

Western Electric has awarded Goodyear Aircraft Corp. \$1.3 million contract for horn-reflector antennas that can receive or transmit 10,000 telephone messages & 10 TV programs simultaneously in b&w or color.

**Distributor Notes:** Olympic Radio & TV names Northland Merchandise Distributors, Green Bay, Wis., distributor for northern Michigan & northern Wisconsin • Irving Witz Corp. (Irving Witz pres.), newly appointed Delmonico & Grundig Majestic distributor in Miami (Vol. 2:29 p11), has established hq there at 300 Northeast 62nd St.

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Bosch Arma	1962—6 mo. to June 30	\$64,119,853	—	\$1,518,784	\$0.79 <sup>1</sup>	1,902,041
	1961—6 mo. to June 30	71,177,596	—	1,204,143	.62 <sup>1</sup>	1,902,041
Ampex Story below	1962—qtr. to July 31	21,513,000 <sup>2</sup>	—	878,000 <sup>5</sup>	.11	7,799,000
	1961—qtr. to July 31	17,355,000	—	71,000	.01	7,751,772
Andrea Radio	1962—6 mo. to June 30	2,733,058	—	149,711	.59	254,136
	1961—6 mo. to June 30	3,055,807	—	126,728	.50	254,136
Audio Devices	1962—6 mo. to June 30	4,100,000	—	225,000	.30	844,526
	1961—6 mo. to June 30	3,677,089	—	112,023	.13	831,652
Bendix	1962—9 mo. to June 30	599,672,486	\$34,386,418	15,648,962	2.89	5,423,335
	1961—9 mo. to June 30	570,167,511	34,947,318	17,685,660 <sup>2</sup>	3.29 <sup>2</sup>	5,381,109
	1962—qtr. to June 30	212,853,040	—	5,321,848	.98	5,423,335
	1961—qtr. to June 30	197,475,022	—	5,186,041	.96	5,381,109
Consolidated Electronics	1962—6 mo. to June 30	83,150,374	—	2,353,323	.74	3,172,377
	1961—6 mo. to June 30	67,304,368	—	1,871,476	.61	3,053,597
Disney Productions	1962—9 mo. to June 30	49,716,429	—	3,452,223	2.06	1,674,804
	1961—9 mo. to June 30	43,852,820	—	2,373,083	1.46	1,626,023
Electronics Corp. of America	1962—6 mo. to June 30	4,059,000	—	61,685	.06 <sup>1</sup>	749,495
	1961—6 mo. to June 30	3,106,271	—	68,116	.07 <sup>1</sup>	744,863
Esquire Radio & Electronics	1962—6 mo. to June 30	1,800,523	—	28,038	.07	417,650
	1961—6 mo. to June 30	1,382,691	—	6,871	.02	417,650
Litton Industries	1962—year to July 31	394,000,000	—	16,000,000	3.36	4,814,583
	1961—year to July 31	250,114,456	—	10,158,323	2.24	4,376,246
MCA	1962—6 mo. to June 30 <sup>3</sup>	—	—	6,631,000	1.38 <sup>1</sup>	4,040,735
	1961—6 mo. to June 30 <sup>3</sup>	—	—	4,800,000	1.10 <sup>1</sup>	3,995,735
Pacific Mercury	1962—9 mo. to Mar. 31	14,127,920	—	252,749	.36	748,500
	1961—9 mo. to Mar. 31 <sup>4</sup>	—	—	—	—	—
Packard Bell	1962—9 mo. to June 30	35,930,837 <sup>5</sup>	—	(332,952) <sup>6</sup>	—	854,043
	1961—9 mo. to June 30	24,603,735	—	(3,859,125)	—	816,493
Philips Electronics & Pharmaceutical	1962—6 mo. to June 30	43,758,717	—	1,283,283	.55	2,354,811
	1961—6 mo. to June 30	18,545,122	—	373,991	.19	1,994,674
Thompson-Starrett (Delmonico)	1962—6 mo. to June 30	12,412,445	—	339,792	.11 <sup>1</sup>	2,817,646
	1961—6 mo. to June 30	10,510,320	—	118,111	.03 <sup>1</sup>	2,718,918

Notes: <sup>1</sup> After preferred dividends. <sup>2</sup> Includes non-recurring income of \$3,215,287 (60¢ a share) from sale of Elliott-Automation Ltd. shares. <sup>3</sup> Includes Decca Records on "pooling of interest" basis. <sup>4</sup> Not available.

<sup>5</sup> Record. <sup>6</sup> After \$1.1 million reserved for anticipated losses on fixed-price govt. contracts.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
AB-PT	Q	\$0.25	Sep. 15	Aug. 24
AT&T	Q	.90	Oct. 1	Aug. 31
Disney Productions	Q	.10	Oct. 1	Sep. 14
Famous Players				
Canada	Q	.25	Sep. 7	Aug. 22
GPE	Q	.30	Sep. 15	Aug. 30
Hazeltine	Q	.20	Sep. 14	Aug. 31
Litton Industries	Stk.	2½%	Dec. 17	Dec. 3
Maxson Electronics	Q	.05	Aug. 31	Aug. 15
Minnesota Mining & Mfg.	Q	.20	Sep. 12	Aug. 24
TraVler	Stk.	5%	Sep. 28	Sep. 14
Wurlitzer	—	.20	Sep. 1	Aug. 15

Philco has been licensed by Fairchild Camera & Instrument to use latter's planar process in manufacture of semiconductor devices. Fairchild reported it will license other semiconductor manufacturers, is now negotiating agreements.

**Ampex Sets Record Quarter:** Peak sales and profits were posted by Ampex in fiscal-1963's first quarter ended July 31 (see financial table). Earnings multiplied more than 12-fold to \$878,000 from \$71,000 year-ago quarter. Sales jumped 24% to \$21.5 million from \$17.4 million.

Pres. William E. Roberts said incoming orders during quarter soared 52% to \$26.3 million from \$17.3 million in May-July 1961. Order backlog was at record \$33.6 million. Roberts also noted that Ampex would spend more than \$9 million this year on development and engineering, compared with \$7.6 million in preceding fiscal year.

Reports & comments available: International Resistance, comment, Penington, Colket & Co., 70 Pine St., N.Y. 5 • Raytheon, comment, Sutro Bros. & Co., 120 Broadway, N.Y. 5 • Medallion Pictures, discussion, Hancock Securities, 79 Pine St., N.Y. 5 • Zenith, discussion, A. M. Kidder & Co., One Wall St., N.Y. 5 • Victorian Instruments, discussion, Bruns, Nordeman & Co., 52 Wall St., N. Y. 5.

Litton Industries split its common shares 2 for 1.

# WEEKLY **Television Digest**

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The authoritative service for executives in all branches of the television arts & industries

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## SUMMARY-INDEX OF WEEK'S NEWS

### Broadcast

**'INTERNATIONAL BROADCAST OFFICE,'** proposed by Minow's asst. Tedson Meyers to oversee all aspects of broadcasting for overseas consumption, receiving favorable consideration on White House & State Dept. levels (p. 1).

**ARMED FORCES TV SERVICE** sets sights seaward, studying expansion of its land station network to fleet capital ships (p. 2).

**HEW'S ETV SURVEY** contains few surprises, NAEB study group recommending tripling of present ETV allocations to 1,197 (p. 3).

**'MINORITY PROGRAMMING'** eyed as possible key to uhf success. Spanish-language chain, with backing of Azcarraga, has access to huge output of Mexican network. New trend to bilingual TV, with radio providing simultaneous translation (p. 3).

**'PRE-RELEASE' BUYING POLICY** is now way of life in Canada for U.S. distributors who want to sell film shows there. Virtually all U.S.-made film series scheduled for fall in Canada will run several episodes ahead of U.S. network version (p. 4).

**LIMITS ON COMMERCIALS** should be considered by FCC if self-regulation fails, Minow says; expresses hope for exploration of easing multiple station ownership limits (p. 5).

### Consumer Electronics

**COLOR TUBE OUTPUT** to begin soon at National Video; GE tube dept. starts production of Kimcode barefaced tube (p. 7).

**UHF TUNER STANDARDS** given to FCC by industry committee: maximum noise, 18 db; sensitivity limit, 8 db lower than vhf. Remote-control talk centers on continued use of uhf strips (p. 7).

**COMPONENTS MAKERS NET BIG MIDYEAR GAINS:** 19 representative firms produce combined first-half sales of \$792 million—nearly \$90 million ahead of year-ago's \$702.2 million; profits rose \$7.4 million to \$31 million from \$23.2 million in Jan.-June 1961 (p. 8).

**FTC READIES NEW PRICE GUIDE:** 1962 edition of 1958 "Guide To Deceptive Pricing" is in final preparation stages, likely will roll from presses this fall. It will add new clarification to pricing rules & restrictions (p. 10).

**123 MILLION TRANSISTORS** at midyear. EIA figures show that although first-half factory sales jumped more than 34 million units over Jan.-June 1961, dollar value declined some \$6.9 million to \$150.2 million from \$157.1 million (p. 11).

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**GOVT. CONSIDERING 'INTERNATIONAL BROADCAST OFFICE':** Now under careful study at White House & State Dept. is comprehensive proposal for govt. "Office of International Broadcasting" to coordinate & supervise all aspects of extensions of U.S. TV-radio to foreign countries. Understood to be receiving favorable reception from administration, proposal was submitted by FCC Chmn. Minow's administrative asst. Tedson J. Meyers, who presumably would run project if govt. buys it.

Proposal was submitted last May 24 B.T. (Before Telstar), but advent of satellite TV makes it even more timely. It was mentioned in these pages last month (Vol. 2:31 p1) and received headlines last week as result of leak to United Press International. News stories gave impression entire proposal was concerned with "program control" to make sure programs shown overseas conform with U.S. foreign policy.

Although relationship of programming & foreign policy received considerable treatment in Meyers' 20-page memo, it was far from only topic discussed. Meyers refused last week to elaborate on study or reveal contents, except to say he was "concerned lest [UPI report] give the impression that I have recommended a form of program control for international TV. . . . I have not recommended anything of the kind."

Study is not official FCC document, although Meyers said his boss, Chmn. Minow, knew he was preparing it. Here's digest of actual proposals made in Meyers' memo:

Now is time for administration to "exploit the potential power of international TV & radio broadcasting in our national interest." To implement this proposal, it was suggested that administration establish—within State Dept. or Executive Office of President (probably the former)—"a focal point" whose first job would be to "define goals to guide development of international radio & TV as effective goals of foreign policy."

Among "programs which can be undertaken immediately" by such an office, Meyers listed: (1) U.S. assistance in development of foreign broadcasting systems. (2) Mobilization of American broadcasting resources to serve U.S. assistance programs. (3) Encouraging private American investment in TV overseas. (4) Stimulating development of manufacturing & repair facilities overseas by U.S. TV-radio manufacturers. (5) Expanded research to develop low-cost TV transmitting & receiving equipment. (6) Assisting literacy campaigns overseas with help of U.S. educational broadcasters, universities & foundations. (7) Preparation for live & delayed international TV broadcasts. (8) Planning policies to assure entree for U.S. programming into foreign broadcasting systems. (9) Planning for use of foreign programming in U.S. (10) Stimulating production of programs which can best serve U.S. foreign policy objectives. (11) Development of licensing & operating regulations for U.S. international TV transmission and "foreign policy guidance" for those administering them. (12) "Resolving whether it is desirable to establish criteria for the content of American programming displayed overseas—and, if so, how such criteria should be determined & applied."

Meyers' proposal, certain to become highly controversial, points principally to need for over-all authority to guide U.S. use of TV in all its facets in worldwide battle for men's minds. He points out, for example, that long before Telstar it had been possible to link entire Western Hemisphere for live TV, and suggests that if this link already existed "its usefulness in helping to launch the Alliance for Progress would have been obvious."

NBC Chmn. Robert Sarnoff seemed to anticipate furor over some parts of Meyers' proposal when he made statement (in one of his periodic letters to TV-radio editors) last week before report leaked:

"The attention generated by Telstar has led to the suggestion that, in the interests of America's image before the world, the govt. should somehow sit in judgment over the programming that broadcasters may transmit overseas by satellite. . . . No attempt, however well-intentioned, to 'improve' America's image by govt. interference on programming could possibly gain advantages which would offset the damage done to that image by the very act of governmental tampering with free expression."

**ARMED FORCES TV NETWORK SETS SIGHTS SEAWARD:** Nine-year-old highly successful Armed Forces TV Service now has its eyes on the fleet, looking into possibilities of stations for Navy's capital ships.

Service now has some 38 TV stations serving more than 350,000 military personnel & dependents at remote & isolated posts around the world. Programs are the best, mostly kinescoped from U.S. networks. Its production budget would turn a commercial TV executive's hair white—\$700,000 per year. On this it turns out 60 hours of programming weekly at its Los Angeles headquarters.

This is possible because of "remarkable" assistance & cooperation from networks, sponsors & entertainment unions, according to Lt. Col. Gordon Furbish, Deputy for Programs, Radio-TV Div., Directorate for Armed Forces Information & Education. Commercial network shows are kinescoped at Los Angeles, with all commercials deleted, unless they are part of background or program title.

Service has about reached saturation point in land troop installations, is working on setting up similar stations on some 25 major ships, such as aircraft carriers. Most large capital ships already have closed-circuit facilities aboard, simplifying problem immensely. Also being mulled, Furbish says, is possibility of small networking operations between groups of ships in convoys, etc.

Growing problem for AFTV stations in some areas is conflict with exported U.S. programs being shown on country's local stations, Furbish revealed. U.S. networks allow service to film & rebroadcast their shows without charge, only stipulation being that military will not use program if it is being telecast locally. With steadily increasing volume of U.S. program exports, this has caused some difficulties. Of weekly 60 hours of programs sent to the 2 AFTV outlets in Panama, for example, only about 45 can be used; the other 15 hours are shown on local TV. Service attempts to remedy this by sending alternate shows to these areas.

Service has another five stations on way, in Japan, Turkey, Pakistan, Aleutian Islands; no more are planned after this.

**HEW'S ETV SURVEY CONTAINS FEW SURPRISES:** Massive ETV study by National Assn. of Educational Bcstrs. for Health, Education & Welfare Dept.'s Office of Education was released last week. As expected, NAEB found large-scale deficit in channels for needs of ETV over next decade, called for allocation of 1,197 channels, 922 more than existing 275.

Other highlights of report, entitled *The Needs of Education for TV Channel Allocations*: (1) School systems report greater need for ETV than colleges & universities. (2) Primary ETV channel in communities, wherever possible, should be vhf. Explains report: "It is obviously futile to broadcast on frequencies (uhf) which cannot be received by the community." (3) FCC should by policy give education equal consideration with any other broadcasting service in contests for specific unreserved channels. (4) A primary ETV service covering wide area which can be received on area's sets is vital to nationwide system of instruction & education. This objective should guide FCC in revision of rules & reallocations of channels. (5) Because of shortage of channels, education must oppose plans to abandon any areas of vhf band. (6) Where feasible, ETV vhf "drop-ins" should be permitted.

Each community or educational complex using ETV systematically will need from 2 to 12 channels for simultaneous broadcasting, survey reports. Most of these will be uhf. Report also recommends additional study of special frequencies for airborne or satellite ETV broadcasting.

Volume is 181 pages, with numerous maps and proposed ETV allocations, available for \$9.25 from Supt. of Documents, U.S. Govt. Printing Office, Washington 24.

**TELECASTERS LOOK AT 'MINORITY PROGRAMMING':** Many radio broadcasters discovered long ago that specialization is key to survival in AM's crowded spectrum. It hasn't really been necessary in TV up to now, but independents and prospective uhfers are beginning to look seriously at so-called "minority programming" to help them carve their niche in video without network affiliation.

First field being eyed seriously is foreign-language telecasting. Although some stations have been programming occasional foreign-language series as part of regular schedule, prospective telecasters in areas with large Spanish-speaking populations really pricked up their ears when the operator who probably owns interests in more TV stations than anyone else in world began sparking Spanish-speaking uhfs in continental U.S.

That man is Emilio Azcarraga, head of Mexico's big Telesistema, which has interests in vast majority of that country's 23 TV outlets. Azcarraga also owns 20% interest (maximum permissible by an alien) in Spanish International Bcstg. Co., operator of Spanish-speaking KWEX-TV (Ch. 41) San Antonio, holder of CP for now-building KMEX Los Angeles (Ch. 41) and applicant for N.Y.C. area's Ch. 37 (assigned to Paterson, N.J.).

Interestingly, Spanish International faces competition for N.Y. area uhf from another old hand at non-English broadcasting—Fortune Pope, whose foreign-language WHOM & WHOM-FM are fixtures on N.Y. Spanish-language radio scene. Headed by Rene Anselmo, Spanish International has access to vast output of Mexican TV, can become in some respects almost a U.S. extension of Telesistema Mexicano network.

Among other "minority interest" uhf projects are United Bcstg. Co.'s (Richard Eaton) proposed nucleus of little network catering to Negro population. His WOOK-TV (Ch. 14), now building in Washington, D.C., presumably is patterned after radio WOOK, also geared to Negro interests. He has CP for WTLF (Ch. 24) Baltimore, which plans similar programming.

Except for a few commercial independents which have taken on slight "cultural" tinge or "movie theater" image, there's little else in way of specialized programming at present. One proposal—by upcoming KAEI (Ch. 29) Dallas—ran afoul of FCC because it was too specialized. Station had proposed program aimed almost entirely at financial community—with stock-market quotations, etc. Commission requested more program balance. After proposed programming schedule had been amended, KAEI received CP, but authorization to start is now being held up because FCC says it didn't build in accordance with specifications of application.

You'll undoubtedly see plenty more applications for special-group programming on uhf band. Meanwhile, several TV stations have started experimenting with new technique—simultaneous translation of TV sound via radio.

In areas with large foreign-language populations, value of this system is obvious. Spanish-speaking

listener, for example, turns TV sound down, tunes to Spanish-language radio station for his audio. Even commercials can be integrated, with audio in English (TV) and Spanish (radio) accompanying same video picture.

In Miami, with large Cuban refugee population, WLBW-TV's 6:15 p.m. newscast is translated simultaneously on WMIE (Vol. 2:34 p6). Competitor WCKT announced, meanwhile, that its 6 & 11 p.m. newscasts will be translated simultaneously into Spanish by Miami radio WFAB.

Same technique has been tried with baseball telecasts, and may begin on large scale in N.Y. in Oct. WPIX there plans to telecast one-hour taped highlights of Puerto Rican League games played previous day, with commentary in English, while local radio outlet gives synchronized Spanish play-by-play. It's understood Schaefer beer is interested in sponsorship of both TV & radio versions of Oct.-Dec. series.

Interesting version of same technique will be tried by N.Y.'s new ETV station WNDT (Ch. 13) for benefit of that "minority" of metropolitan area's cultural leaders who don't speak French. Station plans to run Sept. 17 French-language show "A la Recherche d'Albert Camus," originally shown by Radiodiffusion-Télévision Française. For those dolts whose French is a little rusty, non-commercial WRVR (FM) will give simultaneous English translation.

**CANADA'S HEADSTART ON U.S. FILMS:** Virtually every U.S. film show due to be seen on either of Canada's TV networks this fall has been bought on a "pre-release" basis. Started by CBC-TV nearly 4 years ago as polite request, pre-release is now firm policy for CBC, CTV and many Canadian stations which buy filmed shows from U.S. sources only where Canadian showings will precede U.S. showings by a week or two, or more.

Main reason for policy is to avoid watering-down Canadian TV audiences in TV markets such as Toronto, Windsor, Montreal and Vancouver, which are also covered by U.S. stations. A CBC-TV official in Toronto put it this way: "Our pre-release policy on film shows provides a useful fringe benefit to sponsors as well as more flexibility in our programming."

Pre-release demand can be enforced by Canadian buyers, thanks to BBG rule which specifies 55% of Canadian network fare must be produced in Canada. This leaves American distributors, with bumper crop of film shows, scrambling for berths within only 45% of Canadian TV time. To some extent, pre-release applies to purchase of syndication film properties and feature films in border markets as well.

List of pre-released shows for 1962-63 season in Canada indicates importance of running headstart for Canadian networks & stations. Among CBC-purchased shows which will televise episodes prior to U.S. network telecast of same series are: *Walt Disney, Hazel, Danny Thomas, Car 54, Perry Mason, My 3 Sons, Ben Casey, Defenders, True, Empire* and *Beverly Hillbillies*. CTV's pre-release roster includes: *Sam Benedict, Eleventh Hour, Dr. Kildare* and *Stoney Burke*, plus local-market deals on such film series as *Gunsmoke* and *77 Sunset Strip*.

Promotional point is made by Canadian stations carrying such shows, with billboards, tune-in ads etc. featuring U.S.-produced film shows while pointing up themes of "See it first on . . ." or "If you watched it on Buffalo TV, you missed it on. . . ." Same point is made to advertisers, although Canadian salesmen try not to point out that the pre-release situation may well produce a bonus audience in U.S. of people near border who like to peek at the last chapter of mystery novels.

U.S. film distributors don't seem alarmed by situation. "The fact that there are 2 Canadian networks now buying pre-released shows calls attention to it," said one export sales chief. "Hasn't hurt our U.S. ratings as far as we know," said another N.Y. film executive.

Push for televised Senate sessions came last week from Sen. Javits (R-N.Y.), who introduced resolution (S. Res. 378) for himself and Sen. Morse (D-Ore.), to amend Senate rules to permit TV or radio coverage "from time to time." Senate now allows coverage of committee hearings at discretion of chairmen; House has always excluded broadcasters completely. Javits resolution is unlikely to get anywhere this late in session, will undoubtedly be re-introduced in January. NAB Pres. LeRoy Collins lost no time in praising Javits and endorsing the legislation. Said Gov. Collins: "We at NAB are pleased to have such a staunch ally in our campaign to secure greater access for electronic journalism."

**FCC Limits on Commercials?** "Clear & certain limits" by FCC on number & length of commercials might be necessary if self-regulation doesn't work. So said FCC Chmn. Newton N. Minow in interview published by newsletter of National Audience Board.

"The time is past due to 'put up or shut up' on self-regulation," said Minow. "If the broadcasters are unable to achieve self-discipline, the Commission may have to adopt a rule on commercials which does apply to everyone." He suggested NAB Code provision as "guideline." As to commercial content, he said this was no business of FCC.

On other subjects, the chairman: (1) Foresaw need for 4th commercial TV network some time in future. (2) Predicted regular use of TV satellites for special events in late '60s. (3) Expressed hope "the Commission and the industry will explore" such subjects as possible easing of multiple station ownership limits "in the next few months."

**Goldwater's Vast Wasteland:** Comes now Sen. Barry Goldwater (R-Ariz.) with harsh words for everybody's favorite whipping-boy, U.S. TV. "It's barbaric," he told Greek-American dinner audience in Chicago last week. Goldwater used ancient Hellenic culture as standard for rating TV, said the old Greeks provided model against which to measure the theatre for all time. Castigating TV for its "meaningless violence and sex," he told group: "Your ancestors would look upon us with pity."

**Limit children's TV viewing,** former HEW Secretary Abraham Ribicoff urges in September *McCall's* magazine "Mothers and fathers who let their kids sit like vegetables in front of a TV set are doing a disservice to the children and themselves," he asserts. Ribicoff states that many parents, educators & public-spirited citizens are worried about quality of TV, are anxious to see more ETV development.

Newest tall-tower entry is WKRC-TV Cincinnati's 971-footer, claimed to be 4th largest self-supporting tower in world. Built at cost of \$500,000, station reports structure will extend station coverage to additional 400,000 viewers in 1,650 sq. mile area. Tower is equipped with GE helical antenna, adapted by Taft Bcstg. engineering vp William Hansher.

Nearly 18% of U.S. TV homes have 2 or more sets, ARB reported last week on basis of 3-month multi-TV-home study. Breakdown shows more than 16% of homes have 2 sets and over 1% have 3 or more TVs. ARB also reported that more than 7% of all U.S. homes can now receive signals from uhf stations.

**Sale of WTVW Evansville, Ind.** by Ferris E. Traylor, Rex Schepp & Miklos Sperling to Producers Inc. for \$514,800 has been approved by FCC. Producers is owned 50% by Traylor family, 50% by Polaris Corp., real estate & equipment leasing company.

**New Canadian starter, CFTK-TV Terrace, B. C.,** with satellite at Prince Rupert, B. C. will begin about Oct. 15. Station will be supplementary, non-connected affiliate of CBC English TV network's Pacific region.

**Quick estimates of spot costs** can be made with 31st edition of Katz Agency's *Spot Television Advertising Cost Summary*. Publication lists market-by-market rates for nighttime half-hours and 20-sec. announcements; daytime one-min. and 20-sec. spots; late night one-min. spots, on one-time, 6-plan & 12-plan basis. Copies are available to advertisers & agencies from Katz, 666 Fifth Ave., N.Y. 19.

Westinghouse Broadcasting's plan to finance Broadway plays and televise taped versions of them on opening night (Vol. 2:34 p1) ran into opposition—of the verbal type, at least—last week. Cross-section of Broadway producers & theater owners who would comment—including Billy Rose, Michael Myerberg & Cy Feuer—said they opposed plan. One report stated that WBC had offered to back forthcoming production by Fred Coe & Arthur Cantor—both of whom have extensive TV backgrounds—and was turned down. Pay-TV proponents generally scoffed at plan as unrealistic and no threat to them. Pres. Solomon Sagall of Teleglobe, for example, expressed doubt that showing of play on WBC's 5 outlets could offer enough financial incentive to producers.

**Add broadcasters into CATV:** Jefferson Standard Bcstg. (WBTW & WBT Charlotte, WBTW Florence), controlling stockholder in group that includes Communications System Corp. & Spencer Kennedy Labs, has proposed to underwrite Florence (N.C.) Cable Co. for \$400,000 for system in Florence. System would include 50 miles of cable, later expanding to 75, bringing subscribers 7 commercial channels, S.C. ETV network, and 24-hr. time, weather, & temperature service. If approved by Florence City Council, system would go into operation by Dec. 1, charging \$20 installation fee, \$5 monthly.

**Pa. CATV Assn. will install gratis master antenna TV** reception system at Pa.-operated Polk State School & Hospital, Polk, Pa. CATV group made offer on learning that institution has never been able to use its 58 TV sets, bought by state in 1956, because \$27,000 appropriation for installing master antenna system was never granted. Pa. CATV will furnish all material, equipment & labor for 3-channel b&w and color TV system.

**New CATV system,** now under construction, will serve Endicott & Union, N.Y. with signals from 3 stations in N.Y., 2 in Scranton-Wilkes-Barre, plus FM & background music. Tri-Town Video is owned by William Calsam group, operator of CATVs in Delhi, Oneonta, Norwich & Sidney, N.Y.

More than 30 CATV system officials have enrolled in NCTA's first annual management institute Aug. 26-29 at U. of Wisconsin, Madison.

"Evolution of FM Radio" highlights *Journal of Broadcasting* Summer issue. Other articles: "Research in Broadcasting," "Discharge of Station Employes," "Radio in Presidential Campaigns," "Law of Broadcasting," "Ecology of Broadcasters in the U.S." Quarterly is available for \$6 per year from Assn. for Professional Bcstg. Education, 1771 N St., N.W., Washington 6.

**Will balloons replace microwave towers?** An Australian scientist, identified as Prof. V. Hopper, reportedly is experimenting with captive weather balloons for use as low-cost long-distance TV relays. He's quoted as saying experiments will take about year, and first lighter-than-air relay station could be established within 2 years.

**License revocation of KPSR(FM) Palm Springs, Cal.** for failure to have full-time licensed first-class operator, unauthorized transfers and misrepresentations to Commission (Vol. 2:27 p6), was finalized by FCC Aug. 20.

**N.Y. area educational WNDT (Ch. 13)** will have gala opening Sept. 16, with FCC Chmn. Newton N. Minow & USIA Dir. Edward R. Murrow as speakers.

**Ziv-UA Inc. changes name to United Artists TV Inc.** Sept. 1.

## Personals

Armand Grant, ABC-TV dir. of daytime programming, becomes daytime programming vp, succeeding Giraud Chester, who has rejoined NBC-TV as program administration chief . . . Grant Tinker promoted to NBC West Coast program operations vp; Edwin S. Friendly Jr. moves up to special programs vp . . . Sanford C. Cummings, ABC vp & ABC-TV western div. program dir., resigns effective mid-September, will announce plans then.

John Porter, NBC national advertising & promotion dir., resigns, no future plans announced . . . Robert T. Goldman, ex-ABC-TV spot sales dept., promoted to asst. to pres., ABC-TV o-&o stations.

John D. Scheuer Jr. promoted to Triangle Stations administrative executive, a new post; Dick T. Hollands, ex-NBC International, named Triangle Stations personnel mgr., also new position; Martin Colby promoted to eastern TV sales mgr., another new post; Rex Morgan promoted to WFIL-TV & WFIL Philadelphia special events dir.

Martin Weldon, Metropolitan Bestg. news & special events dir., resigns to become N.Y. Democratic campaign dir. for TV, radio, advertising. He'll form new agency, Public Affairs Projects Inc., to handle assignment. Paul Rust promoted to Weldon post.

E. Jonny Graff, ex-NTA east coast sales vp, named Independent TV Corp. syndication sales vp . . . Selwyn Ginsler, ex-UA Canadian TV mgr., appointed Seven Arts Canadian sales dir., Toronto . . . Arthur Price promoted to exec. asst. to the president, General Artists TV dept., Beverly Hills, Cal. . . Richard E. Davis, BBDO TV-radio copy supervisor, elected a vp.

G. O. Markuson, ex-Hearst Corp. exec. vp, named pres., Television City Inc. (WTAE) Pittsburgh . . . Robert S. Buchanan promoted to WJW-TV Cleveland gen. mgr., succeeding Joseph Drilling, resigned to become Crowell-Collier Bestg. pres.; Linton Wells, prominent author & newsman, appointed Storer Washington correspondent . . . Mark Woodlinger, ex-WMBD-TV & WMBD Peoria, appointed vp-gen. mgr. of Grand Rapids-Kalamazoo Ch. 13, due on air Nov. 1.

Dan W. Shields, NAB special asst. for TV, resigns Sept. 17 to become exec. asst. to president Clair McCollough, Steinman Stations.

Tom Bostic, KIMA-TV & KIMA Yakima, Wash., elected to AP Radio-TV Assn. board; Tom Eaton, radio WTIC Hartford, Conn., Robert E. Schmidt, radio KAYS Hayes, Kan., Dwight Martin, WDSU-TV New Orleans, all re-elected to board.

Charles G. Pogan promoted to vp, Capital Cities Bestg. . . . John S. Kirk promoted to sales mgr., WABC-TV N. Y. . . . Don Menke named mgr., WFBM-TV and WFBM Indianapolis.

Robert L. Owens, ex-mgr. of KXGO-TV Fargo, N. D., named to similar post with KXJB-TV Valley City, N. D. & radio KXGO Fargo . . . Tom Parrington promoted to asst. mgr., WKY-TV Oklahoma City.

Robert F. Fuzy, ex-educational WOSU-TV & WOSU Columbus, O. operations mgr., appointed gen. mgr. of educational KVCR-TV & KVCR-FM San Bernardino, Cal. and chmn. of San Bernardino Valley College telecommunications div. . . . Duane Franceschi, ex-educational WNED-TV Buffalo production mgr., appointed program mgr. of educational WFSU-TV Tallahassee.

W. Forrest Morrow promoted to WSJV-TV South Bend, Ind. operations mgr.; James E. Blacklaw moves up to production mgr. . . . Bill Williams promoted to program mgr., WNEP-TV Scranton-Wilkes-Barre; Tom Bigler, ex-WILK-TV Wilkes-Barre, Pa. program & news dir., appointed WNEP-TV news & public affairs dir.

Donald Scott Thomas, KTBC-TV & KTBC Austin, Tex. attorney, & board member, elected to American College of Trial Lawyers.

Network TV gross time billings totaled \$63,722,372 in June, 12.2% above June 1961's \$56,788,579, TvB reports. Billings for first half of 1962 were \$387,722,615, up 11.6% over same period last year's \$347,313,741. Jan.-June network billings: ABC-TV, \$100,690,335, up 6.4% from 1961 period's \$94,636,040; CBS-TV, \$149,443,593, up 16.2% from \$128,636,037; NBC-TV, \$137,638,687, increase of 11% from \$124,041,664. Daytime billings increased 15.4% in first 6 months this year, from \$104,691,977 to \$120,780,344. Night-time rose 10%, \$242,621,764 to \$266,992,271. Spot billings in first half of 1962 totaled \$371,531,000, up 19.1% from same 1961 period's \$311,927,000.

New spot TV advertisers totaled 214 in 2nd quarter, TvB reports. Of last year's top 100 advertisers, 22 had 26 brands using spots for first time during quarter.

Trend toward color commercials gets big boost this fall with some of biggest advertisers planning to make their pitches in hue, as reported in *Advertising Age* survey. Ford Motor, reportedly envious of Chevrolet's color commercials on *Bonanza* and *Dinah Shore Show*, has switched its *Hazel* to color this season, with NBC picking up most of added tab. Other big sponsors moving to color are P. Lorillard's Kent & Newport cigarettes, American Tobacco, R. J. Reynolds, Liggett & Myers, Chrysler.

European TV will lag as long as it's under govt. control, according to pres. Charles R. Farran, Griswold-Eshleman Advertising. Recently returned from AFA-sponsored European tour, he told *N.Y. Herald Tribune* advertising columnist Joseph Kaselow that in Germany, where commercials are run in 3 or 4 5-min. bunches daily, there is 400% backlog of advertisers waiting to get on air. This, he pointed out, can be big plum for the politico who determines which shall be seen.

FCC granted extension for filing of comments in FM allocation proceeding, at request of NAB—until Oct. 1, replies Oct. 16.

North Dakota KX Network (KXJB-TV Valley City-Fargo, KXMB-TV Bismarck, KXAB-TV Aberdeen, KXMC-TV Minot, KDIX-TV Dickinson) names Young TV national rep.

Reservation of Ch. 44 Boston for ETV has been requested by WGBH Educational Foundation there.

### Obituary

Kirkham Wright Torney, 53, Seven Arts station representatives sales dir., died Aug. 19 in Norwalk, Conn. Prior to joining Seven Arts, he operated Torney Bush retail TV chain in California, and was associated with MCA. His widow, 3 sons survive.

Ruth Warburton, ABC-TV on-the-air promotion supervisor until her retirement in July, 1961, died Aug. 18 at Lake Crystal, Mich., was buried there Aug. 20. Two sons survive.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**NATIONAL VIDEO TO COLOR, GE TO KIMCODE:** Even in these pre-Labor Day dog days, there's plenty stirring in picture tube industry. More specifically—National Video soon will begin mass production of color tubes; GE's cathode ray tube dept. starts output of Kimcode tubes today (Aug. 27).

National Video, largest independent picture tube manufacturer, is expected to announce this week that it will begin production of color tubes shortly. At press time, start-up date and type of tube weren't known. However, it's understood National Video believes it will be 2nd manufacturer to make color tubes, which would make date some time before end of this year, since Sylvania & Rauland have both announced they'll be in color tube production early next year.

National Video has been working with Motorola in development of 23-in. rectangular shadow-mask color tube using b&w-type glass. Nevertheless, it would be surprising to see National Video start out production with anything but conventional 21-in. round type.

GE today becomes 2nd tube maker to go into production of Kimcode tube, which requires no external implosion glass. Company begins output for unnamed customer, which presumably will have barefaced-tube sets in its 23-in. line this fall.

National Video, first producer of Kimcode tubes, now is shipping about one truckload a day, will switch production soon to "Kimcode Phase 2," slightly lighter weight version with more desirable viewing area for easier masking (Vol. 2:30 p8), for which UL listing is expected momentarily.

Kimcode is available only in 23-in. size so far, but 19-in. version is due soon and Kimble Glass Co. is expected to sample tube makers with 16-in. bulbs in mid-September.

First set maker to use Kimcode, incidentally, is understood to be Curtis Mathes, believed to be switching entire 23-in line to new tube.

There's been no stampede to Kimcode so far, but set makers are expressing such great interest in it that there seems little doubt it will be standard fixture on TV scene. Process was developed by Kimble Glass Co., but it's not illogical assumption that there'll soon be Corning version of bulb for Kimcode process—although we don't think it'll be called "Corncode."

**FCC GIVEN PROPOSED UHF TUNER STANDARDS:** In harmonious meeting which lasted only one hour, industry ad hoc committee of TV receiver & tuner manufacturers turned over to FCC its proposals for minimum standards for receiver performance under all-channel set law.

Proposals were simple, involving only 2 figures to govern noise level & sensitivity. They're realistic "state-of-the-art" measurements, and vast majority of all-channel sets being made today would conform with them. Under ægis of EIA, ad hoc engineering committee headed by Philco's Harris O. Wood had previously gotten views of 21 TV set makers representing 97% of U.S. TV receiver production, as well as 7 tuner manufacturers (Vol. 2:33 p7).

Here are industry's 2 major proposals for uhf tuner specifications and how they were arrived at:

(1) Noise figure should be set at specific maximum of 18 db across entire uhf band. Survey of set maker engineers showed that average limits for all-channel sets currently in production was 16 db. Set makers chose 18-db maximum by 18-2 vote (2 abstentions).

(2) Sensitivity figure was set in terms of ratio to performance level of vhf tuner in same set. This was done because "over-all sensitivity is primarily dependent on additional IF amplification provided in the

receiver, generally in the vhf tuner." Engineers voted to set limit of uhf sensitivity at 8 db lower than vhf, by 13-2 vote. Limit of uhf sensitivity in present sets is about 6 db lower than vhf.

Industry recommended that FCC consider 2-year time limit (after U-day) on these standards. Reasoning was that "advances in the art, brought about by competition, will, during that time, obviate further necessity for this requirement."

Group made no recommendation on FCC's question of "ease of tuning," simply assuring FCC engineers that "push-button, as well as other means of tuning, has been, and will continue to be, actively pursued."

Subject of remote controls, strangely, took up 20 minutes of hour's FCC-industry discussion. Industry engineers said best method of extending wireless remote control to uhf at present time is by use of uhf turret-tuner strips, installed in addition to continuous uhf tuners. Would sensitivity & noise limit provisions apply also to uhf strips? Consensus at FCC was that legally they wouldn't—but that it would be difficult for manufacturer or installer to get away with noisy or insensitive uhf strip, because consumer could make direct comparison between reception of same uhf channel on strip & on continuous tuner in same set.

FCC personnel at meeting, headed by associate chief engineer Ralph J. Renton, praised industry for its "efficient & expeditious" response to Commission's request for recommendations.

Committee will return to FCC this week—Aug. 28—to file industry-wide cost of pushing "U-Day"— date of complete conversion to all-channel set production—to July 1963. Industry previously had recommended date of July 1964, is now being surveyed on added cost in scrapped tooling, etc., to achieve earlier date. Cost is expected to be prohibitive, presumably will be submitted to head off any protests that date has been set too far ahead.

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Commission is expected to give all-channel law implementation top priority when members return from vacation next week. Chief engineer's office hopes to have proposal ready for agenda by first fall Commission meeting Sept. 5. Next move would be notice of proposed rule making, setting forth suggested standards & U-Day, allowing 30 days for comments, 10 more days for counter-comments. Proposals could be finalized early in November—but there's many a slip, and realists at FCC are shooting for finalization early next year.

It's probable that no hearings will be held on proposals. Although some uhf telecasters may be dissatisfied with length of time before U-Day, they may well be quite hesitant to request hearings—knowing that this could be self-defeating by prolonging effectiveness of law even further.

**COMPONENTS MAKERS NET BIG MIDYEAR GAINS:** Accelerating their strong first-quarter come-back from dismal 1961 (Vol. 2:14 p9), representative components & tube makers gained momentum in 2nd quarter and closed out 1962's first half with impressive gains in sales & profits.

Combined sales of 19 firms shot nearly \$90 million ahead of their Jan.-June 1961 volume. Their aggregate profits jumped \$7.4 million. These gains compare impressively with those of our first-quarter analysis (Vol. 2:21 p9). At end of 1962's first 3 months, 20 components & tube makers were \$59 million ahead of their Jan.-March 1961 sales pace. Their combined first-quarter profits were \$2.9 million better than year ago.

Like their OEM customers (Vol. 2:34 p7), components & tube makers showed no signs of sales-profits slowdown as result of stock market slump & recession talk. Conversely, first-half trend indicates OEM's suppliers are headed for highly profitable year.

Many of 19 firms in our first-half analysis are major factors in military production of components & tubes. Some also make products other than tubes & components. However, they are representative of TV-radio components industry & clearly reflect sales & profit trends. Firms analyzed are CTS Corp., Clevite, Dynamics Corp. of America, Gabriel, General Bronze, Globe Union, Indiana General, International Resistance, P. R. Mallory, Muter, National Union, Oak Mfg., Sangamo Electric, Sonotone, Sprague Electric, Standard Kollsman, Texas Instruments, Thompson Ramo Wooldridge, Tung-Sol.

Combined first-half sales of these 19 representative components & tube makers rose to \$791,950,358 from \$702,168,498 in Jan.-June 1961. Their profits jumped to \$30,574,336 from \$23,160,340—after deducting

Sangamo Electric's first-half loss of \$494,000 and \$574,688 in losses registered by 2 manufacturers in the 1961 period. Sangamo's loss, it must be noted, followed "abnormal charges" of \$833,000 occurring when Marion, Ill. plant was closed and its machinery & operations shifted to Pickens, S.C. In 2nd quarter, Sangamo earned \$725,000, compared with \$421,000 a year earlier.

Overwhelming majority of these 19 companies—15 out of 19—improved first-half sales over a year ago. Even more impressive, 16 of 19 earned more than they did in 1961's first half, and 18 operated in black. Two manufacturers with first-half losses a year ago rebounded into profit column: General Bronze, to \$13,695 from loss of \$393,738 & Sonotone, to \$150,895 from \$180,950 loss.

Record sales & profits were registered by Dynamics Corp. of America, International Resistance and Sprague Electric. Oak Mfg. & Clevite scored record sales. International Resistance also had record sales & earnings in 1962's first quarter, and Oak Mfg. had record first-quarter sales.

Most of 16 firms that bettered year-ago profit did it impressively. Thompson Ramo Wooldridge, for example, shot up to \$6.4 million from \$2.1 million. Muter rose to \$142,977 from \$41,003. Oak Mfg. more than tripled earnings to \$620,568 from \$187,520. National Union more than doubled profits to \$545,801 from \$231,062. Other marked profit gains: Dynamics Corp. of America—to record \$1.8 million from \$881,840. Indiana General—\$1.2 million from \$770,604. CTS Corp.—\$1 million from \$745,055. Sprague Electric—record \$3.3 million from \$3 million.

Sales gains were no less impressive. Thompson Ramo Wooldridge climbed nearly \$31 million to \$231.6 million from \$200.9 million. Dynamics Corp. of America jumped to record \$37.8 million from \$22.2 million. P. R. Mallory rose to \$49.1 million from \$41.4 million. Other notable gains: Muter—\$8.1 million from \$6.3 million. Globe Union—\$31.9 million from \$26.4 million. Indiana General—\$14.1 million from \$10.3 million. Oak Mfg.—record \$15.8 million from \$11 million. Tung Sol—\$35.6 million from \$31.4 million. CTS Corp.—\$13.8 million from \$9.6 million. Sprague Electric—\$42.5 million from \$37.1 million.

Sales & profit declines were registered by Standard Kollsman & Texas Instruments. Former's sales slipped to \$46.2 million from \$51.7 million. Profits dipped to \$1.4 million from \$1.6 million. Texas Instruments' sales lagged behind \$119.7 million vs. \$119.9 million, but profits tumbled to \$4.8 million from \$6.4 million in Jan.-June 1961. General Bronze also declined in sales—to \$8.1 million from \$9.6 million—but, as noted before, reversed 1961's first-half loss of \$393,738 with a \$13,695 profit. Sangamo Electric, which wound up in red vs. year-earlier's \$811,000 profit, also showed first-half sales decline—to \$24.4 million from \$24.6 million.

Here's 1962-vs.-1961 first half performance of 19 representative components & tube manufacturers:

	Sales		Earnings	
	1962	1961	1962	1961
CTS Corp. ....	\$ 13,763,321	\$ 9,581,479	\$ 1,034,820	\$ 745,055
Clevite .....	53,555,494	46,700,745	3,879,108	2,423,739
Dynamics Corp. of America .....	37,782,572	22,226,614	1,752,354	881,840
Gabriel .....	16,788,085	15,459,250	693,762	345,142
General Bronze .....	8,071,763	9,567,702	13,695	(393,738)
Globe Union .....	31,881,107	26,390,545	1,232,132	865,695
Indiana General .....	14,068,216	10,250,925	1,188,052	770,604
International Resistance .....	14,286,212	10,946,738	1,165,873	929,468
P. R. Mallory .....	49,078,494	41,360,943	2,050,379	1,839,973
Muter .....	8,109,340	6,340,930	142,977	41,003
National Union .....	18,375,580	16,513,449	545,801	231,062
Oak Mfg. ....	15,769,956	11,009,138	620,568	187,520
Sangamo Electric .....	24,379,000	24,636,000	(494,000)	811,000
Sonotone .....	10,527,606	10,236,607	150,895	(180,950)
Sprague Electric .....	42,463,100	37,066,358	3,265,122	2,960,166
Standard Kollsman .....	46,157,144	51,745,707	1,420,497	1,615,967
Texas Instruments .....	119,736,000	119,860,000	4,784,000	6,374,000
Thompson Ramo Wooldridge .....	231,589,854	200,879,678	6,414,666	2,071,337
Tung Sol .....	35,567,514	31,395,690	713,635	641,457
<b>TOTALS</b> .....	<b>\$791,950,358</b>	<b>\$702,168,498</b>	<b>\$30,574,336</b>	<b>\$23,160,340</b>

**FTC READIES NEW DECEPTIVE PRICING GUIDE:** FTC is preparing to throw book at fictitious pricing practices. It's the 1962 edition of "Guide to Deceptive Pricing," last issued in 1958. Updated version is now at staff level, is slated for early submission to Commission, likely will start rolling off presses this fall.

New edition will add much information & clarity to pricing situation, although it will contain no rules per se that weren't in 1958 book, we were told. Recent litigations, coupled with new FTC decisions (Vol. 2:26 p14), have put new interpretations on old rules, shed light on previously little-known restrictions.

"Nooks & crannies in the pricing field never before litigated have become illuminated in light of recent FTC decisions and court cases," we were told. "The 1962 Guide will update all rulings and use many more examples than the 1958 version to elaborate on and to clarify pricing rules."

In view of current agitation, and widespread interest, in areas of pricing practices, FTC's 1962 Guide could be runaway best-seller. However, when approved, it will be available without charge. More than 200,000 copies of 1958 Guide were distributed by FTC. Noted one FTC staffer, regretfully: "If they'd let us put a sexy jacket on this book and a fair price, we'd all be rich in no time."

**TV-RADIO PRODUCTION:** EIA statistics for week ended Aug. 17 (33rd week of 1962):

	Aug. 11-17	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	107,160	129,822	142,040	3,984,632	3,599,022
Total radio	349,425	270,801	379,898	11,244,297	9,529,113
auto radio	120,123	131,299	124,867	4,047,001	3,016,005

## TOPICS & TRENDS

Fourth great area of business for electronics in next decade will be production of power by direct conversion from light & heat energy, RCA Pres. Dr. Elmer W. Engstrom told Wescon banquet in Los Angeles last week. He compared its business potential with that of TV, radio & solid-state electronics, and urged electronics industry to make required investments in money & development to translate military breakthroughs in this field into industrial & commercial applications.

Dismissal of misrepresentation charges against Jerrold Electronics in connection with its "TV Receptor" (Vol. 2:2 p9) was recommended by FTC hearing examiner in initial decision issued last week. Examiner Joseph W. Kaufman ruled that: (1) FTC complaint counsel relied on "scientific semantics plus a report of doubtful persuasiveness in proving misrepresentation," rather than testimony from consumers or experts; (2) there was no rebuttal to "voluminous proof" supplied by Jerrold; (3) there was no proof that Jerrold's claims were false; (4) Jerrold stopped making device 2 years before issuance of complaint, anyway—and "this type of product [designed to use house wiring as antenna] is dead due to the bad name created by the product" of another firm.

New TV importer: Sharp Electronics Corp., 1270 Avenue of the Americas, N.Y. (Herman Marsen, national sales mgr.) will import Hayakawa TVs, radios, phonos, etc., under "Sharp" brandname. Now on display at Sharp showroom are battery-operated 8-in. TV designed to list at \$229.95 and 16-in. portable with "introductory promotional" retail price of \$129.95. Future plans include importing of 21-in. color set in January, with 19- & 23-in. lines to come later. Sharp is currently negotiating for distributors in principal U.S. areas.

Add first-half financial reports: Muntz TV earnings more than doubled in 1962's first 6 months as sales took a healthy bounce. Although Muntz TV's fiscal year ends Aug. 31, Pres. Wallace A. Keil told us Jan.-June profits rose to \$360,322 from \$147,210 in 1961's Jan.-June period. Sales climbed to \$5,890,703 from \$4,560,273. With addition of Muntz TV's figures, our first-half analysis of TV set makers (Vol. 2:34 p7) now covers 12 firms. All netted substantial profit improvement over 1961's opening half. Only 2 of 12 failed to increase sales.

Pacific Mercury will begin color TV production next spring. Pres. Joe Benaron said Pacific Mercury will produce sets for Sears Roebuck under license from Warwick Mfg., which will design & engineer Sears' 1964 color TV line. Both Pacific Mercury and Warwick are affiliated with Sears. Warwick is currently producing Sears' entire color TV line, and will continue to make color sets for Sears.

Manufacturers' 1961 TV receiver shipments totaled 6 million sets valued at \$805 million, Census Bureau reported. This was 6% gain over 1960's 5.6 million units & 4% ahead of 1960's \$755 million value. Home radio shipments slipped to \$172.7 million from 1960's \$180.1 million; radio-phono combos increased to \$128.7 million from \$91.4 million, according to Census. Figures differ from EIA statistics, which give factory TV sales as 6,155,222 at \$832 million, factory radio sales (excluding auto) as \$209 million (Vol. 2:18 p7).

**Trade Personals**

Norman E. Galentine, ex-Philco Distributors, named mgr. of distributor operations, Sylvania Home Electronics Corp. . . . Harold F. Rieth, chief engineer of Packard Bell Home Products Div., named dir. of R&D; his department currently is developing "new wireless remote control concept, an indoor antenna for color TV and a remote uhf tuner."

Lord Nelson of Stafford named English Electric Co. chmn. & chief exec. officer, succeeding his father, the late Lord Nelson, who died last month; G. A. Riddell & E. B. Banks named joint managing dirs.

T. C. Wisenbaker retires from Raytheon after 19 years, succeeded as vp-gen. mgr. of Missile & Space Div. by Lt. Gen. Donald N. Yates (USAF, ret.).

William R. Simpson elected pres. of Lionel Corp. subsidiary Dale Electronics, succeeding George Risk, who continues as dir.

Rubie Saranik named selenium operations mgr., General Instrument's Rectifier Div . . . Milton T. Fuglesang, ex-Delmonico International, appointed Admiral room air conditioner sales mgr.

Doris Shaffner appointed NARDA membership dir., also assumes editorship of *NARDA News*, succeeding Don Andreas, resigned.

John P. Maguire Jr. elected General Dynamics secy., succeeding Allen D. Marshall who has been named pres. & chief exec. officer of United Student Aids Funds Inc.

Thomas P. Orso named controller, Adler Electronics.

**Obituary**

Donald A. Shaw, 62, RCA manufacturing & services divisions' senior counsel for personnel, died of a heart attack Aug. 16 while on business trip to RCA's Cherry Hill, N.J. facility. He lived in Newtonville, Mass., had been with RCA since 1951.

Raymond J. Ridge, 69, retired Westinghouse patent attorney, died Aug. 20 at Fitzgerald Mercy Hospital, Lansdowne, Pa.

Ravenswood Corp. has opened new hq. & production plant in Annapolis, Md., at McGuckian & Edgewood Sts. In addition to new 38,000-sq.-ft. Annapolis plant, Ravenswood has warehouse facilities at Hagerstown, Md.

Distributor Notes: Olympic appoints Modern Wholesale Distributors, Nashville. . . . John W. Miller appointed gen. sales mgr., Philco Distributors, Cleveland.

**123 Million Transistors at Midyear:** Transistor industry's price-profit decline is clearly evident in first-half results, released by EIA last week. Factory sales of transistors were up more than 34 million units over Jan.-June 1961—but dollar value declined by some \$6.9 million. First-half unit sales climbed to 123,025,915 from 88,682,882; dollar value dropped to \$150,237,229 from \$157,120,149.

June factory transistor sales rose to 21,776,037 units valued at \$26,374,356. However, although sales jumped nearly 4 million units, value inched ahead to only \$26,374,356 from \$26,148,746 in June 1961. Here are EIA's figures:

	1962		1961	
	Units	Dollars	Units	Dollars
January .....	17,238,376	\$ 21,459,598	12,183,931	\$ 22,955,167
February .....	20,239,880	24,151,155	13,270,428	25,699,625
March .....	22,932,655	28,202,422	15,129,273	29,815,291
April .....	19,621,048	25,097,960	15,072,064	27,388,278
May .....	21,217,919	24,951,738	15,128,181	25,113,042
June .....	21,776,037	26,374,356	17,899,005	26,148,746
<b>Totals .....</b>	<b>123,025,915</b>	<b>\$150,237,229</b>	<b>88,682,882</b>	<b>\$157,120,149</b>

Out of frying pan dept.: June imports of Japanese transistor radios dropped to 728,751 from 768,544 in June 1961, after showing gains in previous months. However, imports from Hong Kong skyrocketed to 156,000 in 1962's first 4 months from less than 5,000 in Jan.-April 1961, and Aug. 23 *Wall St. Journal* notes "Hong Kong gains a bigger share of the market for transistor radios selling for less than \$10." Transistor World, importer of Toshiba radios, reports sales down about 10% from a year ago.

Auto TV sets will be sold by car dealers throughout Japan through contract signed by Sony Corp. and Toyota Motors Sales Co., according to reports from Tokyo. Deal provides that Toyota dealers will sell Sony's transistorized 5-in. TV, which is designed for operation on 12-volt auto battery and has bracket for mounting on rear of car's front seat for viewing by back-seat passengers.

First annual Japan Electronics Show will be held Sept. 20-29 at Harumi Fair Grounds, Tokyo. Sponsored by EIA of Japan, it will feature exhibits by more than 200 Japanese manufacturers. Further information is available from EIAJ, Japan Trade Center, 389 Fifth Ave., N.Y. 16 (Murray Hill 3-6260).

End of an era: The 14-in. tube, long Japan's most popular TV size, is going out of production. Asahi Special Glass Co. has discontinued production of 14-in. bulbs, replaced by 16-in. square-cornered type.

## Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Curtis Mathes	1962—year to May 31 1961 <sup>1</sup>	\$ 31,934,640	—	\$ 2,512,340	—	—
Sangamo Electric	1962—6 mo. to June 30 1961—6 mo. to June 30	24,379,000 24,636,000	\$ (1,192,000) 1,544,000	(494,000) <sup>2</sup> 811,000	— \$0.50	1,637,545 1,634,123
Silicon Transistor	1962—qtr. to June 30 1961—qtr. to June 30	623,000 439,000	— —	73,000 <sup>3</sup> 27,000	.15 .05	516,250 516,250

Notes: <sup>1</sup> Not available because of change in accounting period. <sup>2</sup> After "abnormal charges" of \$833,000 involved in closing Marion, Ill., plant

& shifting machinery & operations to Pickens, S.C. facility. <sup>3</sup> Record.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
American Bosch Arma	Q	(omitted Aug. 22)		
Andrea Radio	Q	\$0.12½	Sep. 15	Aug. 31
Globe-Union	Q	.30	Sep. 8	Aug. 31
Indiana General	Q	.20	Sep. 10	Aug. 27
Pathe Equipment	—	.05	Sep. 1	Aug. 15
Sprague Electric	Q	.30	Sep. 14	Aug. 28
Time Inc.	Q	.75	Sep. 10	Aug. 23
Zenith	Q	.20	Sep. 28	Sep. 7

Desilu stockholders voted down a cash dividend by 10-to-1 margin at annual meeting last week. Responding to shareholder disgruntled because Desilu has paid no quarterly cash dividend on common stock since Feb.-1961 payment, Pres. Desi Arnaz said company is reinvesting money, called for vote "to see if the stockholders want cash dividends." Administration & finance vp Edwin E. Holly told shareholders Desilu will show profit for first fiscal quarter ended July 31, compared with year-ago loss of \$130,638. Arnaz said 1963 fiscal year will be "one of the best" in Desilu history, said 4 Desilu-owned TV shows will be on networks this fall, vs. only one a year ago.

Troubled 20th Century-Fox is setting its sights on TV as a way out of its financial difficulties. New Pres. Darryl F. Zanuck said after board meeting last week that he had asked directors for "full authority" to organize "complete TV dept." No field, he said, "presents a greater opportunity." 20th's first-half operating loss totaled \$12,456,457 and Zanuck predicted full-year losses would be \$25 million. Directors voted to omit dividends on common stock.

Electro-Science Investors will convert from electronics-oriented small business investment company to full-scale venture capital investment firm, following stockholder approval last week (Vol. 2:33 p10). They also approved doubling authorized common shares to 10 million, voted distribution to themselves of 5½%, 10-year debentures on basis of one debenture for each share held. Chmn. James J. Ling said principal amount of debentures probably would be valued at "\$1 to \$1.25 per share of ESI stock."

Globe-Union will split its capital stock 3 for 2 if stockholders approve at special Oct. 18 meeting. Directors also have indicated plans "to increase the dividends on the split shares by 10%, earnings commencing with the December dividend payment," reported Pres. C. O. Wanvig Jr. "It would result in a 22¢ quarterly payment on the new shares." Globe-Union also reported it will apply for listing on N.Y. Stock Exchange.

Storer Bestg. anticipates record revenues & profit rise this year over \$4,453,681 earned in 1961 on \$31,160,791 sales. "Business looks good for the rest of the year," reported exec. vp Stanton P. Kettler. "Ad budgets look as if they're going to be higher this fall, and we're expecting our proportionate share."

Japan Business Automation Co., formed to sell computers and lease computer time, has been founded by Tokyo Shibaura Electric Co. (Toshiba), Fuji Telecasting Co., Japan Engineering Consultant Corp. and Tosho Co. It's capitalized at about \$139,000.

Reports & comments available: CBS, comment, H. Hentz & Co., 72 Wall St., N. Y. 5. Vornado, comments, Bioren & Co., 1508 Walnut St., Phila. 2, Pa. Litton Industries, discussion, Gruntal & Co., 25 Broad St., N. Y. 4. International Resistance and AT&T, analysis, Orvis Brothers & Co., 15 Broad St., N.Y. 5. A. C. Nielsen, discussion, Loewi & Co., 225 E. Mason St., Milwaukee 2. GT&E, review, Walston & Co., 120 Broadway, N.Y. 5.

Mergers & acquisitions: Silicon Transistor has purchased for about \$500,000 in cash & stock Secoa Electronics, Westbury, L. I. Hewlett-Packard will acquire for stock, if boards of both companies agree, Neely Enterprises, North Hollywood, Cal. electronic sales rep. firm.

Philco filed charges with American Arbitration Assn. last week against 2 IUE locals involved in recent 3-day work stoppage at its 6 Philadelphia-area plants (Vol. 2:34 p11). Philco asked AAA for damages, charged IUE locals with supporting stoppage in violation of their no-strike contracts.

Olympic has introduced 8-transistor AM portable radio at open list. Unit features heavy-duty speaker, 5-inch ferrite antenna. AC adapter, available at extra cost, converts set for playing on house current, also is used for recharging batteries.